

# QUARTERLY REPORT

## 30 September 2010

By Electronic Lodgement  
29 October 2010

ASX Code: CRE  
TSX Code: CRA  
FFT Code: CRE5

### SHARE INFORMATION

ASX Share Price: A\$0.145  
Issued Shares: 620.1m  
Market Cap: A\$89.9m  
Unlisted options: 35.9m

### FULLY DILUTED BASIS

Shares: 656.0m

### CONTACT DETAILS

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### HIGHLIGHTS FOR THE QUARTER ENDED 30 SEPTEMBER 2010

- Total Probable Gold Ore Reserves at the Company's 100%-owned Laverton Gold Project in Western Australia, are now estimated to contain 6.5Mt @ 2.1g/t equating in 445,000 ounces of contained gold in 12 deposits, representing an increase in reserves of 140% over the depleted reserve figure.
- The Company sold its non-core Mt Lucky manganese tenements in Laverton to Murrin Murrin Joint Venture for A\$3 million whilst maintaining the gold rights on these properties.
- Successful completion of fourth gold processing campaign through Ore Processing Agreement (OPA) with gold major Barrick netted 25,662 ounces of gold and 4,423 ounces of silver, at an average gold sale price of A\$1,346/oz.
- Total gold production (attributable to Barrick under the OPA) in the 12 months of production amounted to 99,136 ounces.
- Significant high-grade gold intersections recorded in recent Reverse Circulation (RC) drilling at Craiggimore and West Laverton projects near Laverton.
- New Chairman further strengthens Crescent Board: Geoff Stanley, Director of Crescent since 2006, appointed Chairman of the Company effective 27 July 2010.
- A\$15 million loan facility secured for the staged payment and accelerated development of the recently purchased Laverton Extended Joint Venture tenements (1.1 million gold ounces) in WA, and to fund development and working capital requirements.
- The Company received A\$863,000 from the administrators of Australian Zircon NL ("AZC") for settlement of a fully provided loan.

Additional information related to the Company is available for review at [sedar.com](http://sedar.com) or on the Company's website at [www.crescentgold.com](http://www.crescentgold.com).

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**OVERVIEW**

The past quarter has been a period of consolidation for Crescent, with the completion of a fourth processing campaign under the existing Ore Purchase Agreement with subsidiaries of Barrick Gold Corporation. Ore mined by Crescent from its wholly-owned Laverton project deposits north of Kalgoorlie in WA, is delivered to the nearby 3.8mtpa Granny Smith mill (BGSM) for processing.

Under the OPA, Crescent transports ore to Barrick for processing in a 50 day processing cycle per quarter, currently equating to annual equivalent gold production net to Crescent of approximately 100,000 ounces.

The fourth processing campaign was successfully completed in the quarter netting 25,662 ounces of gold and 4,423 ounces of silver. Total gold production (attributable to Barrick under the OPA) in the first year of production amounted to 99,136 ounces at an average cash cost for the 12 months of A\$1,055 per ounce. This was slightly higher than forecast, but with an increasing grade profile, this will reduce over the forthcoming campaigns.

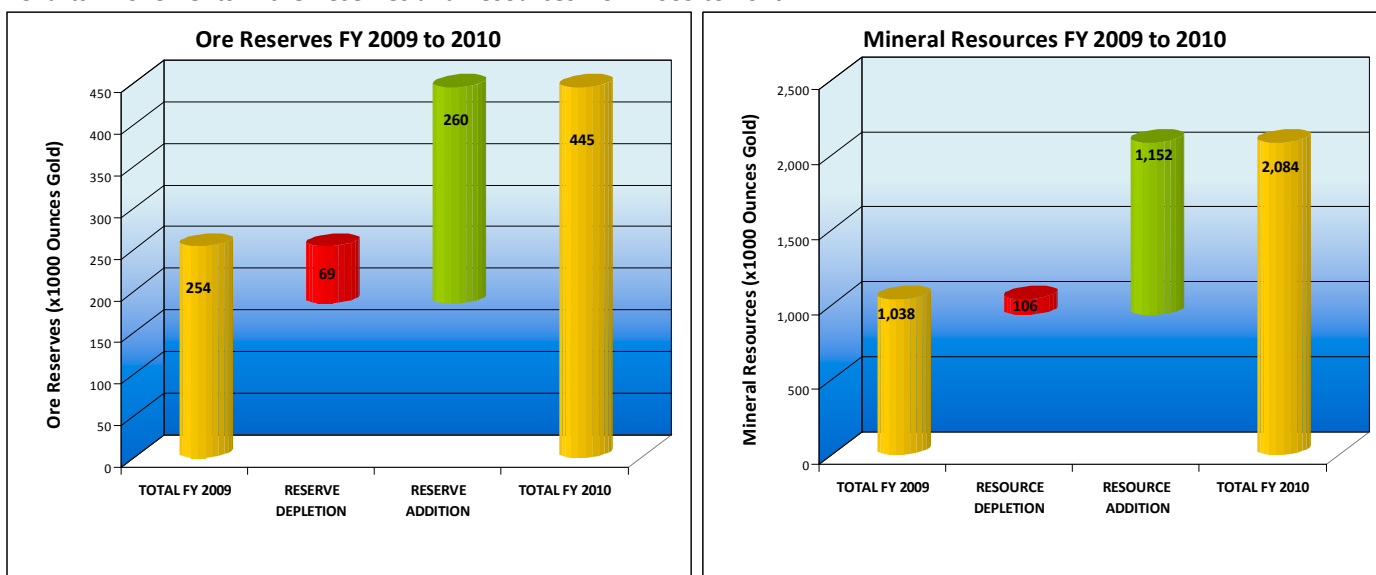
On 1 July, Crescent announced the successful completion of a A\$15 million secured loan facility. The term of the loan is 12 months with a headline interest rate of 10% plus additional establishment fees and payments. The funds will be used for the staged payment of the recently purchased Laverton Extended Joint Venture tenements (1.1 million gold ounces resource) in WA and the accelerated development of the defined projects within that package, and to fund development and working capital requirements.

On 13 July, the Company reported that significant gold intercepts were encountered from Reverse Circulation (RC) drilling at the Craiggimore, Mary Mac and Mary Mac South gold projects.

On 10 August, Crescent announced that the Company had sold its non-core Mt Lucky manganese tenements in Laverton to Murrin Murrin Joint Venture for A\$3 million whilst maintaining the gold rights on these properties.

On 28 September, Crescent announced that total Probable Gold Ore Reserves at 30 June 2010 are now estimated to contain 6.5Mt @ 2.1g/t equating in 445,000 ounces of contained gold in 12 deposits. Recent mining at 4 pits had depleted the 2009 Ore Reserve (254,000oz) by 69,000oz over the first 9 months of production to 185,000oz. The subsequent addition of a further 260,000oz through development work and engineering studies at 8 other gold deposits at Laverton represents an increase in reserves of 140% over the depleted reserve figure. The increase in reserves demonstrates the immense exploration potential of Laverton and supports Crescent’s view of the long term production capability of the Company’s flagship asset base.

**Charts: Movements in the Reserves and Resources from 2009 to 2010**



## GOVERNANCE

Roland Hill resigned as Managing Director of the Company on 8 October 2010. Mr Hill remains a Director of the Company in a non-executive capacity. Mr Mark Tory, the Company's CFO, was appointed to the Board and assumed the role of Interim Managing Director on 8 October 2010. Mr Tory has more than 20 years of professional experience in the mining industry including eight years with Anglo American and six years with Homestake Gold. Mr Tory will relinquish his Company Secretary responsibilities, which will be assumed by Mr Iain Garrett.

Incumbent Crescent Director, Geoff Stanley, was unanimously appointed to the role of Chairman of the Board effective 28<sup>th</sup> July 2010 to continue the high level of Governance and Compliance standards that the Company sets for itself. Geoff Stanley replaced Roland Hill who previously held both the Chairman and Managing Director roles. Mr Stanley has been a Director of Crescent Gold since December 2006 and his career in the mining industry spans more than 25 years, including 15 years based in New York in mining finance, analytical and mining advisory capacities.

## LAVERTON OPERATIONS (WA)

The Laverton Gold Project is a medium scale operation with 240 personnel on site. The target production of 100,000 ounces of gold places Crescent in the Top 10 Australian listed gold producers.

The current mine schedule provides for the mining and processing of approximately 640,000 tonnes of ore per quarter. Crescent's mine plan takes into account that it will be sourcing ore from a number of different pits (a minimum of two and a maximum of four at any one time).

Crescent has taken into consideration in forecasting a conspicuous variance in each of the four quarters to date. Scheduling took into account differences in overall volumes moved, subsequent changes in inventory and stockpiles and also variations in grades and bond indexes, etc as the subtleties of each pit dictate a different level of optimisation and therefore the overall contribution to tonnes and grade for each campaign's production results.

In summary, the past four campaigns have been roughly in line with forecasting with the expected ore tonnes processed being slightly higher than predicted and the grade profile of each campaign coming in within acceptable ranges. The grade profile for campaign 4 came in slightly lower than anticipated resulting in ounces delivered to Barrick falling just short of the forecasted 100,000 ounces gold per annum equivalent for the first year of production under the Ore Purchase Agreement thereby attributing a slightly higher cash cost per ounce than anticipated.

The results of the fourth OPA gold campaign with Barrick were broadly in line with expectations, with the processing of some 652kt of ore, netting 25,662 ounces of gold and 4,423 ounces of silver.

The Company is forecasting the production of 110,000 ounces of gold for the next 12 month period.

### Processing Statistics

		Campaign 4	Cumulative Campaign 1-4	Target Campaign 1-4
Date started		07/07/2010	12/10/2009	
Date completed		31/08/2010	31/08/2010	
Number of days	days	52	182	180
Ore processed	t (dry)	652,321	2,444,641	2,290,000
Ounces delivered to Barrick (Gold)*	oz (au)	25,662	99,136	100,000
Average gold grade	g/t	1.37	1.42	1.60

*\*Ounces delivered to Barrick – One of the terms under the OPA with Barrick provides for the out-turn (gold produced) from the processing of Crescent ore to be attributable to Barrick (as the Agreement is an Ore Purchase Agreement not a Toll Treatment or similar process). Crescent therefore does not own the out-turn and cannot state a direct cash cost per ounce.*

**LAVERTON GOLD PROJECT (WA) - DEVELOPMENT**

The Craiggie more deposit was handed over in its entirety to mining during the September quarter. Geotechnical studies were completed and mining commenced on the Mary Mac South deposit. An updated resource model was constructed for the Mary Mac deposit, while pending geotechnical and metallurgical studies. RC drilling targeted deeper down plunge extensions to the Mary Mac deposit, with 3 holes for 540 m drilled.

First pass pit optimisations run on the Apollo, Aurora, Eclipse and Calypso deposits were used to target potential extensional positions with RC drilling. A major RC programme to scope the deposits commenced during the quarter with 63 holes for 5,434m drilled by the end of the period. Results from the drilling will be used to improve confidence in the resources and to focus further infill drilling next year.

Collation of data acquired with the Summit deposit commenced along with engineering and hydrological work. The focus of the work was to scope the dewatering of the Summit decline to allow access for both geotechnical and mining assessment, as well as underground development drilling. The work would lead into a more detailed development plan that considered the potential to target both open pit as well as underground remnant and new ore positions.

Resource modelling commenced following the completion of a scoping RC drill programme at Lord Byron. Selection of samples for metallurgical and waste characterisation studies progressed.

Desktop assessments and sampling occurred on the Burtville, Pieces of Eight, Ida H, Bells and Euro projects.

The following summary table lists significant intersections from RC drilling completed by the end of the quarter. Full details of drill hole parameters from the Apollo drilling were released by Crescent on 26 October 2010.

APOLLO RC DRILLING							
HOLE No.	FROM (m)	TO (m)	WIDTH (m)	GRADE (g/t Au)	SIGNIFICANT INTERCEPTS	MGA EAST	MGA NORTH
WHRC023	18	20	2	19.13	2m @19.12ppm	433638	6830483
WHRC034	39	49	10	4.01	10m @4.01ppm	433738	6830708
WHRC039	55	63	8	6.69	8m @6.68ppm	433763	6830783
WHRC040	70	78	8	3.79	8m @3.79ppm	433738	6830833
WHRC042	53	57	4	7.74	4m @7.74ppm	433728	6830633
WHRC046	69	75	6	6.75	6m @6.75ppm	433638	6830333
WHRC059	40	46	6	5.09	6m @5.09ppm	433583	6830083
WHRC060	90	98	8	4.10	8m @4.10ppm	433559	6830083
WHRC062	116	134	18	2.75	18m @2.75ppm	433563	6830008
WHRC071	69	77	8	4.45	8m @4.45ppm	433388	6829633
WHRC074	53	64	11	5.30	11m @5.30ppm	433508	6830033
WHRC077	30	44	14	4.01	14m @4.01ppm	433728	6830908

Selection criteria: 0.8g/t gold lower cut-off, minimum down-hole width of 2m and maximum down-hole internal dilution of 2m. The tables list only those intercepts with a gram-metre product greater than or equal to 30 gram-metres.

## URANIUM EXPLORATION (SA & NT)

Crescent is exploring for uranium resources in South Australia and the Northern Territory. All tenements, joint ventures and exploration activities are conducted under Uranium West Limited (UWest), a 100%-owned subsidiary of Crescent Gold Limited.

### Sturt Joint Venture - Uranium

At the Sturt Project near Moomba in northeastern South Australia, UWest is earning in up to a 50% interest from JV partner TCDC. Access issues from heavy rainfall meant no field activities occurred.

### Northern Territory Uranium

All Crescent tenements in the Northern Territory are being explored by joint venture partners.

*The information in this report that relates to gold Exploration Results is based on information compiled by Mr Jeff Ion, who is a Member of the Australasian Institute of Mining and Metallurgy and a member of the Australian Institute of Geoscientists and is employed by Crescent. Mr Ion has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" and a Qualified Person under "Canadian National Instrument 43-101 Standards of Disclosure for Mineral Projects". He consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

## RESULTS OF OPERATIONS

During the three months ending 30 September 2010, Crescent incurred a net cash inflow of A\$1.4 million compared to a net cash outflow of A\$7.4 million for the same period in 2009. The latest net cash inflow is primarily due to the raising of \$15M through a loan facility, the sale of non-core assets which offset the net operating cash outflows associated with the latest mining campaign under the Ore Purchase Agreement with Barrick. The operating outflows arise as a result of the nature of our mining movements and the delayed timing of revenue received for our ore processing (on a campaign basis). There is a lagged timing effect between expenses incurred (for mining, stockpiling and inventory movements) and revenues being received (staged payments from Barrick once the Crescent campaign period starts). As campaigns run from the start of each financial quarter, the majority of the mining and stockpiling costs associated with the campaigns have been incurred prior to the commencement of production and the receipt of revenue streams.

During the three months ended 30 September 2010, the Company incurred A\$1.4 million in exploration and development costs, compared to A\$1.3 million for the same period in 2009.

Administration costs were A\$0.4 million during the quarter ended 30 September 2010, compared to A\$0.5 million for the same period in 2009.

## CHANGES IN ACCOUNTING POLICIES

Full disclosure of the Company's Significant Accounting Policies is made in Note 3 of the Annual Financial Report 2010 which was announced to the ASX/TSX on 28 September 2010.

## DERIVATIVE INSTRUMENTS

None.

## TRANSACTIONS WITH RELATED PARTIES

During the quarter, a company associated with non-Executive Director, Mr David Keough, was engaged to provide technical consulting services to Crescent on an ad-hoc part-time basis at A\$1,000 per day.

## Quarterly Report – 30 September 2010

### PAYMENTS TO DIRECTORS

Executive and Non Executive Directors of the Company received combined salary and payments totalling A\$89,000 for the three months ended 30 September 2010.

The Company is served by a Board of Directors, to which the Managing Director and the Chief Financial Officer report.

- Geoff Stanley Non-Executive Director and Chairman  
(Interim Executive Director and Chairman effective 8 October 2010)
- Roland Hill Managing Director  
(resigned as MD on 8 October 2010 – remains a Non-Executive Director)
- David Keough Non-Executive Director
- Simon Grenfell Non-Executive (Nominee) Director
- Theodore Backhouse Non-Executive (Nominee) Director
- Mark Tory Chief Financial Officer & Company Secretary  
(appointed as Interim MD on 8 October 2010)

### SUMMARY OF QUARTERLY RESULTS

The table below sets out the quarterly cash flows for the past eight quarters:

	<u>30-Sep</u> <u>2010</u> \$A '000	<u>30-Jun</u> <u>2010</u> \$A '000	<u>31-Mar</u> <u>2010</u> \$A '000	<u>31-Dec</u> <u>2009</u> \$A '000	<u>30-Sep</u> <u>2009</u> \$A '000	<u>30-Jun</u> <u>2009</u> \$A '000	<u>31-Mar</u> <u>2009</u> \$A '000	<u>31-Dec</u> <u>2008</u> \$A '000
Revenue	33,841	34,531	28,368	32,467	-	-	-	-
Other Income	244	61	109	144	185	291	285	1,074
Production	(47,941)	(29,686)	(31,655)	(25,625)	(5,491)	-	-	(591)
Exploration and Development	(1,403)	(2,402)	(913)	(1,148)	(1,324)	(3,272)	(2,271)	(3,517)
Administration	(443)	(421)	(453)	(929)	(525)	(985)	(865)	(667)
Other Operating Expenses	(1,142)	(69)	(185)	(55)	(162)	(84)	(170)	(43)
Other / Investing & Finance Exp	18,284	(1,662)	339	(2,554)	(112)	(52)	(67)	(69)
Net Increase (Decrease)	1,440	352	(4,390)	2,300	(7,429)	(4,102)	(3,088)	(3,813)
Net Gain (Loss) per Share A\$	0.0023	0.0006	(0.0071)	0.0039	(0.0126)	(0.0069)	(0.0052)	(0.0065)

Costs incurred in the 30 September 2010 quarter relate predominantly to mining and exploration activities. Cash inflows for the Company were primarily revenue from mining activities and interest from cash assets.

Exploration costs incurred during the September quarter related to tenements surrounding the Laverton Gold Project and JV expenditure for Uranium West Pty Ltd.

The Company did not report quarterly financial statements as its continued status is as a Designated Foreign Issuer (which is exempt) for reporting purposes in Canada and is also not required pursuant to Australian reporting requirements.

### LIQUIDITY & CAPITAL RESOURCES

The Company's cash on hand and funds on deposit as at 30 September 2010 totalled A\$10.3 million.

During the quarter, the Company raised A\$15 million through a loan facility secured for the staged payment and accelerated development of the recently purchased Laverton Extended Joint Venture tenements in WA, and to fund development and working capital requirements.

## Quarterly Report – 30 September 2010

The Company sold its non-core Mt Lucky manganese tenements in Laverton to Murrin Murrin Joint Venture for \$3 million whilst maintaining the gold rights on these properties.

The Company also received A\$863,000 from the administrators of Australian Zircon NL (“AZC”) for settlement of a fully provided loan.

During the quarter, the Company used net cash of A\$1.4 million for exploration and development activities with spending on the Laverton Gold Project, exploration in the Laverton region and on the Northern Territory and South Australian Uranium and IOCG projects and joint ventures.

The operating outflows arose as a result of the nature of our mining movements and the delayed timing of revenue received for our ore processing (on a campaign basis). There is a lagged timing effect between expenses incurred (for mining, stockpiling and inventory movements) and revenues being received (staged payments from Barrick once the Crescent campaign period starts).

### OUTSTANDING SHARE DATA

Ordinary shares as at 1 July 2010	620,051,875
Ordinary shares as at 30 September 2010	620,051,875

### SUBSEQUENT EVENTS

Roland Hill resigned as Managing Director of the Company on 8 October 2010. Mr Hill remains a Director of the Company in a non-executive capacity.

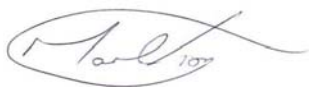
Mr Mark Tory, the Company’s CFO was appointed to the Board and assumed the role of Interim Managing Director on 8 October 2010. Mr Tory has more than 20 years of professional experience in the mining industry including eight years with Anglo American and six years with Homestake Gold. Mr Tory will relinquish his Company Secretary responsibilities, which will be assumed by Mr Iain Garrett.

### FORWARD LOOKING STATEMENT

This discussion and analysis contains certain forward-looking statements. These include statements about our expectations, beliefs, intentions or strategies for the future, and are indicated by words such as “budget”, “anticipate”, “intent”, “believe”, “estimate”, “forecast”, “expect”, and similar words. While all forward-looking statements reflect our current views with respect to future events, they are subject to certain risks and uncertainties. Actual results may differ materially from those projected in these statements for a number of factors, including those which are described in the Corporation’s periodic filings with securities regulatory authorities. We base our forward-looking statements on information currently available to us and we do not assume any obligation to update or revise them, except in accordance with applicable securities laws, readers should not place undue reliance on forward-looking statements.

Regards

**Crescent Gold Limited**



**Mark Tory**  
**Interim Managing Director**

*In accordance with the requirements of Canadian National Instrument 43-101 further information on the geology and mineralising setting can be found within the "Independent Technical Report on the Laverton Gold Project Western Australia" which is available on SEDAR ([sedar.com](http://sedar.com)) or the Company’s website [www.crescentgold.com](http://www.crescentgold.com).*

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

<b>Crescent Gold Limited</b>
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ABN

<b>49 087 360 996</b>
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Quarter ended ("current quarter")

<b>30 September 2010</b>
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### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	33,840	33,840
1.2 Payments for		
(a) exploration and evaluation	-	-
(b) development	(1,403)	(1,403)
(c) production	(47,941)	(47,941)
(d) administration	(443)	(443)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	240	240
1.5 Interest and other costs of finance paid	(1,142)	(1,142)
1.6 Income taxes paid	-	-
1.7 Other	5	5
<b>Net Operating Cash Flows</b>	<b>(16,844)</b>	<b>(16,844)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) option contracts	-	-
(c) other fixed assets	(579)	(579)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) option contracts	-	-
(c) other fixed assets	3,000	3,000
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	863	863
1.12 Other	-	-
<b>Net investing cash flows</b>	<b>3,284</b>	<b>3,284</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(13,560)</b>	<b>(13,560)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(13,560)	(13,560)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	15,000	15,000
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – repayment of lease liabilities	-	-
	Other – share issue costs	-	-
	<b>Net financing cash flows</b>	15,000	15,000
	<b>Net increase (decrease) in cash held</b>	1,440	1,440
1.20	Cash at beginning of quarter/year to date	8,863	8,863
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	10,303	10,303

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.2	Aggregate amount of payments to the parties included in item 1.2	
	Executive Director	72
	Non-Executive Directors	17
1.2	Aggregate amount of loans to the parties included in item 1.10	Nil

1.2 Explanation necessary for an understanding of the transactions

Not applicable

**Non-cash financing and investing activities**

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

Not applicable.

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

Not applicable.

+ See chapter 19 for defined terms.

### Financing facilities available

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	160
4.2 Development	2,110
4.3 Production	37,350
4.4 Administration	900
<b>Total</b>	40,520

### Reconciliation of cash

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

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	10,303	8,863
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	10,303	8,863

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

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**Changes in interests in mining tenements**

	Tenement reference	Nature of interest	Interest at beginning of quarter %	Interest at end of quarter %
6.1 Interests in mining tenements relinquished, reduced or lapsed	P38/3616	EXPIRED	100	-
6.2 Interests in mining tenements acquired or increased	L38/0173	PENDING	-	100

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+ See chapter 19 for defined terms.

**Issued and quoted securities at end of current quarter**

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

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference +securities</b> <i>(description)</i>	Nil	-	-	-
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	Nil	-	-	-
7.3 <b>+Ordinary securities</b>	620,051,875	620,051,875	Fully paid	Fully paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	Nil Nil	Nil Nil		
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	Nil	Nil	-	-
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	Nil Nil	Nil Nil	- -	- -
7.7 <b>Options</b> <i>(description and conversion factor)</i>	35,927,500	Nil	-	-
7.8 Issued during quarter	Nil	-	-	-
7.9 Exercised during quarter	Nil	-	-	-
7.10 Expired during quarter	Nil	-	-	-
7.11 <b>Debentures</b> <i>(totals only)</i>	Nil	-		
7.12 <b>Unsecured notes</b> <i>(totals only)</i>	Nil	-		

+ See chapter 19 for defined terms.

**ITEM 7.7 DETAILS OF OPTIONS ON ISSUE**

<b>Total Number</b>	<b>Number Quoted</b>	<b>Exercise price \$</b>	<b>Expiry date</b>
650,000	-	0.40	30/11/2010
250,000	-	0.35	30/11/2010
1,000,000	-	0.31	26/05/2011
11,320,000	-	0.13	16/09/2011
1,000,000	-	0.16	16/06/2012
8,400,000	-	0.175	16/06/2012
13,307,500	-	0.30	15/01/2013
<b>35,927,500</b>	-		

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: ..... Date: 29 October 2010  
(Director/Company Secretary)

Print name: Mark Tory

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