COMMISSIONERS GOLD LIMITED

ANNUAL REPORT 2013

ABN 79 115 845 942

Cover image: Carbon-in-leach (CIL) tanks at the Mollehuaca plant

CORPORATE DIRECTORY
COMMISSIONERS GOLD LIMITED

ABN 95 112 425 788

ASX: CGU

Directors

Chris Battye Executive Chairman

Robert Waring Non-Executive Director

Wesley Harder Non-Executive Director

Management

Jason Needham Exploration Manager & COO

Keith Taylor Company Secretary

David Clark Chief Financial Officer

Registered and Principal Office

Suite 605, 1 Railway Street,

CHATSWOOD NSW 2067 Australia

Telephone: +61 2 9410 3445

Facsimile: +61 2 9410 0458

info@commissionersgold.com.au

www.commissionersgold.com.au

Share Register

Boardroom Pty Limited

Level 7, 207 Kent Street, SYDNEY NSW 2000,

GPO Box 3993, SYDNEY NSW 2001

Telephone: 1300 737 760

Facsimile: 1300 653 459

Solicitor

O'Loughlins Lawyers

Level 2, 99 Frome Street, ADELAIDE SA 5000

Banker

St George Bank

Westpac Banking Corporation

Auditor

KS Black & Co. Chartered Accountants

Level 6, 350 Kent Street, SYDNEY NSW 2000

COMMISSIONERS GOLD LIMITED

is named after the Gold Commissioners of Australia's first Gold Rush

LETTER TO SHAREHOLDERS

Dear Fellow Shareholder

Over the past 12 months your Board has led the transition of the Company from junior explorer (funded by dilutive future capital raisings) to the point of being a cash generating unit capable of funding exploration and project development in part or in whole from its own gold production cash flow.

As you are aware, we sought and found a low risk favourable mining jurisdiction in Peru and quickly focussed on becoming a modest gold producer by investing in Goldsmith Resources SAC, for a 25% interest. In joint venture with Australia Gold Corporation and SC Investments, Commissioners Gold completed a $1.8m refurbishment of the Mollehuaca Gold Plant. Project management, legal, accounting, engineering, geology, security and logistics expertise is all in place. Indeed, the Goldsmith Resources management team was significantly strengthened post balance date, to boost our capability in the gold mining business.

Five critical new managers were appointed, responsible for Lead Project, Mining, Mine Geology, Finance and Permitting. In addition, Australian engineering and completion expertise have been added through a residential Lead Project Manager, responsible for overseeing the overall execution of the mining and treatment projects. Our Australian Lead Project Manager is supported by a bilingual assistant.

With the completion of plant commissioning at Mollehuaca, gold production will be ramped up to a forecast 8,700-10,400 ounces per annum of gold in 2x carbon-in-leach (CIL) circuits. Inclusion of the flotation circuit is forecast to increase gold production to around 14,200-17,100 ounces per annum.

Your Company's wider strategic plan in Peru has been to identify satellite mines either in production or with near-term production potential, offering a modest entry cost and scalability. Both Saulito and Eladium projects met this Company criteria and will provide multiple sources of high grade ore to the plant.

Saulito, our first satellite development, is a high grade gold and copper-gold mesothermal vein system currently in low tonnage production. It contains at least two mineralised corridors. The target head grade is a promising 12 to 16 g/t gold.

The Company's Peruvian cash flow will empower CGU to pursue larger opportunities there, to re-invest in potentially company-making projects identified during the 2012-2013 Joint Venture with Australia Gold. We have a number of the following projects in the negotiation pipeline: Piura Au-Ag-Pb (Cu-Zn); Duarco Au-Ag-Cu-Pb; Huaraz Ag (Pb-Zn±Au); Ananea placer Au; Tambo Cu-Au; and Acari Cu-Au.

Back home in New South Wales we have not been idle on the former BHP goldmine at 'Cowarra'. Field trips and concept studies continue the investigation into the feasibility of extracting a bulk sample of around 9,000 tonnes (at around 15 g/t gold), after re-entering and rehabilitating the existing workings. It is anticipated the 240N Winze would be opened up to access the Ambassador Adit with a view to rehabilitating the Ambassador shaft. A small (2.5m x 2.5m) decline is however the preferred option in the longer term, which would provide flexibility to continue to the west to pick up the Victoria lode and to investigate the Independent lode on the way through.

Your Board continues firmly of the view, in the face of difficult equity markets, that CGU's Peruvian investment remains the most timely and cost effective platform from which to propel the Company into gold production.

Yours sincerely,

Chris Battye

Executive Chairman

TABLE OF CONTENTS

CORPORATE DIRECTORY 1
LETTER TO SHAREHOLDERS 2
DIRECTORS' REPORT 4
INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY 6
OPERATIONS REPORT 8
REMUNERATION REPORT (Audited) 13
SCHEDULE OF TENEMENTS 18
CORPORATE GOVERNANCE STATEMENT 19
AUDITOR'S INDEPENDENCE DECLARATION 22
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 23
STATEMENT OF FINANCIAL POSITION 24
STATEMENT OF CHANGES IN EQUITY 25
STATEMENT OF CASHFLOWS 26
NOTES TO THE FINANCIAL STATEMENTS 27
DIRECTORS' DECLARATION 57
INDEPENDENT AUDITORS REPORT 58
ADDITIONAL SHAREHOLDER INFORMATION 60

DIRECTORS' REPORT

Your Directors submit the annual financial report of Commissioners Gold Limited for the financial year ended 30 June 2013. In order to comply with the provisions of the Corporations Act, the Directors' report as follows:

Directors

The names of Directors who held office during or since the end of the year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

- Christopher Battye (appointed 19 August 2005)
- Wesley Harder (appointed 17 February 2010)
- Robert J Waring (appointed 29 November 2010)

Names, qualifications, experience and special responsibilities

Christopher Battye

Executive Chairman

Qualifications: *BLegS*

Mr Battye provided the impetus in founding Commissioners Gold Limited in 2005 as a New South Wales focused gold exploration company. He worked as a machine sapphire miner on the Anakie Field, Queensland before admission as a solicitor in 1984. Chris has worked for a major law firm in Sydney as well as regional law firms in Bathurst and Ballina. In the late eighties, he purchased one of the oldest Sydney practices, transforming it into a low cost high volume retail conveyancing business with five outlets.

Wesley Harder

Non-Executive Director

Qualifications: *BSc. Dip SIA. MAusIMM*

Mr Harder is a former gold analyst with Jackson Ltd Stockbrokers and has also worked as a gold, mining and resource analyst with stockbrokers Ord Minnett and Frank Renouf. He has also worked as a field exploration geologist for some 15 years in Australia and its near neighbours searching for a range of mineral commodities including gold, copper, uranium and coal for major companies such as Placer Prospecting, Newmont Mining Inc., and Pancontinental Mining Limited. He was a founding Director and CEO of Zinico Resources NL and its successors for a period of seven years and has conducted his own consultancy firm for many years. Mr Harder is also Director and Exploration Manager at Orpheus Energy Limited (ASX: OEG).

Robert Waring

Non-Executive Director

Qualifications: *BEc (Sydney), CA, FCIS, FFin, MAusIMM, FAICD*

Mr Waring's experience has been gained over 35 years in financial and corporate roles including 20 years in company secretarial roles for ASX listed companies and 16 years as a Director of ASX listed companies. Mr Waring has had 29 years' experience in the mining industry and prior to that, nine years with an international firm of chartered accountants. He is a Director of the Oakhill Hamilton Pty Ltd, a group which provides corporate advisory and company secretarial services to a range of listed and unlisted companies. He was a Director of ASX listed PlatSearch NL for 15 years up until 31 December 2010.

Management

Jason Needham

Exploration Manager & Chief Operations Officer

Qualifications: *BSc (Hons), MAIG*

A geologist with more than 13 years' experience in the resource exploration industry, Jason Needham's career has spanned a range of gold, mineral sands, coal, gas and geothermal projects in eastern Australia. He was most recently Exploration Manager for an international gas company in Australia, and has worked for listed resources entities, exploration and engineering consultancies and the Geological Survey of NSW. Jason is a member of the Australian Institute of Geoscientists.

Keith Taylor

Company Secretary

Qualifications: *MCom, MBA, CPA, FCIS, FFin.*

Mr Taylor is an experienced company secretary having previously served ASX listed company boards and a number of private companies. Keith is a consultant for Novus Capital Limited, a licensed dealer in securities. His previous positions have included work at the Australian Securities Commission and eight years with an Australian Merchant Bank providing advice on mergers and acquisitions, tax effective funding and corporate restructuring.

David Clark

Chief Financial Officer

Qualifications: *CA, CPA, ACS, B Comm. (UNSW), MBA Executive (AGSM), Registered Tax Agent*

Mr Clark is a Chartered Accountant, Chartered Secretary and Registered Tax Agent of over fifteen (15) years standing and holds a Bachelor of Commerce degree from UNSW and a Master of Business of Administration (Executive) from the Australian Graduate School of Management. Mr Clark is principal of D.W. Clark & Co., Chartered Accountant, an innovative, results-driven chartered accounting practice providing corporate financial, taxation and secretarial services and advice to listed and unlisted companies in the mineral exploration and oil and gas industries.

Figure 1: CGU Director Wes Harder at the Mollehuaca Plant in Peru

INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY

Directors' Shareholdings

The relevant interest in ordinary shares in the Company held by each Director of the Company as at the date of this report is as follows:

30 June 2013	Balance at beginning of the Year	Granted as remuneration during the Year	Issued on Exercise of Options during the Year	Other changes during the Year	Balance at end of the Year
Chris Battye	8,000,000	-	-	5,000	8,005,000
Wesley Harder	450,000	-	-	111,111	561,111
Robert Waring [1]	75,000	-	-	666,666	741,666
Total	**8,525,000**	**-**	**-**	**-**	**9,307,777**

30 June 2012	Balance at beginning of the Year	Granted as remuneration during the Year	Issued on Exercise of Options during the Year	Other changes during the Year	Balance at end of the Year
Chris Battye	8,000,000	-	-	-	8,000,000
Robert McCauley [2]	800,000	-	-	-	800,000
Wesley Harder	450,000	-	-	-	450,000
Robert Waring	40,000	-	-	35,000	75,000
Total	**9,290,000**	**-**	**-**	**-**	**9,325,000**

[1] In addition, RJ Waring is a Director and substantial shareholder in, but he does not have a relevant interest in, Spencer Hamilton Limited, a company which holds 260,000 ordinary shares in Commissioners Gold Limited and in Oakhill Hamilton Pty Ltd, a company which holds 10,000 ordinary shares in Commissioners Gold Limited.

[2] Not re-elected at the 2011 AGM held 12 December 2011

No ordinary shares were issued by the Company during or since the end of the financial year as a result of the exercise of an option. There are no unpaid amounts on the shares issued.

Directors' Options and Rights Holdings

The following relevant interests in options of the Company were held by the Directors as at the date of this report.

30 June 2013	Balance at beginning of period	Granted as remuneration	Options exercised or vested	Net change Other	Balance at end of period
Chris Battye	-	-	-	-	-
Wesley Harder	-	-	-	-	-
Robert Waring	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

30 June 2012	Balance at beginning of period	Granted as remuneration	Options exercised or Vested	Net change Other	Balance at end of period
Chris Battye	-	-	-	-	-
Robert McCauley [1]	1,500,000	-	-	-	1,500,000
Wesley Harder	-	-	-	-	-
Robert Waring	-	-	-	-	-
Total	**1,500,000**	**-**	**-**	**-**	**1,500,000**

1. Not re-elected at the 2011 AGM held 12 December 2011

Dividends

No dividends have been paid or declared since the start of the financial year and/or the Directors do not recommend the payment of a dividend in respect of the financial year.

OPERATIONS REPORT

Principal Activities

The principal activity of the Company during the year was the exploration for mineral resources, in particular gold, and the development of a small gold producing asset in southern Peru.

Review of Operations

Goldsmith Resources SAC (CGU 25%)

In December 2012, Commissioners invested US$400,000 to earn 25% in the Peruvian mining company Goldsmith Resources SAC (GSR), a company owned by three Australian companies (including CGU), focused on gold production assets in southern Peru.

Goldsmith Resources is currently commissioning the Mollehuaca Gold Plant which has both carbon-in-leach (CIL) and flotation treatment circuits with a total capacity around 150 tonnes per day (45,000 tonnes per annum). Activity at the plant is currently focused on function testing the crushing, milling and leach components on the plant and getting the tailings field completed for operation.

Ore feed to the plant is scheduled initially to be delivered from both the satellite Saulito and Eladium mining projects.

During the Project Acquisition JV (see below), a number of small mining projects within proximity to the Mollehuaca Gold Plant were evaluated. In late July 2013, agreement was reached to vend both Saulito and Eladium into Goldsmith Resources (CGU 25%) in the interests of vertically aligning the business in southern Peru. The transactions mean CGU will receive up to US$120,000 in staged cash payments from investment partner SC Investments No 1 Pty Ltd, which represents a premium on expenditure on the two projects to date. The timetable for the payments to CGU includes US$35,000 upfront (payment received on 15 August 2013), followed by production milestone payments of US$35,000, US$30,000 and US$20,000 once mill throughput reaches 20, 30 and 50 tonnes per day, respectively, at an average grade above 8g/t Au. Despite reducing CGU's equity in the small mining projects from 50% to 25%, the move is a positive for the Company as it ensures that the ore produced can be treated at Mollehuaca.

Figure 2: location of Goldsmith operations

The Goldsmith management team in Peru has been significantly expanded in recent weeks in order to boost capability and management experience in the gold mining business. Five critical new management positions have been filled to drive the business forward to first gold production. These positions will be responsible for Lead Project, Mining, Mine Geology, Finance and Permitting. Australian engineering and completion expertise have been added to Peru via a residential Lead Project Manager on secondment from Envirocon, and is responsible for overseeing the overall execution of the mining and treatment projects. The Lead Project Manager is supported by a new bilingual assistant.

Figure 3: the Goldsmith team in Peru

Forward Programme

Work on the Mollehuaca Gold Plant is currently in the commissioning phase, with most of the circuit components having been function tested in 'dry' (no ore) trials.

The tailings field is the only major component outstanding at this stage. Despite delays to date, the completion of the tailings field in expected within the next five weeks, pending finance, enabling the plant to enter production operations.

Production Forecast

Gold production from Mollehuaca is scheduled to commence immediately after the tailings field is completed. In the meantime, ore produced from startup operations at the Saulito Mine will be stockpiled.

Initial production will focus on the small CIL 'A' circuit to establish the operation, deliver modest cashflow and funds to ramp up production at Saulito and Eladium mines and increase throughput at the plant.

Treatment circuit	**CIL A**	**CIL B**	**Flotation**	**Total**
Implementation	Stage 1	Stage 2	Stage 3	
Capacity (tonnes per annum)	9,600	19,200	19,200	48,000
Gold production (ounces per annum) at the target 8-12g/t Au head grade	2,320 - 3,480	4,640 - 6,960	4,440 - 6,670	11,400 - 17,110
CGU 25% interest (ounces per annum)	580 - 870	1,160 - 1,740	1,110 - 1,670	2,850 - 4,280

Table 1: estimated production forecast for Goldsmith Resources

Project Acquisition JV

In July 2012 Commissioners entered into an agreement with Lima–based unlisted resource junior, Australia Gold Corporation Limited (AGC), for a 50/50 project acquisition joint venture to identify and acquire resource projects in Peru. The JV commenced on 2 July 2012 and ran for a period of nine months, during which a numerous projects were evaluated and a select number pursued for follow up.

Under the agreement, CGU funded an aggressive programme of project identification and field-based evaluation. The due diligence process was conducted by CGU's management team and AGC's existing team of resource industry professionals. Partnering with Lima-based Australia Gold Corporation was seen as a critical factor for initial success, providing CGU access to a dedicated team with a strong operational presence in the country, an extensive network of contacts and established local resources.

It is hoped that the JV will create a beneficial long term partnership between Commissioners and AGC, which has so far resulted in the joint acquisition of a number mining and mineral treatment projects, largely focused on gold, which are now held by Goldsmith Resources (CGU 25%).

Forward Programme

The acquisition JV has officially ended, however CGU retains a pipeline of quality projects ready to deploy once funding from Goldsmith Resources derived cashflow is established.

Cowarra (CGU 50%, earning 85%)

The Cowarra Gold Project, Commissioners flagship project on listing on the ASX in September 2011, has not gone unattended during the past 12 months.

Commissioners continues to assess options regarding the Cowarra Project, with a particular view to delivering maximum value for the JV partners. A number of options are currently under investigation, including:

- Expand on resources identified during previous drilling campaigns with additional targeted drilling along strike.
- Recovery of remnant mineralisation within unmined areas of the Cowarra Mine.
- Underground recovery of high grade mineralisation in the Ambassador lode.
- Open cut mining operations centred around an existing JORC inferred resource of 37,000 ounces of gold (501,000 tonnes at 2.3g/t Au).
- Treatment of old mine tailings from the Cowarra Mine and surrounding workings.
- Soil geochemical surveys along strike of the main Cowarra group of workings to identify additional drill targets.

Sampling in late 2012 of gold tailings at the historic Polar Star Mine, located 1km south of the main Cowarra Mine, returned high grades of gold (Table 2). A follow up programme of manual auger sampling has since been completed to confirm gold grades at depth within the tailings dump. Assays are currently in progress.

Sample	Au (g/t)	Description
12 PST 01	10.85	Washout exposure in Polar Star tailings dump
12 PST 02	0.985	Washout exposure in Polar Star tailings dump
12 PST 03	5.69	+2mm sieved fraction of crusty limonitic material

Table 2: 2012 samples from the Polar Star tailings field

Forward Programme

Over the coming 12 months, Commissioners plans to conduct technical feasibility studies into the extraction of an underground bulk sample from the Ambassador lode. Development drives installed by previous operators can conceivably be re-entered, dewatered, rehabilitated and used to extract a bulk sample of ore from a known high grade ore shoot in the Ambassador lode.

The Ambassador lode is one of a number of gold bearing lodes that comprise the Cowarra mine complex. Located about 210m east of the Victoria lode, the main source of past mine production, the Ambassador lode was opened up by BHP in the 1940s with a main adit (2 level) and two lower levels connected by a main shaft and a service winze. The workings were abandoned and allowed to flood in 1948 when the mine closed due to labour shortages. In 1987, Horizon Pacific Limited re-entered and rehabilitated the workings and undertook a sampling programme and resource assessment in prelude to mining, before mine closure in 1988 due to the falling gold price.

Pending government approvals, rehabilitation of the existing development drives is expected to cost around $300,000 to $500,000.

Proposed bulk sampling of the ore shoot is targeting approximately 8,000-10,000 tonnes of ore with an average grade of 12-16 g/t gold.

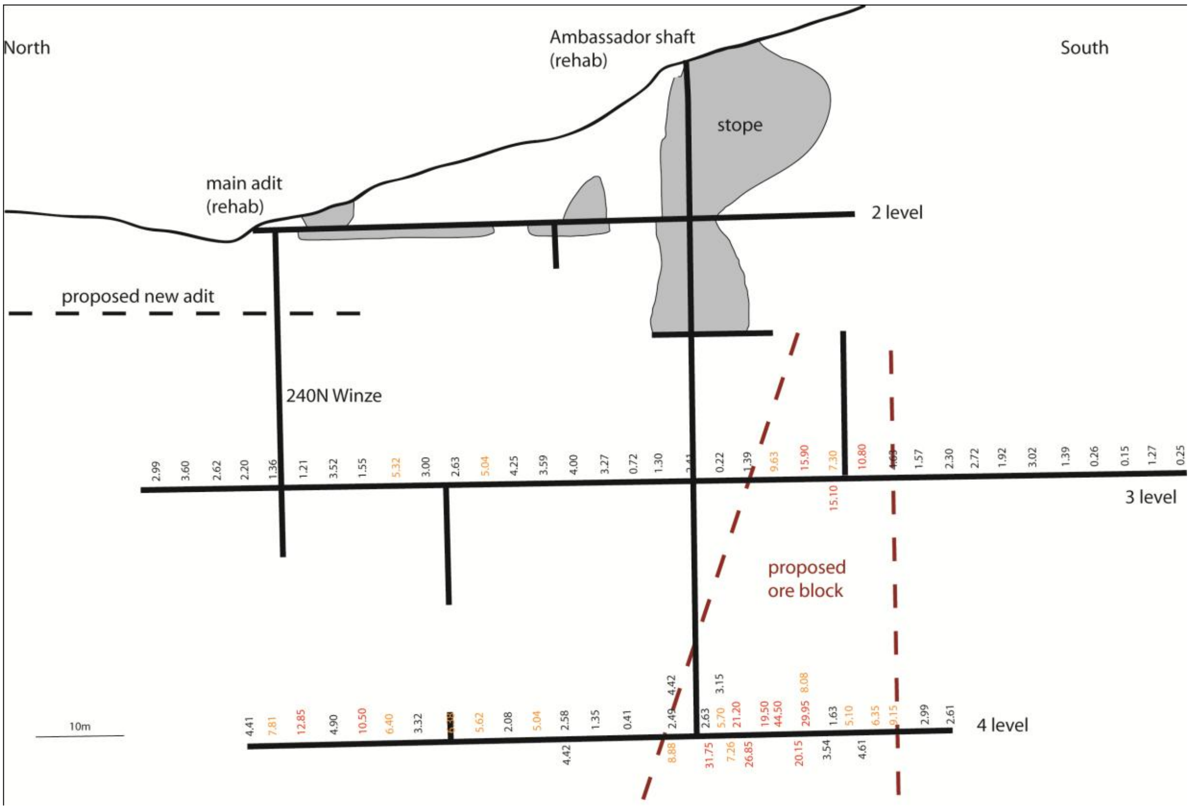

Figure 4: longitudinal section of the Ambassador lode workings and channel sample locations with gold grades (g/t Au)

Conferences

In May 2013, Commissioners Gold was invited to present at the Latin America Downunder Conference held in Sydney, where Exploration Manager and COO, Jason Needham, presented on behalf of the Company.

The conference was very well attended by delegates from South American mining jurisdictions, including the Peruvian Minister for Mines and Energy, HE Jorge Humberto Merino Tafur.

Capital Raisings

During the reporting period, Commissioners conducted several rounds of capital raisings. In total, the Company raised $892,775 to fund ongoing operations in Peru and Australia.

Capital Raising	Date	Shares Issued	Price	Amount Raised
Placement	22 October 2012	4,706,111	$0.045	$211,775
Share Purchase Plan (SPP)	28 November 2012	5,173,318	$0.045	$232,799
Placement of SPP shortfall	21 February 2013	6,626,689	$0.045	$298,201
Placement	22 May 2013	1,111,111	$0.045	$50,000
Convertible Notes	13 June 2013	Not applicable	$0.025	$100,000
				$892,775

During the twelve month period to 30 June 2013, as announced to the Australian Securities Exchange (ASX) on 22 October 2012, 4,706,111 ordinary shares at 4.5 cents each were issued to sophisticated and professional investors and raised $211,775.

In conjunction with this placement, an offer was made to existing shareholders to participate in a share purchase plan (SPP) and 5,173,318 ordinary shares at 4.5 cents each were issued to participating shareholders and raised $232,799. The SPP shortfall of 6,626,681 ordinary shares at 4.5 cents each was placed with sophisticated and professional investors as announced to the ASX on 21 February 2013 and raised $298,201.

A further placement of 1,111,111 ordinary shares at 4.5 cents each was issued to sophisticated and professional investors on 22 May 2013 and raised $50,000.

Since balance date, Commissioners Gold is in the process of raising further funds through the issue of **Convertible Notes** to a number of professional and sophisticated investors to raise up to $450,000. Notes of $25,000 each have 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. If fully subscribed and approved by shareholders, and all note holders elect to convert, this capital raising will result in the issuing of 18,000,000 ordinary shares.

Operating results for the year

The operating loss of the Company, as an explorer, for the financial year under review and after providing for income tax, amounted to $1,559,101 (2012: Loss $935,084).

Review of financial conditions

The Company currently has $51,406 in cash assets, and together with the ongoing successful Convertible Note offer, which the Directors believe puts the Company in an adequate financial position with sufficient capital for the next 6 months to complete existing work progress (refer note 1r).

Risk management

Details of the Company's Risk Management policies are contained within the Corporate Governance Statement in the Directors' Report.

Corporate Governance

Details of the Company's Corporate Governance policies are contained within the Corporate Governance Statement in the Directors' Report.

Subsequent events after balance date

Since the end of the financial year, the Company raised additional funds through the issue of convertible notes to a number of professional and sophisticated investors to raise $50,000.

There has not been any other matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

Environmental legislation

The Company is subject to significant environmental and monitoring requirements in respect of its natural resource exploration activities. The Directors are not aware of any significant breaches of these requirements during the period.

Indemnification and insurance of Directors and Officers

The Company has agreed to indemnify all the Directors of the Company for any liabilities to another person (other than the Company or related entity) that may arise from their position as Directors of the Company, except where the liability arises out of conduct involving a lack of good faith.

During the financial year, CGU paid a premium in respect of a contract insuring the Directors and officers of the Company against any liability incurred in the course of their duties to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Options

During the year, the Company granted 500,000 Options to its Exploration Manager in accordance with his Executive Employment Agreement on the following terms and conditions:

I. 500,000 options each to acquire one ordinary share in the Company at an exercise price of $0.07 and an exercise period expiry date of 31 December 2016; and

II. The Company will not apply for official quotation on ASX of the Options.

No other options over issued shares or interest in the Company were granted during or since the end of the financial year.

REMUNERATION REPORT (AUDITED)

This report outlines the remuneration arrangements in place for Directors and Key Management Personnel of Commissioners Gold Limited (the "company") for the financial year ended 30 June 2013.

The following persons acted as Directors during or since the end of the financial year:

- Christopher Battye
- Wesley Harder
- Robert J Waring

The term 'Key Management Personnel' is used in this remuneration report to refer to the following persons. Except as noted, the named persons held their current position for the whole of the financial year and since the end of the financial year:

- Christopher Battye
- Wesley Harder
- Robert J Waring
- Keith Taylor
- Jason Needham
- David Clark

Remuneration Philosophy

The performance of the Company depends upon the quality of the Directors and executives. The philosophy of the Company in determining remuneration levels is to:

- set competitive remuneration packages to attract and retain high calibre employees;
- link executive rewards to shareholder value creation; and
- establish appropriate, demanding performance hurdles for variable executive remuneration

Remuneration Committee

The Remuneration Committee of the Board of Directors of the Company is responsible for determining and reviewing compensation arrangements for the Directors and the Senior Management team.

The Remuneration Committee assesses the appropriateness of the nature and amount of remuneration of Directors and senior executives on a periodic basis by reference to relevant employment market conditions with an overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team.

Remuneration Structure

In accordance with best practice Corporate Governance, the structure of Non-Executive Director and executive remuneration is separate and distinct.

Non-Executive Director Remuneration

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

Each Director is entitled to such remuneration from the Company as the Directors decide, but the total amount provided to all non-executive directors must not exceed in aggregate the amount fixed by the Company in a general meeting. The aggregate remuneration for all non-executive directors has been set at an amount of $300,000 per annum. The Directors have resolved that non-executive directors' fees will be $35,000 per annum.

The ASX Listing Rules specify that the aggregate remuneration of Non-Executive Directors shall be determined from time to time by a general meeting.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst Directors is reviewed annually. The Board considers advice from external shareholders as well as the fees paid to Non-Executive Directors of comparable companies when undertaking the annual review process.

Each Director is entitled to receive a fee for being a Director of the Company. The Company and Messrs Chris Battye and Wes Harder have agreed to defer payment of Directors fees of $35,000 per annum each from 2 September 2011, the date the company listed on the Australian Securities Exchange (ASX) until such time as the Company is able to make these payments. The amount deferred is expensed and recognised as a current liability.

The remuneration of Non-Executive Directors for the year ended 30 June 2013 is detailed in the Remuneration of Directors and named executives section of this report on the following page of this report.

Senior Manager and Executive Director Remuneration

Remuneration consists of fixed remuneration and Company options (as determined from time to time). In addition to the Company employees and Directors', the Company has contracted key consultants on a contractual basis. These contracts stipulate the remuneration to be paid to the consultants.

Fixed Remuneration

Fixed remuneration is reviewed annually by the Independent Directors' Committee (which assumes the role of the Remuneration Committee). The process consists of a review of relevant comparative remuneration in the market and internally and, where appropriate, external advice on policies and practices. The Committee has access to external, independent advice where necessary.

Fixed remuneration is paid in the form of cash payments.

The fixed remuneration component of the six most highly remunerated Company executives is detailed in Table 1.

Employment Contracts

The Company and Mr Jason Needham are parties to an Executive Employment Agreement dated 1 March 2012 by which the Company employs Mr Needham as Exploration Manager and COO from 1 March 2012. Mr Needham works for the Company on a full time basis. The Company pays Mr Needham a remuneration package of $200,000 per annum, plus superannuation. The Company reviews Mr Needham's performance annually.

Remuneration of Directors and named executives

Remuneration of Directors and named executives

Table 1: Directors' and named executives remuneration for the year ended 30 June 2013

	Short-term employee benefits			Post-employment benefits		Equity		Other	Total	%
	Salary & Fees	Bonuses	Non-Monetary Benefits	Superannuation	Prescribed Benefits	Options	Shares	Deferred Benefits		Performance Related
Christopher Battye	-	-	-	-	-	-	-	35,000	35,000	-
Wesley Harder	-	-	-	-	-	-	-	35,000	35,000	-
Robert Waring [1]	21,374	-	-	-	-	-	-	17,500	38,874	-
Keith Taylor [2]	35,000	-	-	-	-	-	-	-	35,000	-
Jason Needham	200,000	-	-	15,775	-	23,250	-	-	239,025	-
David Clark	31,836								31,836	
Total	**288,210**	**-**	**-**	**15,775**	**-**	**23,250**	**-**	**87,500**	**414,735**	**-**

1. Salary & Fees component paid to Oakhill Hamilton Pty Ltd for corporate advisory services of which Mr Waring is a director and shareholder.

2. Paid to Davington Advisory Pty Ltd for secretarial services of which Mr Taylor is a director and shareholder.

Table 2: Directors' and named executives remuneration for the year ended 30 June 2012

	Short-term employee benefits			Post-employment benefits		Equity		Other	Total	%
	Salary & Fees	Bonuses	Non-Monetary Benefits	Superannuation	Prescribed Benefits	Options	Shares	Deferred Benefits		Performance Related
Christopher Battye	-	-	-	-	-		-	35,000	35,000	-
Robert McCauley [1]	101,770	-	-	4,117	-		-	-	105,887	-
Wesley Harder	-	-	-	-	-		-	35,000	35,000	-
Robert Waring [2]	43,230	-	-	-	-		-	-	43,230	-
Keith Taylor[3]	20,417	-	-	-	-		-	-	20,417	-
Jason Needham [4]	66,667	-	-	5,258	-	17,700		-	89,625	-
Total	**232,084**	**-**	**-**	**9,375**	**-**	**17,700**		**70,000**	**329.159**	**-**

1. Not re-elected at the 2011 AGM held 12 December 2011

2. Paid to Spencer Hamilton Ltd for corporate advisory services of which Mr Waring is a director and shareholder.

3. Paid to Davington Advisory Pty Ltd for secretarial services of which Mr Taylor is a director and shareholder.

4. Commenced employment on 1 March 2012

Directors' Meetings

The number of meetings of Directors (including meetings of committees of Directors) held during the year and the number of meetings attended by each Director was as follows:

	Board Meetings		Committee Meetings Attended		
Director	**Attended**	**Eligible to Attend**	**Audit & Risk Management**	**Remuneration & Nomination**	**Corporate Governance**
Christopher Battye	9	9		1	
Wesley Harder	9	9	2	1	1
Robert Waring	8	9	2		1

In addition, four circular resolutions were signed by the Board during the period.

Auditor Independence

Section 307C of the Corporations Act 2001 requires our auditors to provide the Directors of the Company with an Independence Declaration in relation to the audit of the annual report. This Independence Declaration is set out on page 22, and forms part of this Directors' report for the year ended 30 June 2013.

Non-Audit Services

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 23 to the financial statements. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services do not compromise the auditor's independence as all non-audit services have been reviewed to ensure that they do not impact the integrity and objectivity of the auditor and none of the services undermine the general principles relating to auditor independence..

Signed in accordance with a resolution of the Directors.

Christopher Battye

Executive Chairman

Dated this 23rd day of October 2013

SCHEDULE OF TENEMENTS

Tenement Number	Name	Status	Percentage Interest
EL 5939 [1]	Cowarra	Granted	50%, earning 85%
EL 7702 [2]	Oberon	Granted	Earning 70%
EL 6922	Dalton	Granted	100%

Notes:

1. EL 5939 in the name of Capital Mining Limited, and CGU has registered its 50% interest

2. EL 7702 is in the name of Central West Gold NL, and the joint venture is registered.

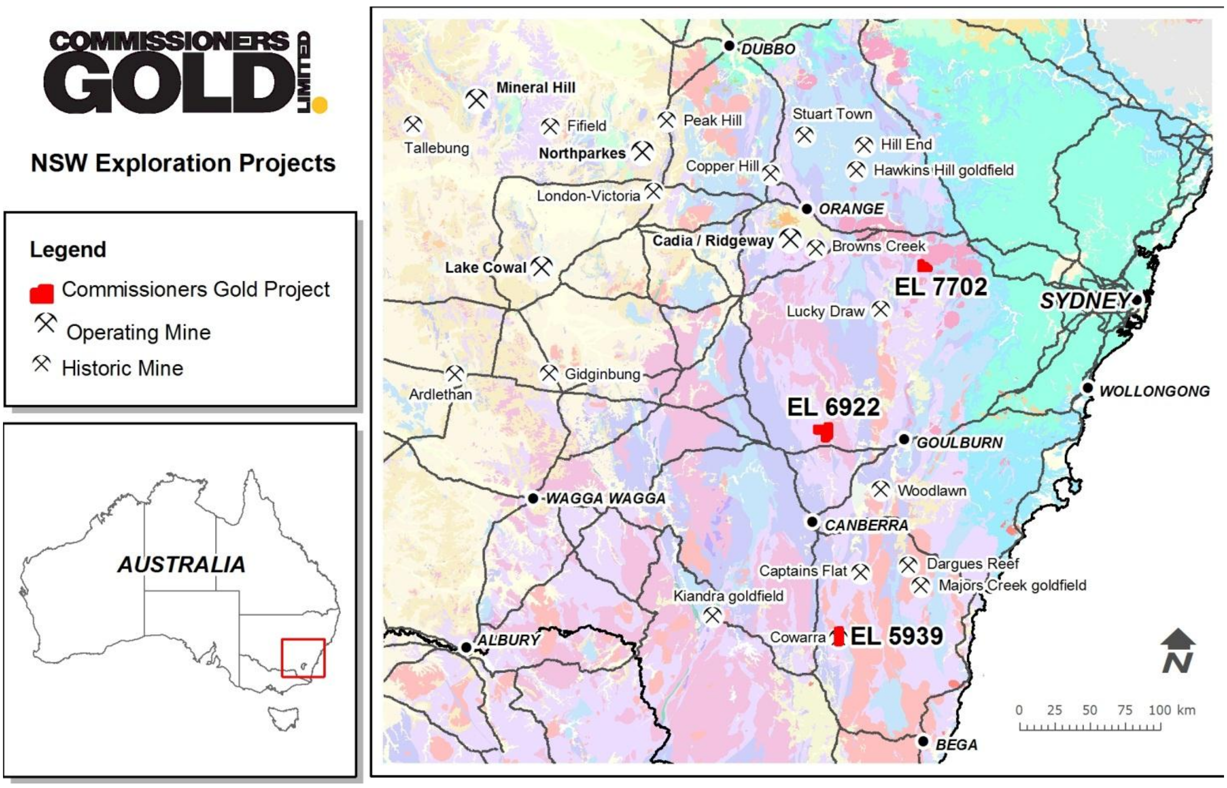

Figure 5: location of Commissioners Gold projects in New South Wales

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Commissioners Gold Limited is responsible for establishing the corporate governance framework of the Company having regard to the ASX Corporate Governance Council ('CGC') published guidelines as well as its corporate governance principles and recommendations.

The Board monitors the business and affairs of Commissioners Gold on behalf of the shareholders by whom they are elected and to whom they are accountable. The Board draws on relevant best practice principles, particularly those issued by the ASX Corporate Governance Council in August 2007 with 2010 amendments (including the June 2010 recommendations on diversity). At a number of its meetings the Board examines the Commissioners Gold corporate governance practices and the progress towards a review of its practice compared to the best practice principles proposed by the ASX Corporate Governance Council. While Commissioners Gold is attempting to adhere to the principles proposed by the ASX, it is mindful that there may be some instances where compliance is not practicable for a company of Commissioners Gold's size.

The August 2007 ASX Corporate Governance Council publication "Corporate Governance Principles and Recommendations" second edition, is referred to for guidance purposes, however all listed companies are required to disclose the extent to which they have followed the recommendations, to identify any recommendations that have not been followed and reasons for not doing so. The Company's Board of Directors has reviewed the recommendations.

In many cases the Company was already achieving the standard required. In other cases the Company will have to consider new arrangements to enable compliance. In a limited number of instances, the Company may determine not to meet the standard set out in the recommendations, largely due to the recommendation being considered by the Board to be unduly onerous for a company of this size.

The Commissioners Gold Corporate Governance Committee, consisting of Messrs Waring (Committee Chairman), and Harder, meets as and when required, including prior to the finalisation of the Annual Report. A summary of the Company's written policies on corporate governance matters has been prepared and included in the Corporate Governance section of the Commissioners Gold website. The following paragraphs set out the Company's position relative to each of the eight principles contained in the ASX Corporate Governance Council's report.

Principle 1: Lay solid foundations for management and oversight

The Company has formalised and disclosed the functions reserved to the Board and those delegated to management, and has processes in place for evaluating the performance of senior executives. However, the Company has a small Board of three Directors (two Non-Executive Directors and the Executive Chairman) and a small team of staff, so roles and functions have to be flexible to meet specific requirements.

Principle 2: Structure the Board to add value

The Company complies with most of the recommendations within this area however, the Chairman is the only Executive Director. The Company also complies with the recommendation that a majority of Directors are independent however, the Executive Chairman, Mr Chris Battye, is a substantial shareholder. Two of the Company's three Directors are Non-Executives and a company associated with one of the Non-Executives, Mr Robert Waring provides accounting, taxation and corporate advice for the Company. The Company has a Board Nomination Committee. An internal performance evaluation of the Board was carried out during the year and the mix of skills and diversity were discussed and will remain under review.

Each Director of the Company has the right to seek independent professional advice at the expense of the Company. Prior approval of the Chairman is required, but this will not be unreasonably withheld.

Principle 3: Promote ethical and responsible decision-making

The Company has a policy concerning trading in its securities by Directors, management, staff and significant consultants, which is summarised below. The Company has a formal code of conduct.

The Company has established a policy regarding Diversity that will be reviewed at least every 12 months to examine progress on the achievement of diversity objectives. The Company does not have any women on the Board and the Company's only full time senior executive/employee, the Exploration Manager is a man. In accordance with the adopted Diversity Policy, the objective is to address this matter as the Company grows in size.

Principle 4: Safeguard integrity in financial reporting

At this stage the Company's financial statements are prepared by a contract Chief Financial Officer who confirms to the Audit Committee in writing that the Company's financial reports represent a true and fair view, in all material respects, of the Company's financial condition and operational results, and are in accordance with relevant accounting standards. The Executive Chairman and Company Secretary review and approve the financial statements before they are submitted to the Audit Committee and also meets with and confirms this in writing to the Board. They also comment on whether the financial reports are based on a sound system of risk management and internal control, and whether the system is operating efficiently and effectively.

The Company has an Audit and Risk Management Committee which consists of the two Non-Executive Directors: Messrs Waring (Committee Chairman) and Harder. These Directors have applicable expertise and skills, and are suitably qualified for this Committee. This structure does not meet the ASX's guidance regarding independence, in that it should have a majority of independent directors. The Audit and Risk Management Committee reports to the Board after each Committee meeting. In conjunction with the full Board, the Committee meets with and reviews the performance of the external auditors (including scope and quality of the audit).

Principle 5: Make timely and balanced disclosure

The Company, its Directors and consultants are very aware of the ASX's continuous disclosure requirements, and operate in an environment where strong emphasis is placed on full and appropriate disclosure to the market. The Company has adopted formal written policies regarding disclosure. It uses strong informal systems underpinned by experienced individuals. The Company maintains a register of matters considered for possible market disclosure.

Principle 6: Respect the rights of shareholders

All significant information disclosed to the ASX is posted on the Company's website as soon as it is disclosed to the ASX. When analysts are briefed on aspects of the Company's operations, the material used in the presentation is released to the ASX and posted on the Company's website. Written procedures have also been established for reviewing whether any price-sensitive information has been inadvertently disclosed, and if so, this information is also immediately released to the market.

The Company has a communications strategy to promote effective communication with shareholders and communicates regularly with shareholders.

The Company has requested the external auditor to attend general meetings and this has been supported by the Company's audit partner at K.S. Black & Co., Chartered Accountants.

Principle 7: Recognise and manage risk

The Company is a small, exploration company and does not believe that at this stage there is significant need for formal policies on risk oversight and management of material business risks, although these issues are actively considered at all times in the Company's activities. Risk management arrangements are the responsibility of the Board of Directors and senior management collectively. The Company has an Audit and Risk Management Committee of Messrs Waring (Committee Chairman) and Harder that meets as and when required, including prior to the finalisation of the Annual Report. The Company has also established a Risks Register. Risk Factors are an agenda item for each Board meeting and the senior management will periodically report to the Board in writing on risk management and internal controls. The Company has an Occupational Health and Safety policy with which all of the Company's staff, contractors and consultants must comply.

Principle 8: Remunerate fairly and responsibly

The Company has a Remuneration and Board Nomination Committee of Messrs Harder (Committee Chairman) and Battye that meets as and when required, to review performance matters and remuneration. There has been an internal performance evaluation of the Board during the past financial year, and its composition will be reviewed at a Board meeting at least annually by the Remuneration and Board Nomination Committee. The Directors work closely with management and have full access to all the Company's files and records.

Directors believe that the size of the company makes individual salary and consultant negotiations more appropriate than formal remuneration policies. The Remuneration Committee will seek independent external advice and market comparisons as necessary. In accordance with Corporations Act requirements, the Company discloses the fees or salaries paid to all Directors, plus the highest paid officers. The Company has an Employee Share Option Plan.

Ethical standards

The Board's policy is for the Directors and management to conduct themselves with the highest ethical standards.

All Directors and employees will be expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.

Securities trading and trading windows

Directors, employees and key consultants must consult with the Chairman of the Board or the Managing Director before dealing in shares of the Company. Purchases or sales in the Company's shares by Directors, employees and key management personnel may not be carried out in a closed period, but only in the "window" being the period commencing immediately after and ending 30 days following the date of announcement of the Company's annual or half-yearly results, its quarterly reports or a major announcement leading, in the opinion of the Board, to an informed market. However, Directors, employees and key consultants are prohibited from buying or selling the Company's shares at any time if they are aware of price-sensitive information that has not been made public.

Level 6
350 Kent Street
Sydney NSW 2000

K.S. Black & Co.
ABN 57 446 398 808

Level 1, 460 Church Street
North Parramatta NSW 2151

PO Box 2210
North Parramatta NSW 1750

AUDITOR'S INDEPENDENCE DECLARATION

Declaration of independence to the Directors of Commissioners Gold Limited

As lead auditor of Commissioners Gold Limited for the year ended 30 June 2013, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Commissioners Gold Limited during the year.

KS Black & Co
Chartered Accountants

Faizal Ajmat
Partner

Sydney, 22 October 2013

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 $	2012 $
Other income	3	**13,293**	28,627
		13,293	28,627
Administration costs	4	**(233,778)**	(261,816)
Employment costs	4	**(309,943)**	(249,708)
Exploration expense	4	**(815,488)**	(334,899)
Interest expense	4	**(1,267)**	(2,150)
Marketing expense	4	**(57,309)**	(97,438)
Options expense	4	**(23,250)**	(17,700)
Share of net loss of associates accounted for using the equity method	4	**(131,359)**	-
Loss before income tax expense		**(1,559,101)**	(935,084)
Income tax expense	5	**-**	-
Net loss for the year		**(1,559,101)**	(935,084)
Other comprehensive income		**-**	-
Total comprehensive loss for the year		**(1,559,101)**	(935,084)
Loss per share	20		
Basic loss per share (cents)		**(3.58)**	(2.80)
Diluted loss per share (cents)		**N/A**	N/A

The statement of comprehensive income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013

	Note	2013 $	2012 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	**51,406**	513,888
Trade and other receivables	7	**1,708**	36,036
TOTAL CURRENT ASSETS		**53,114**	549,924
NON-CURRENT ASSETS			
Trade and other receivables	7	**89,441**	-
Deferred exploration and evaluation expenditure	8	**606,436**	880,313
Investments accounted for using the equity method	9	**268,641**	-
Other assets	10	**50,000**	50,000
TOTAL NON-CURRENT ASSETS		**1,014,518**	930,313
TOTAL ASSETS		**1,067,632**	1,480,237
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	**243,025**	77,078
Borrowings	12	**100,000**	-
Other liabilities	13	**157,500**	70,000
TOTAL CURRENT LIABILITIES		**500,525**	147,078
TOTAL LIABILITIES		**500,525**	147,078
NET ASSETS		**567,107**	1,333,159
EQUITY			
Issued capital	14	**3,917,977**	3,148,178
Reserves	15	**90,975**	67,725
Accumulated losses	16	**(3,441,845)**	(1,882,744)
TOTAL EQUITY		**567,107**	1,333,159

The statement of financial position should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 30 JUNE 2013

	Share Capital	Reserves	Accumulated Losses	Total
	$	$	$	$
Balance at 1 July 2011	1,419,450	50,025	(947,660)	521,815
Total comprehensive income/(loss)	-	-	(935,084)	(935,084)
Total comprehensive income/(loss) for the year	-	-	(935,084)	(935,084)
Transactions with owners in their capacity as owners				
Issue of share capital	2,669,358	-	-	2,669,358
Share issue costs	(940,630)	-	-	(940,630)
Issue of options at fair value	-	17,700	-	17,700
Total transactions with owners in their capacity as owners	1,728,728	17,700	-	1,746,428
Balance at 30 June 2012	3,148,178	67,725	(1,882,744)	1,333,159

	Share Capital	Reserves	Accumulated Losses	Total
	$	$	$	$
Balance at 1 July 2012	**3,148,178**	**67,725**	**(1,882,744)**	**1,333,159**
Total comprehensive income/(loss)	-	-	(1,559,101)	(1,559,101)
Total comprehensive income/(loss) for the year	**-**	**-**	**(1,559,101)**	**(1,559,101)**
Transactions with owners in their capacity as owners				
Issue of share capital	796,715	-	-	796,715
Share issue costs	(26,916)	-	-	(26,916)
Issue of options at fair value	-	23,250	-	23,250
Total transactions with owners in their capacity as owners	**769,799**	**23,250**	**-**	**793,049**
Balance at 30 June 2013	**3,917,977**	**90,975**	**(3,441,845)**	**567,107**

The statement of changes in equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASHFLOWS
FOR YEAR ENDED 30 JUNE 2013

	Note	2013 $	2012 $
Cash flows from operating activities			
Interest received		**13,293**	28,627
Payments to suppliers and employees		**(438,564)**	(680,024)
Finance costs		**(1,267)**	(2,150)
Net cash (used in) provided by operating activities	28	**(426,538)**	(653,547)
Cash flows from investing activities			
Receipts from release of security deposits		**30,000**	25,450
Payments for loans to Goldsmith Resources SAC		**(89,440)**	-
Payments for exploration and evaluation		**(919,543)**	(1,033,618)
Net cash (used in) provided by investing activities		**(978,983)**	(1,008,168)
Cash flows from financing activities			
Proceeds from issue of shares		**796,715**	1,429,250
Payments for share issue costs and IPO		**(33,885)**	(586,524)
Proceeds from borrowings		**180,209**	-
Repayment of borrowings		**-**	(10,967)
Net cash provided by (used in) financing activities		**943,039**	831,759
Net (decrease)/increase in cash and cash equivalents		**(462,482)**	(829,956)
Cash and cash equivalents at beginning of financial year		**513,888**	1,343,844
Cash and cash equivalents at end of financial year	6	**51,406**	513,888

The statement of cashflows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

This financial report includes the financial statements and notes of Commissioners Gold Limited.

Number	Notes to the Financial Statements
1	Summary of significant accounting policies
2	Operating segments
3	Revenue & other income
4	Expenses
5	Income tax expense
6	Current assets - Cash and cash equivalents
7	Current assets - Trade and other receivables
8	Non-current assets – Deferred exploration and evaluation exependiture
9	Non-current assets – Invesmtents accounted for using the equity method
10	Non-current assets – Other assets
11	Current liabilities – Trade and other payables
12	Current liabilities – Borrowings
13	Non Current liabilities – Other liabilities
14	Contributed equity
15	Reserves
16	Accumulated losses
17	Tax
18	Related party disclosures
19	Key management personnel disclosures
20	Loss per share
21	Financial Risk Management
22	Investments in Associates
23	Auditor’s remuneration
24	Commitments and contingencies
25	Dividends
26	Events subsequent to reporting date
27	Cash flow information
28	Reissue of financial statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING PRACTICES

a. Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities

b. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

When the Company applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period will be disclosed.

c. Impairment of Assets

At the end of each reporting period, the Company assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

d. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks and other short-term highly liquid investments with original maturities of three months or less.

e. Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

f. Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

g. Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

h. Exploration and Development Expenditure

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

(i) the rights to tenure of the area of interest are current; and

(ii) at least one of the following conditions is also met:

(a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or

(b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

h. Exploration and Development Expenditure (continued)

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

Costs of site restoration are provided over the life of the project from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with local laws and regulations and clauses of the permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

i. Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable. When the inflow of consideration is deferred, it is treated as the provision of financing and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

All revenue is stated net of the amount of goods and services tax (GST).

j. Earnings (Loss) per share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members, adjusted for:

(i) costs of servicing equity (other than dividends);

(ii) the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and

(iii) other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

k. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

l. Plant and Equipment

Each class of plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the Company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	20%-32%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

m. Financial Instruments

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

m. Financial Instruments (continued)

Classification and subsequent measurement

Finance instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense item in profit or loss.

(i) *Financial assets at fair value through profit or loss*

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, where they are expected to mature within 12 months after the end of the reporting period.

(iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as current assets.

(iv) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (ie gains or losses) recognised in other comprehensive income (except for impairment losses and foreign exchange gains and losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

m. Financial Instruments (continued)

Classification and subsequent measurement (continued)

Available-for-sale financial assets are included in non-current assets where they are expected to be sold within 12 months after the end of the reporting period. All other financial assets are classified as current assets.

(v) *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment

At the end of each reporting period, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the Company no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

n. Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one (1) year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one (1) year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wages increases and the probability that the employee may satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

o. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

p. Rounding of Amounts

The parent entity has applied the relief available to it under ASIC Class Order 98/100 and accordingly, amounts in the financial statements and directors' report have been rounded off to the nearest one dollar ($1).

q. Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key estimates

(i) *Impairment*

The Company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key judgments

(i) *Exploration and evaluation expenditure*

The Company capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage that permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded.

r. Going concern

The financial statements have been prepared on the going concern basis, the validity of which depends upon the positive cash position. The Company's existing projections show that further funds will be required to be generated, either by capital raisings, sales of assets or other initiatives, to enable the Company to fund its currently planned activities for at least the next twelve months from the date of signing these financial statements. Should new opportunities present that require additional funds the Directors will take action to reprioritise activities, dispose of assets and or raise further funds.

Notwithstanding this issue, accordingly the Directors have prepared the financial statements of the Company on a going concern basis. In arriving at this position, the Directors have considered the following pertinent matter:

- Australian Accounting Standard, AASB 101 "Accounting Policies", states that an entity shall prepare financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so.

In the Directors' opinion, at the date of signing the financial report, there are reasonable grounds to believe that the matters set out above will be achieved and therefore the financial statements have been prepared on a going concern basis.

s. Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

t. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Commissioners Gold Limited.

u. Associates

Associates are entities over which the Company has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the Company's share of net assets of the associates. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the Company's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

v. Joint Ventures

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. The Company's interest in joint venture entities are accounted for using the proportionate consolidation method of accounting. The Company recognises its interest in the assets that it controls and the liabilities that it incurs and the expenses that it incurs and its share of the income that it earns from the sale of goods or services by the joint venture, classified according to the nature of the assets, liabilities, income or expense.

Profits or losses on transactions establishing the joint venture entities and transactions with the joint venture are eliminated to the extent of the Company's ownership interest until such time as they are realised by the joint venture entity on consumption or sale, unless they relate to an unrealised loss that provides evidence of the impairment of an asset transferred.

The Company discontinues the use of proportionate consolidation from the date on which it ceases to have joint control over a jointly controlled entity.

w. New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2013. The Company's assessment of the impact of these new or amended Accounting Standards and Interpretations are that they will have no material effect.

Note 2: OPERATING SEGMENTS

Segment Information

Identification of reportable segments

During the year, the Company operated principally in one business segment being mineral exploration and in two geographical segments being Australia and Peru.

The Company's revenues and assets and liabilities according to geographical segments are shown below.

	June 2013			June 2012		
	Total	**Australia**	**Peru**	**Total**	**Australia**	**Peru**
	$	**$**	**$**	**$**	**$**	**$**
REVENUE						
Revenue	**13,293**	**13,293**	**-**	28,627	28,627	-
Total segment revenue	**13,293**	**13,293**	**-**	28,627	28,627	-
RESULTS						
Net loss before income tax	**(1,559,101)**	**(759,764)**	**(799,337)**	(935,084)	(935,084)	-
Income tax	**-**	**-**	**-**	-	-	-
Net loss	**(1,559,101)**	**(759,764)**	**(799,337)**	(935,084)	(935,084)	-
ASSETS AND LIABILITIES						
Assets	**1,067,632**	**709,550**	**358,082**	1,480,237	1,480,237	-
Liabilities	**500,525**	**466,655**	**33,870**	147,078	147,078	-

Note 3: REVENUE AND OTHER INCOME

	Note	2013 $	2012 $
a. **Revenue**			
Other income			
Interest received [1]		**13,293**	28,627
Total other income		**13,293**	28,627
Total revenue		**13,293**	28,627

[1] Interest received from:

	2013 $	2012 $
Bank	**13,293**	28,627

Note 4: EXPENSES

			2013 $	2012 $
Loss before income tax includes the following specific expenses:				
a.	**Expenses**			
	Administration costs		**233,778**	261,816
	Employment expense		**309,943**	249,708
	Exploration expense		**815,488**	334,899
	Interest expense		**1,267**	2,150
	Marketing expense		**57,309**	97,438
	Options expense		**23,250**	17,700
	Share of net loss of associates accounted for using the equity method	9, 22	**131,359**	-
	Total expenses		**1,572,394**	963,711

Note 5: INCOME TAX EXPENSE

	2013 $	2012 $
The prima facie tax on the loss before income tax is reconciled to income tax as follows:		
Loss before income tax expense	**(1,559,101)**	(935,084)
Prima facie tax benefit on the loss before income tax at 30% (2011: 30%)	**(467,730)**	(280,525)
Add:		
Tax effect of:		
Other non-allowable items	**137,155**	109,918
	137,155	(170,607)
Less:		
Tax effect of:		
Other deductible expenses	**(94,842)**	(84,371)
Future tax benefits not brought to account	**425,417**	254,978
Income tax attributable to the Company	**-**	-

The Company has tax losses arising in Australia of $2,686,988 (2012: $1,268,517) that are available indefinitely to offset against future taxable profits.

Note 6: CASH AND CASH EQUIVALENTS

	2013 $	2012 $
Cash at bank	**51,406**	10,819
Short-term bank deposits	**-**	503,059
	51,406	513,888

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	**51,406**	513,888
	51,406	513,888

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

Note 7: TRADE AND OTHER RECEIVABLES

	2013 $	2012 $
Current		
Other receivables	**1,708**	36,036
Total current trade and other receivables	**1,708**	36,036
Non current		
Other receivables	**89,441**	-
Total non current trade and other receivables	**89,441**	-

At the time the statutory financial statements were authorised for issue on 30 September 2013 the audit of Goldsmith Resources SAC, an associate investment of Company, had not been finalised. Following receipt of the audited accounts of Goldsmith Resources SAC, the financial statements of the Company have been reissued. As a result, Other receivables of $89,441 has been reclassified from a current asset to a non current asset. Please refer to Note 28 for further information.

Note 8: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

	2013 $	2012 $
Assets in Development		
Balance at the beginning of the year	**880,313**	-
Expenditure incurred	**20,839**	1,113,344
Exploration licenses transferred in from intangible assets	**-**	120,000
Tenements relinquished	**-**	(85,175)
Impairment loss on existing tenements	**(294,716)**	(267,856)
Net carrying value	**606,436**	880,313

The recoupment of costs carried forward in relation to expenditure in the exploration and evaluation phase are dependent on the successful development and commercial exploitation or sale of the respective areas.

Note 9: INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	2013 $	2012 $
Investments accounted for using the equity method		
Investment in associate	**268,641**	-
	268,641	-

Refer to Note 22 Interest in Associates for further information.

At the time the statutory financial statements were authorised for issue on 30 September 2013 the audit of Goldsmith Resources SAC, an associate investment of Company, had not been finalised. Following receipt of the audited accounts of Goldsmith Resources SAC, the financial statements of the Company have been reissued. As a result, Investments accounted for using the equity method was decreased by $131,579. Please refer to Note 28 for further information.

Note 10: OTHER ASSETS

	2013 $	2012 $
Non Current		
Performance bonds with NSW Mines Department	**50,000**	50,000
	50,000	50,000

Note 11: TRADE AND OTHER PAYABLES

	2013 $	2012 $
Current		
Unsecured liabilities:		
Trade payables and accrued expenses	**174,739**	69,090
Amounts payable to Director and related entities	**68,286**	7,988
	243,025	77,078

Note 12: BORROWINGS

	2013 $	2012 $
Current		
Unsecured liabilities:		
Borrowings	**100,000**	-
Total current borrowings	**100,000**	-

Note 13: OTHER LIABILITIES

	2013 $	2012 $
Current		
Other liabilities:		
Accrued Directors Fees	**157,500**	70,000
	157,500	70,000

The Company and Messrs Battye and Harder have agreed to defer payment of directors fees of $35,000 per annum each effective from the date the Company listed on the Australian Securities Exchange (ASX) on 2 September 2011 to 30 June 2013. Mr Waring agreed to defer payment of Directors fees of $17,500 from 1 January 2013 to 30 June 2013. The deferral of fees is until such time as the Company is in a stronger position to make these payments or they are converted into shares following shareholder approval. The amount deferred is expensed and recognised as a current liability.

Note 14: CONTRIBUTED EQUITY

	2013 $	2012 $
52,466,913 (2012: 34,849,692) ordinary shares	**4,885,524**	4,088,808
Share issue costs	**(967,547)**	(940,630)
Total issued capital	**3,917,977**	3,148,178

	2013 No.	2012 No.
a. **Ordinary Shares**		
At the beginning of the reporting period:	**34,849,692**	20,980,000
Shares issued during the year:		
17,617,221 ordinary shares issued at 4.5 cents each	**17,617,221**	-
12,713,550 ordinary shares issued at 20 cents each	**-**	12,713,550
956,142 ordinary shares issued at 0.001 cents each	**-**	956,142
200,000 ordinary shares issued at $Nil cents each	**-**	200,000
At the end of the reporting period	**52,466,913**	34,849,692

During the twelve month period to 30 June 2013, as announced to the Australian Securities Exchange (ASX) on 22 October 2012, 4,706,111 ordinary shares at 4.5 cents each were issued to sophisticated and professional investors and raised $211,775.

In conjunction with this placement, an offer was made to existing shareholders to participate in a share purchase plan (SPP) and 5,173,318 ordinary shares at 4.5 cents each were issued to participating shareholders and raised $232,799. The SPP shortfall of 6,626,681 ordinary shares at 4.5 cents each was placed with sophisticated and professional investors as announced to the ASX on 21 February 2013 and raised $298,201.

A further placement of 1,111,111 ordinary shares at 4.5 cents each was issued to sophisticated and professional investors on 22 May 2013 and raised $50,000.

Ordinary shares participate in dividends and the proceeds on winding-up of the parent entity in proportion to the number of shares held.

At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

b. **Options**

During the year, the Company granted 500,000 Options to its Exploration Manager, or his Nominee, in accordance with his Executive Employment Agreement on the following terms and conditions:

I 500,000 options each to acquire one fully paid ordinary share in the Company at an exercise price of $0.07 and an exercise period expiry date of 31 December 2016; and

Iii The Company will not apply for official quotation on ASX of the Options.

c. **Capital Management**

Management controls the capital of the Company in order to maintain a good debt to equity ratio, provide the shareholders with adequate returns and ensure that the Company can fund its operations and continue as a going concern.

The Company's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

There are no externally imposed capital requirements.

Management effectively manages the Company's capital by assessing the Company's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, budgeting and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Company since the prior year.

Note 15: RESERVES

	2013 $	2012 $
Reserves		
Share Based Payments Reserve	**90,975**	67,725
	90,975	67,725
Movement in Reserves		
Balance at beginning of year	**67,725**	50,025
Recognition of options issued at fair value	**23,250**	17,700
Balance at end of year	**90,975**	67,725

Nature and purpose of reserves

The share based payments reserve records the value of options issued by the Company.

Note 16: ACCUMULATED LOSSES

	2013 $	2012 $
Balance at beginning of the financial year	**(1,882,744)**	(947,660)
Net loss attributable to members of the Company	**(1,559,101)**	(935,084)
Balance at end of financial year	**(3,441,845)**	(1,882,744)

Note 17: TAX

Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1(g) occur.

Note 18: RELATED PARTY DISCLOSURES

Related Parties

a. **The Company's main related parties are as follows:**

i. *Key management personnel:*

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise), are considered key management personnel.

The directors in office during the year were as follows:

Christopher Battye	Appointed 19 August 2005
Wesley Harder	Appointed 17 February 2010
Robert J. Waring	Appointed 29 November 2010

For details of disclosures relating to key management personnel, refer to Note 19: Key Management Personnel (KMP) Disclosures.

ii. *Associates*

Interests in associates are set out in note 22.

iii. *Joint ventures*

Interests in joint ventures are set out in note 23.

b. **Transactions with related parties:**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

i. *Other related parties:*	**2013 $**	2012 $
Purchase of goods and services:		
Corporate advisory fees paid to Spencer Hamilton Ltd, a company associated with Mr Robert Waring a director and shareholder.	**-**	73,440
Corporate advisory fees paid to Oakhill Hamilton Pty Ltd, a company associated with Mr Robert Waring a director and shareholder.	**60,842**	-
Provision of office space and administrative assistance by The Conveyancing Shop, a company associated with Mr Chris Battye, a director of the Company.	**13,287**	-

c. **Amounts payable to related parties:**

Trade and other payables:	**31,507**	7,988
Amounts payable to Directors and related entities, as follows:		
Directors fees	**-**	-
Reimbursement of expenses	**6,987**	-
Corporate advisory services	**24,520**	7,988
Total trade and other payable related party amounts	**31,507**	7,988

Loans to/from related parties:

Unsecured, at-call loans are provided by directors on an arm's length basis. Interest is charged at 0% (2012: 0%) is repayable monthly within the next twelve (12) months.

i. *Loans from key management personnel related entities:*

Beginning of the year	**-**	10,967
Loans advanced	**78,211**	15,000
Loan forgiven	**-**	-
Loans repaid	**(9,925)**	(25,967)
Interest charged	**-**	-
End of the year	**68,286**	-

Note 19: KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each member of the Company's key management personnel for the year ended 30 June 2013. The totals of remuneration paid to KMP of the Company during the year are as follows:

Remuneration of Directors and named executives

Table 1: Directors' and named executives remuneration for the year ended 30 June 2013

	Short-term employee benefits			Post-employment benefits		Equity		Other	Total	%
	Salary & Fees	Bonuses	Non-Monetary Benefits	Superannuation	Prescribed Benefits	Options	Shares	Deferred Benefits		Performance Related
Christopher Battye	-	-	-	-	-	-	-	35,000	35,000	-
Wesley Harder	-	-	-	-	-	-	-	35,000	35,000	-
Robert Waring [1]	21,374	-	-	-	-	-	-	17,500	38,874	-
Keith Taylor [2]	35,000	-	-	-	-	-	-	-	35,000	-
Jason Needham	200,000	-	-	15,775	-	23,250	-	-	239,025	-
David Clark	31,836	-	-	-	-	-	-	-	31,836	
Total	**288,210**	**-**	**-**	**15,775**	**-**	**23,250**	**-**	**87,500**	**414,735**	**-**

1. Salary & Fees component paid to Oakhill Hamilton Pty Ltd for corporate advisory services of which Mr Waring is a director and shareholder.

2. Paid to Davington Advisory Pty Ltd for secretarial services of which Mr Taylor is a director and shareholder.

Table 2: Directors' and named executives remuneration for the year ended 30 June 2012

	Short-term employee benefits			Post-employment benefits		Equity		Other	Total	%
	Salary & Fees	Bonuses	Non-Monetary Benefits	Superannuation	Prescribed Benefits	Options	Shares	Deferred Benefits		Performance Related
Christopher Battye	-	-	-	-	-	-	-	35,000	35,000	-
Robert McCauley[1]	101,770	-	-	4,117	-	-	-	-	105,887	-
Wesley Harder	-	-	-	-	-	-	-	35,000	35,000	-
Robert Waring [2]	43,230	-	-	-	-	-	-	-	43,230	-
Keith Taylor [3]	20,417	-	-	-	-	-	-	-	20,417	-
J Needham [4]	66,667	-	-	5,258	-	17,700	-	-	89,625	-
Total	**232,084**	**-**	**-**	**9,375**	**-**	**17,700**	**-**	**70,000**	**329.159**	**-**

1. Not re-elected at the 2011 AGM held 12 December 2011

2. Paid to Spencer Hamilton Pty Ltd for corporate advisory services of which Mr Waring is a director and shareholder.

3. Paid to Davington Advisory Pty Ltd for secretarial services of which Mr Taylor is a director and shareholder.

4. Commenced employment on 1 March 2012

Note 19: KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (Continued)

KMP Options and Rights Holdings
The relevant interest in options over ordinary shares held by each KMP of the Company during the financial year is as follows:

30 June 2013	Balance at beginning of period	Granted as remuneration	Options exercised or vested	Net change Other	Balance at end of period
Chris Battye	-	-	-	-	-
Wesley Harder	-	-	-	-	-
Robert Waring	-	-	-	-	-
Keith Taylor	-	-	-	-	-
Jason Needham	500,000	500,000	-	-	1,000,000
David Clark	-	-	-	-	-
Total	**500,000**	**500,000**	**-**	**-**	**1,000,000**

30 June 2012	Balance at beginning of period	Granted as remuneration	Options exercised or vested	Net change Other	Balance at end of period
Chris Battye	-	-	-	-	-
Robert McCauley [1]	1,500,000	-	-	-	1,500,000
Wesley Harder	-	-	-	-	-
Robert Waring	-	-	-	-	-
Keith Taylor	-	-	-	-	-
Jason Needham [2]	-	500,000	-	-	500,000
David Clark	-	-	-	-	-
Total	1,500,000	500,000	-	-	2,000,000

1. Not re-elected at the 2011 AGM held 12 December 2011

2. Commenced employment on 1 March 2012

Note 19: KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (Continued)

KMP Shareholdings

The relevant interest in ordinary shares in the Company held by each KMP of the Company during the financial year is as follows:

30 June 2013	Balance at beginning of the Year	Granted as remuneration during the Year	Issued on Exercise of Options during the Year	Other changes during the Year	Balance at end of the Year
Chris Battye	8,000,000	-	-	5,000	8,005,000
Wesley Harder	450,000	-	-	111,111	561,111
Robert Waring	75,000	-	-	666,666	741,666
Keith Taylor	427,764	-	-	422,000	849,764
David Clark	10,000	-	-	44,444	54,444
Jason Needham	-	-	-	-	-
Total	**8,962,764**	**-**	**-**	**1,249,221**	**10,211,985**

30 June 2012	Balance at beginning of the Year	Granted as remuneration during the Year	Issued on Exercise of Options during the Year	Other changes during the Year	Balance at end of the Year
Chris Battye	8,000,000	-	-	-	8,000,000
Robert McCauley [1]	800,000	-	-	-	800,000
Wesley Harder	450,000	-	-	-	450,000
Robert Waring	40,000	-	-	35,000	75,000
Keith Taylor	427,764	-	-	-	427,764
David Clark	10,000	-	-	-	10,000
Jason Needham	-	-	-	-	-
Total	**9,727,764**	**-**	**-**	**35,000**	**9,762,764**

[1] Not re-elected at the 2011 AGM held 12 December 2011

Note 19: KEY MANAGEMENT PERSONNEL (KMP) DISCLOSURES (Continued)

Other KMP Transactions

The Company and Mr Chris Battye and Mr Wes Harder have agreed to defer payment of directors fees of $35,000 per annum each effective from the date the Company listed on the Australian Securities Exchange (ASX) on 2 September 2011 until such time as the Company is in a stronger position to make these payments. The Company and Mr Robert Waring have agreed to defer payment of Directors fees of $17,500 each effective from 1 January 2013 to 30 June 2013. The amount deferred is expensed and recognised as a current liability.

The Company has established the Commissioners Gold Limited Employee Share Option Plan (ESOP) and a summary of the terms and conditions of the Plan are set out below:

i. All employees (full time and part time) will be eligible to participate in the Plan.

ii. Options are granted under the Plan at the discretion of the board and if permitted by the board, may be issued to an employee's nominee.

iii. Each option is to subscribe for one ordinary share in the Company and will expire 5 years from its date of issue. An option is exercisable at any time from its date of issue provided all relevant vesting conditions, if applicable, have been met. Options will be issued free. The exercise price of options will be determined by the board. The total number of shares the subject of options issued under the Plan, when aggregated with issues during the previous 5 years pursuant to the Plan and any other employee share plan, must not exceed 5% of the Company's issued share capital.

iv. If, prior to the expiry date of options, a person ceases to be an employee of the Company for any reason other than retirement at age 60 or more (or such earlier age as the board permits), permanent disability, redundancy or death, the options held by that person (or that person's nominee) automatically lapse on the first to occur of a) the expiry of the period of 30 days from the date of such occurrence, and b) the expiry date. If a person dies, the options held by that person will be exercisable by that person's legal personal representative.

v. Options cannot be transferred other than to the legal personal representative of a deceased option holder.

vi. The Company will not apply for official quotation of any options.

vii. Shares issued as a result of the exercise of options will rank equally with the Company's previously issued shares.

viii. Option holders may only participate in new issues of securities by first exercising their options.

ix. Options are granted under the plan for no consideration.

x. Each share options converts into one ordinary shares of Commissioners Gold Limited.

The Board may amend the terms and conditions of the plan subject to the requirements of the Listing Rules.

There have been no other transactions involving equity instruments other than those described in the tables above. For details of other transactions with KMP, refer to Note 18: Related Party Disclosures.

Note 20: LOSS PER SHARE

		2013 $	2012 $
a.	**Basic Loss per share**		
I	Basic Loss (cents per share)	**(3.58)**	(2.80)
ii.	Net loss used to calculate basic loss per share	**(1,559,101)**	(935,084)
	Loss used to calculate basic EPS from continuing operations		
		No.	No.
iii.	Weighted average number of ordinary shares outstanding during the year used in calculating basic loss per share	**43,551,480**	33,409,242
b.	**Diluted loss per share**		
	The Company's potential ordinary shares, being its options granted, are not considered dilutive as the conversion of these options would result in a decrease in the net loss per share.	**Not applicable**	Not applicable

Note 21: FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, loans to and from related parties, bills and leases. The following table details the expected maturities for the Company's non-derivative financial assets. These have been drawn up based on undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Company anticipates that the cash flow will occur in a different period.

Financial Risk Management Policies

The Board has overall responsibility for the establishment and oversight of the risk management framework. The Board reviews and agrees policies for managing each of these risks as summarised below. The Finance Risk and Audit Committee (FRAC) has been delegated responsibility by the Board of Directors for, among other issues, monitoring and managing financial risk exposures of the Company. The FRAC monitors the Company's financial risk management policies and exposures and approves financial transactions within the scope of its authority. It also reviews the effectiveness of internal controls relating to commodity price risk, counterparty credit risk, currency risk, financing risk and interest rate risk.

The FRAC's overall risk management strategy seeks to assist the Company in meeting its financial targets, while minimising potential adverse effects on financial performance. Its functions include the review of the use of hedging derivative instruments, credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the Company is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk. This note presents the information about the Company's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

a. **Credit risk**

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Company.

Credit risk is managed through the maintenance of procedures (such procedures include the utilisation of systems for the approval, granting and renewal of credit limits, regular monitoring of exposures against such limits and monitoring of the financial stability of significant customers and counterparties), ensuring to the extent possible, that customers and counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment. Depending on the division within the Company, credit terms are generally 14 to 30 days from the invoice date.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating, or in entities that the FRMC has otherwise cleared as being financially sound. Where the Company is unable to ascertain a satisfactory credit risk profile in relation to a customer or counterparty, the risk may be further managed through title retention clauses over goods or obtaining security by way of personal or commercial guarantees over assets of sufficient value which can be claimed against in the event of any default.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

The Company has no significant concentrations of credit risk with any single counterparty or company of counterparties. Details with respect to credit risk of trade and other receivables are provided in Note 7.

Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality.

b. **Liquidity risk**

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Company manages this risk through the following mechanisms:

preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;

using derivatives that are only traded in highly liquid markets;

monitoring undrawn credit facilities;

obtaining funding from a variety of sources;

maintaining a reputable credit profile;

managing credit risk related to financial assets;

only investing surplus cash with major financial institutions; and

comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

c. **Market risk**

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or value of the holdings of financial instruments. The Company is exposed to movements in market interest rates on short term deposit. The policy is to monitor the interest rate yield curve out to 120 days to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. The Company does not have short or long term debt, and therefore this risk is minimal. The Company limits its exposure to credit risk by only investing in liquid securities and only with counterparties that have acceptable credit ratings.

d. **Interest rate risk**

The Company is exposed to interest rate risk as the Company deposits the bulk of its cash reserves in Term Deposits. The risk is managed by the Company by maintaining an appropriate mix between short term and medium-term deposits. The Company's exposures to interest rate on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity

At 30 June 2013, the effect on loss and equity as a result of changes in the interest rate, with all other variable remaining constant would be as follows:

	2013 **$**	2012 $
Increase in interest rate by 1%	**(1,000)**	5,030
Decrease in interest rate by 1%	**1,000**	(5,030)

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2013 $	2012 $
Financial assets			
Cash and cash equivalents	6	**51,406**	513,888
Trade and other receivables	7	**91,149**	36,036
Other financial assets	8	**50,000**	50,000
Total financial assets		**192,555**	569,924
Financial liabilities			
Financial liabilities at amortised cost:			
- Trade and other payables	11	**243,025**	77,078
- Borrowings	12	**100,000**	-
- Other financial liabilities	13	**157,500**	70,000
Total financial liabilities		**500,525**	147,078

The following table details the expected maturities for the Company's non-derivative financial assets. These have been drawn up based on undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Company anticipates that the cash flow will occur in a different period.

	Weighted average effective interest rate	Less than 1 month	1 – 3 Months	3 months – 1 year	1 – 5 years	5+ years
	%	$	$	$	$	$
2013						
Non-interest bearing	**-**	**21,428**	**-**	**-**	**50,000**	**-**
Variable interest rate instruments	**-**	**29,978**	**-**	**-**	**-**	**-**
Fixed interest rate instruments	**-**	**-**	**-**	**-**	**-**	**-**
Receivables	**-**	**-**	**-**	**1,708**	**89,441**	**-**
2012						
Non-interest bearing	-	4,700	-	-	50,000	-
Variable interest rate instruments	-	9,188	-	-	-	-
Fixed interest rate instruments	5.5	-	500,000	-	-	-
Receivables	-	36,036	-	-	-	-

The following tables detail the Company's remaining contractual maturities' for its non-derivative financial liabilities. These are based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

	Weighted average effective interest rate	Less than 1 month	1 – 3 Months	3 months – 1 year	1 – 5 years	5+ years
	%	$	$	$	$	$
2013						
Non-interest bearing:		-	-	-	-	-
- Trade and other loan/payables	-	**174,739**	-	**68,286**	-	-
- Borrowings	-	-	-	**100,000**	-	-
- Other liabilities	-	**157,500**	-	-	-	-
2012						
Non-interest bearing:		-	-	-	-	-
- Trade and other payables	-	77,078	-	-	-	-
- Borrowings	-	-	-	-	-	-
- Other liabilities		70,000	-	-	70,000	-

Note 22: INVESTMENTS IN ASSOCIATES

Interests in associates are accounted for using the equity method of accounting. Information relating to associates is set out below:

(a) Carrying amounts

		Percentage interest		Company	
		2013	2012	2013	2012
Unlisted associate	**Principal activities**	%	%	$	$
Goldsmith Resources SAC	Mineral processing	**25**	-	**268,641**	-

(b) Movements in carrying amounts

Carrying amount at the beginning of the financial year	**-**	-
Acquisition of shares in associate	**400,000**	-
Share of gains/(losses) after income tax	**(131,359)**	-
Carrying amount at the end of the financial year (shown as investment cost)	**268,641**	-

(c) Share of associates' income

Profit/(loss) before income tax	**(131,359)**	-
Income tax expense	**-**	-
Profit/(loss) after income tax	**(131,359)**	-

At the time the statutory financial statements were authorised for issue on 30 September 2013 the audit of Goldsmith Resources SAC, an associate investment of Company, had not been finalised. Following receipt of the audited accounts of Goldsmith Resources SAC, the financial statements of the Company have been reissued with the effect of reducing the share of associates' income and the corresponding movement in the carrying amount of this investment by $131,579. Please refer to Note 28 for further information.

Note 23: AUDITORS REMUNERATION

	2013	2012
	$	$
Remuneration of the auditor of the Company for:		
Auditing or reviewing the financial statements	**21,500**	21,245

Note 24: COMMITMENTS AND CONTINGENCIES

Remuneration Commitments

The Company and Mr Jason Needham are parties to an Executive Employment Agreement dated 1 March 2012 by which the Company will employ Mr Needham as an exploration manager from 1 March 2012. Mr Needham works for the Company on a full time basis. The Company pays Mr Needham a remuneration package of $200,000 per annum, plus superannuation. The Company will review Mr Needham's performance annually.

Guarantees

Commissioners Gold Limited did not commit to nor make guarantees of any form as at 30 June 2013.

Contingent liabilities

There are no contingent liabilities as at 30 June 2013.

Exploration licence expenditure requirements

In order to maintain the Company's tenements in good standing with the various mines departments, the Company will be required to incur exploration expenditure under the terms of each licence of $25,000 per annum per licence area. It is likely that the granting of new licences and changes in licence areas at renewal or expiry, will change the expenditure commitment to the Company from time to time.

Note 25: DIVIDENDS

The Directors of the Company have not declared any dividends for the year ended 30 June 2013.

Note 26: EVENTS SUBSEQUENT TO REPORTING DATE

There has not been any matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

Note 27: CASH FLOW INFORMATION

	2013 $	2012 $
Reconciliation of Cash Flow from Operations with Loss after Income Tax		
Loss	**(1,559,101)**	(935,084)
Non-cash flows in profit:		
Exploration expenditure written-off	**679,620**	267,856
Share of net loss of associates accounted for using the equity method	**131,359**	-
Options expense	**23,250**	17,700
Changes in assets and liabilities		
(Increase)/decrease in trade and term receivables	**(55,113)**	32,585
Increase/(decrease) in trade payables and other payables	**165,947**	(95,637)
Increase/(decrease) in borrowings	**100,000**	(10,967)
Increase/(decrease) in deferred expenditure	**87,500**	70,000
Cash flow from operations	**(426,538)**	(653,547)

Note 28: REISSUE OF FINANCIAL STATEMENTS

At the time the statutory financial statements were authorised for issue on 30 September 2013 the audit of Goldsmith Resources SAC, an associate investment of Company, had not been finalised. Following receipt of the audited accounts of Goldsmith Resources SAC, the financial statements of the Company have been revised, resulting in the following changes to the Statement of Comprehensive Income and Statement of Financial Position:

STATEMENT OF COMPREHENSIVE INCOME	**Note**	**Reissued on 22 October**	**Issued on 30 September**	**Effect of revision**
		$	**$**	**$**
Share of net loss of associates accounted for using the equity method	4	**(131,359)**	**220**	**(131,579)**
Impact on loss before income tax expense		**(131,359)**	**220**	**(131,579)**

STATEMENT OF FINANICAL POSITION	**Note**	**Reissued on 22 October**	**Issued on 30 September**	**Effect of revision**
		$	**$**	**$**
Investments accounted for using the equity method	9, 22	**268,641**	**400,220**	**(131,579)**
Impact on net assets of the Company		**268,641**	**400,220**	**(131,579)**

In addition, other receivables (Note 7) of $89,441 has been reclassified in the Statement of Financial Position from a current asset to a non current asset.

DIRECTORS' DECLARATION

In the opinion of the Directors of Commissioners Gold Limited (the Company):

1. The financial statements and notes thereto, as set out on pages 23 to 55 are in accordance with the Corporations Act 2001 including:

   a. giving a true and fair view of the Company's financial position as at 30 June 2013 and of its performance for the year then ended; and
   b. complying with Accounting Standards and Corporations Regulations 2001; and

2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

3. The financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2013.

This declaration is signed in accordance with a resolution of the Board of Directors.

Chris Battye

Christopher Battye

Executive Chairman

Dated this 23rd day of October 2013

Level 6
350 Kent Street
Sydney NSW 2000

K.S. Black & Co.

ABN 57 446 398 808

Level 1, 460 Church Street
North Parramatta NSW 2151

PO Box 2210
North Parramatta NSW 1750

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF COMMISSIONERS GOLD LIMITED

Report on the Financial Report
We have audited the accompanying financial report of Commissioners Gold Limited (the company), which comprises the statement of financial position as at 30 June 2013, the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flow for the year ended on that date, a summary of significant accompanying policies, other explanatory notes and the directors' declaration of the company.

We have also audited the remuneration disclosures contained in the Directors' report. As permitted by the Corporations Regulations 2001, the company has disclosed information about the remuneration of Directors and executives ("remuneration disclosures"), required by Australian Accounting Standard AASB 124: Related Party Disclosures, under the heading "Remuneration Report" in the Directors' report and not in the financial report.

Director's Responsibility for the Financial Report and the Remuneration Report contained in the Directors' Report
The Directors of Commissioners Gold Limited are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements that the financial statements comply with International Financial Reporting Standards (IFRS).
The Directors of the company are also responsible for the remuneration report contained in the Directors' Report in accordance with s300A of the Corporations Act 2001.

Auditor's Responsibility
Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement and that the remuneration report in the Directors' Report is in accordance with Australian Auditing Standards.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors as well as evaluating the overall presentation of the financial report and the remuneration disclosures contained in the Directors' report.

Level 6
350 Kent Street
Sydney NSW 2000

K.S. Black & Co.

ABN 57 446 398 808

Level 1, 460 Church Street
North Parramatta NSW 2151

PO Box 2210
North Parramatta NSW 1750

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF COMMISSIONERS GOLD LIMITED (Cont'd)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Commissioners Gold Limited would be in the same terms if it had been given to the directors at the time that this auditor's report was made.

Auditor's Opinion

In our opinion:

(a) the financial report of Commissioners Gold Limited is in accordance with the Corporations Act 2001, including:

 (i) giving a true and fair view of the company's financial position as at 30 June 2013 and of its performance for the year ended on that date; and
 (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

(b) the financial report of the company also comply with International Financial Reporting Standards as disclosed in note 1.

Auditor's opinion on the Remuneration Report contained in the Directors' Report

In our opinion, the remuneration report of Commissioners Gold Limited for the year ended 30 June 2013 that are contained on pages 13 to 16 of the Directors' Report comply with s300A of the Corporations Act 2001.

Reissue of Financial Report

The 30 June 2013 financial report was initially issued on 30 September 2013. The financial report accompanying this audit report has been reissued. Refer Note 28 for further details.

Significant Uncertainty Regarding Going Concern

Without modifying the opinion above, for the financial year ended 30 June 2013, the company incurred a net loss after tax of $1,559,101 (2012: loss $935,084). The company generated negative cash flows from operating activities for the year of $426,538 (2012: negative $653,547).

Note 1(r) to the financial report indicates that the cash flow forecasts project that the company will continue to be able to meet its liabilities and obligations as and when they fall due for a period of at least 12 months from the date of signing of this financial report. The cash flow forecast is dependent upon the generation of sufficient cash flows from capital raising, sales of assets or other initiatives to enable the company to fund its planned activities and be able to meet its liability and obligations as and when they fall due for at least the next 12 months from the date of signing of this financial report.

KS Black & Co
Chartered Accountants

Faizal Ajmat
Partner
Sydney, 22 October 2013

ADDITIONAL SHAREHOLDER INFORMATION
AS AT 26 AUGUST 2013

A. Corporate Governance

A statement disclosing the extent to which the Company has followed the best practice recommendations set by the ASX Corporate Governance Council during the period is contained within the Directors' Report.

B. Shareholding

1. Substantial Shareholders

	Shareholders	Substantial Holding	% of Issued Capital
1	DUNCAN HARDIE	10,445,535	19.910
2	CHRIS BATTYE	8,005,000	15.257

2. Number of holders in each class of equity securities and the voting rights attached (as at 26 August 2013)

Ordinary Shares

In accordance with the Company's Constitution, on a show of hands every number present in person or by proxy or attorney or duly authorised representative has one vote. On a poll every member present in person or by proxy or attorney or duly authorised representative has one vote for every fully paid ordinary share held.

Options

There were four (4) holders of options at 26 August 2013.

3. Distribution schedule of the number of holders in each class of equity security as at close of business on 26 August 2013.

Fully Paid Ordinary Shares

Spread of Holdings	Holders	Units	% of Issued Capital
1 - 1,000	4	10	0.000
1,001 - 5,000	3	5,027	0.010
5,001 - 10,000	128	1,278,000	2.436
10,001 - 100,000	136	5,355,401	10.207
100,001+	74	45,828,475	87.347
TOTAL ON REGISTER	**345**	**52,466,913**	**100.000**

4. Marketable Parcel

There are 145 non marketable parcels at 27 August 2013, representing 1,403,037 shares.

5. Twenty largest holders of each class of quoted equity security

The names of the twenty largest holders of each class of quoted security, the number of equity security each holds and the percentage of capital each holds (as at 27 August 2013) is as follows:

Ordinary Shares Top 20 holders and percentage held

	Shareholder	Holding	% of Issued Capital
1	HARDIE OCEANIC PTY LTD <HARDIE SUPER FUND A/C>	9,334,444	17.791
2	CHRIS BATTYE	8,005,000	15.257
3	OCTOPI ENTERPRISES PTY LTD	2,000,000	3.812
4	XIAODAN LIN	1,250,000	2.382
5	HARDIENZ LIMITED	1,111,111	2.118
6	MRS MARGARET BEATRICE AXTENS	1,044,333	1.990
7	MR PAUL DOMINIC HILLMAN	1,037,640	1.978
8	BRESRIM PTY LTD <D A HANNES SUPER FUND 2 A/C>	833,333	1.588
9	P FORD SUPERANNUATION PTY LTD <PATRICK FORD SUPER FUND A/C>	806,050	1.536
10	MS LIPING GU	800,000	1.525
11	MR JINTING XU	730,000	1.391
12	SANDHURST TRUSTEES LTD <LMA A/C>	622,222	1.186
13	MCCAULEY SUPER PTY LTD	600,000	1.144
14	LEI SHI	600,000	1.144
15	MR IVAN BROWN	595,000	1.134
16	OCTOPI ENTERPRISES PTY LTD	570,000	1.086
17	DRILLEAST CONTRACTING PTY LTD	569,393	1.085
18	BLUESTAR MANAGEMENT PTY LTD <SUPER FUND A/C>	560,000	1.067
19	BACK COMPANY PTY LTD <BACK FAMILY A/C>	533,333	1.017
20	MR DAMIEN HANNES <DOUBLE D INVESTMENT A/C>	500,000	0.953
	TOP 20 TOTAL	**33,101,859**	**63.091**
	Other shareholders	19,365,054	36.909
	TOTAL ISSUED CAPITAL	**52,466,913**	100%

6. Company Secretary

The name of the Company Secretary is Keith Taylor.

Address and telephone details of the Company's registered administrative office and principal place of business:

Suite 605, 1 Railway Street, CHATSWOOD NSW 2067 Australia

Telephone: +61 2 9410 3445

Facsimile: +61 2 9410 0458

Address and telephone details of the office at which a registry of securities is kept:

Boardroom Pty Limited

Level 7, 207 Kent Street, SYDNEY NSW 2000

GPO Box 3993, SYDNEY NSW 2001

Telephone: 1300 737 760

Facsimile: 1300 653 459

Stock exchange on which the Company's securities are quoted:

The Company's listed equity securities are quoted on the Australian Securities Exchange – code CGU.

Restricted Securities

Ordinary Shares

There are no restricted ordinary shares.

Options

Number	Strike	Expiry	Restricted until
750,000	$0.25	31 December 2013	
750,000	$0.30	31 December 2015	
500,000	$0.18	31 December 2014	
500,000	$0.07	31 December 2016	

Review of Operations

A review of operations is contained in the Directors' Report on page 8 of this Annual Report.

Consistency with business objectives - ASX Listing Rule 4.10.19

In accordance with Listing Rule 4.10.19, the Company states that it has used the cash and assets in a form readily convertible to cash that it had at the time of admission in a way consistent with its business objectives. The business objective is primarily exploration for natural resources and acquisition of resource based projects. The Company believes it has used its cash in a consistent manner to which was disclosed under the Prospectus dated 23 March 2011.

Schedule of Tenements

The Company's Schedule of Tenements is on page 18 of this Annual Report.

[this page left blank intentionally]

COMMISSIONERS GOLD LIMITED