

FEASIBILITY STUDY DRILLING AT SICKLE—SIGNIFICANT RESOURCE UPGRADE EXPECTED

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16 August 2004

Company Announcements Office
Australian Stock Exchange Limited
2 The Esplanade
PERTH WA 6000

By Electronic Lodgment

Dear Sir/Madam

HIGHLIGHTS

- Significant oxide resource increase expected following high-grade intersections.
- 94% gold recoveries in the oxide zone indicated by Metallurgical test work.
- Sickle deposit now considered to be a major resource component of the Feasibility study, which is on schedule to be completed during the September Quarter.

Interval (m)	Mineralised Intercept			Azimuth	Dip	North	East	Hole Id
	Grade Au (g/t)	Depth From (m)	Depth To (m)					
11	4.6	32	43	270	-60	29,680	32,579	SKRC108
17	3.2	10	27	270	-60	29,680	32,504	SKRC105
18	3.1	72	90	270	-60	29,632	32,561	SKRC098
25	4.4	65	90	270	-60	29,632	32,539	SKRC097
14	4.2	78	92	270	-60	29,632	32,436	SKRC093
15	3.8	69	84	270	-60	29,530	32,483	SKRC081
4	12.2	46	50	270	-60	29,958	32,272	SKRC063
24	2.4	8	32	270	-60	29,858	32,281	SKRC052
14	3.5	65	79	270	-60	29,703	32,378	SKRC034
12	7.7	34	46	270	-60	29,703	32,353	SKRC033
16	2.8	65	81	270	-60	29,607	32,561	SKRC024
7	6.1	56	63	270	-60	29,607	32,511	SKRC023
9	5.5	82	91	270	-60	29,500	32,492	SKRC013

Notes:

1. All gold analysis undertaken by 50 gram Fire Assay. 2. samples collected over 1 metre intervals. 3. Minimum intersection width 2 metres with internal waste of 2 metres. 4. Downhole length reported. 5. Azimuths are referenced to local grid. 6. No top cut has been applied. 7. Holes SKRC034 and below previously reported in ASX Quarterly Report

ASX Code: CRE

Level 5

89 St Georges Terrace

Perth WA 6000

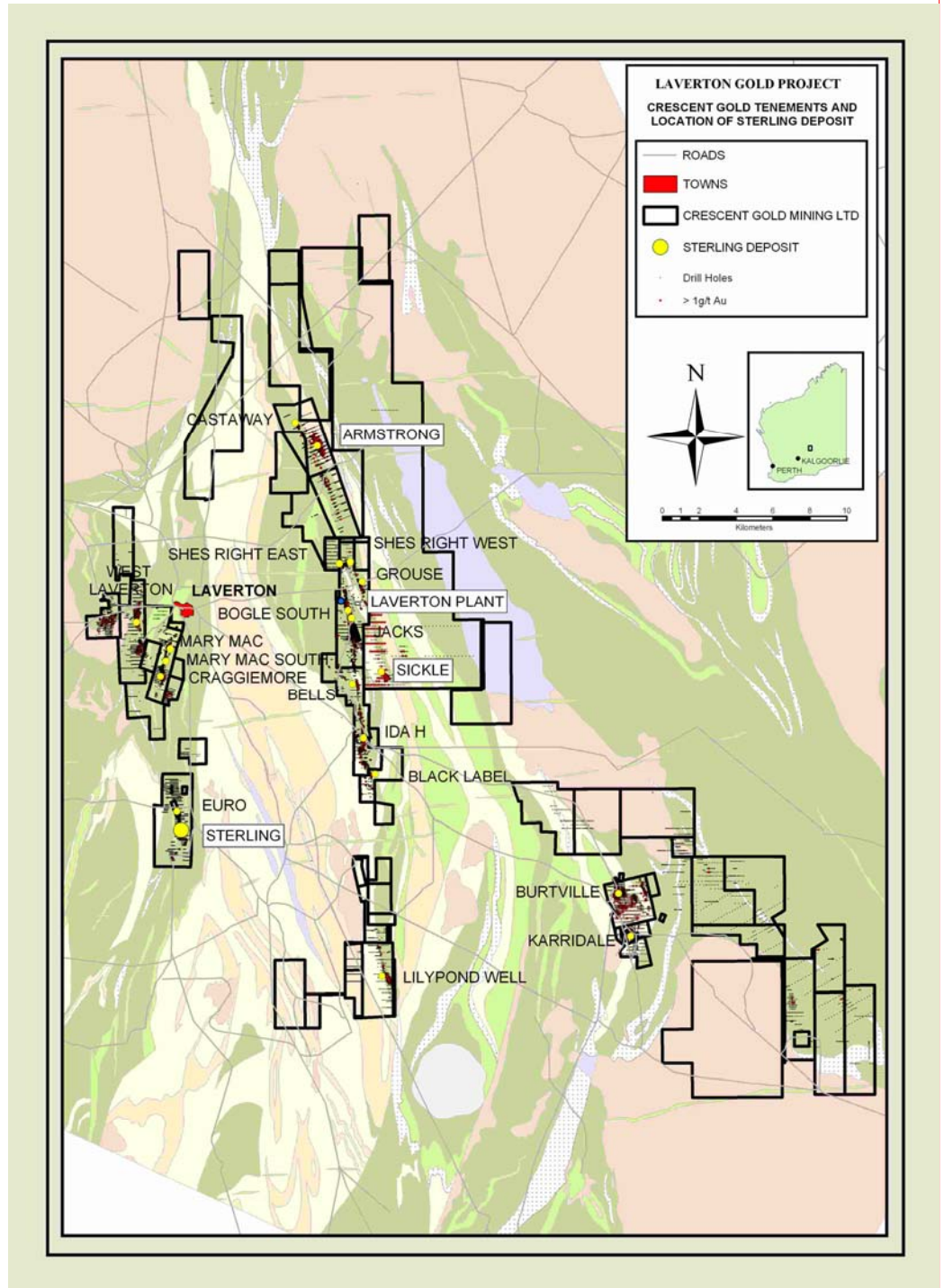
Ph: +61 8 9322 5833

Fax: +61 8 9322 5866

info@crescentgold.com

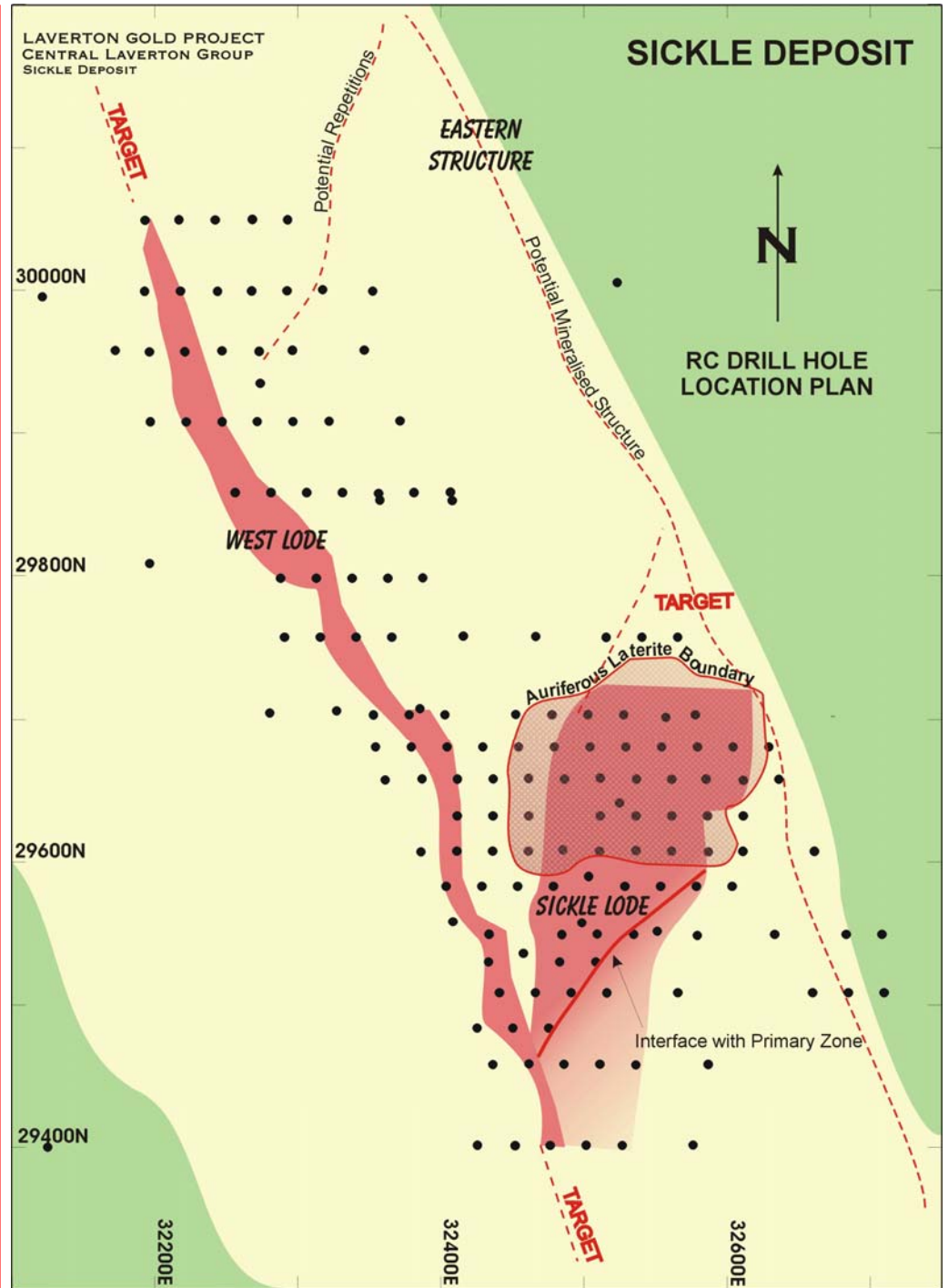
www.crescentgold.com

A total 108 RC holes for an advance of 8,390 metres and 3 Diamond core holes for 165m was completed at the Sickle deposit, which is located 5 kms south east of the company's Laverton Gold Plant.



The results obtained at Sickle are of significantly greater tenor than the results obtained from the other feasibility study projects. The Sickle Deposit is now the principal deposit containing the bulk of the required resource ounces as detailed in the 'term of reference' for the Feasibility Study.

CRISCCENT gold limited
 “Provided substantial number of density determinations”



The drill pattern has been reduced from 50m spacing to 25m spacing. This closer spaced drilling has shown the existence of higher-grade zones, which is expected to contribute to a resource increase for the oxide zone.

Completed diamond drilling (3 HQ triple tube drill holes for an advance of 165 metres) has provided a substantial number of density determinations to be completed. Results of these determinations indicate higher Dry Bulk Density values than previously used which will also contribute to a resource increase.

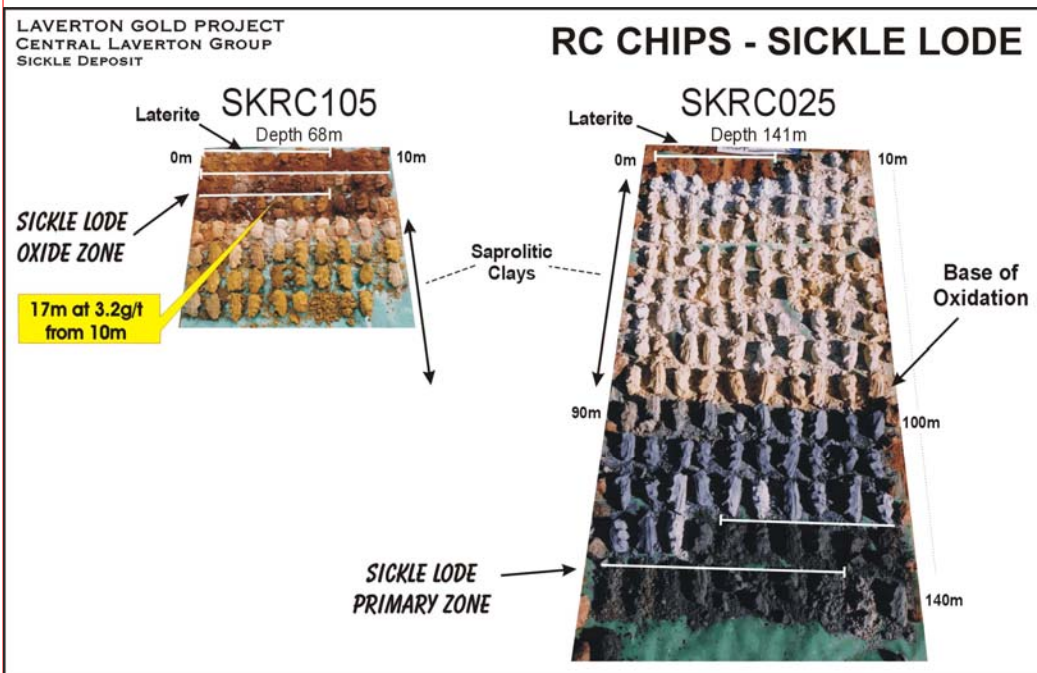
All drilling has now been completed for the feasibility study.

GEOLOGY

The geological interpretation is nearing completion, which will be the basis for the resource estimation and optimisations studies. Feasibility work has focused on the delineation of the mineralisation within the oxide zone, however several holes were drilled deeper into the primary sulphide mineralisation for further test-work purposes.

It is interpreted that a deep weathering profile has contributed to a significantly enriched oxide ‘supergene’ zone. The ‘base of oxidation’ is clearly recognized in all holes and occurs to at least a vertical depth of 80 metres. This boundary is interpreted to be both an important geological and metallurgical boundary as it marks the first occurrence of massive pyrite. The following figure displays the ‘base of oxidation’ and the occurrence of the Sickle lode above and below this boundary.

“Significantly enriched oxide”



Gold mineralisation is interpreted in two main mineralised lodes, the West Lode and Sickle Lode. A third lode is interpreted to occur in the hanging wall, however insufficient data is available to be able to confidently delineate the lode. Mineralisation in the oxide zone occurs within either quartz veining within saprolitic clays or within a massive gossanous hematite zone, which is the oxide form of the primary massive sulphide zone. In addition significant auriferous lateritic mineralisation has been identified. The following describes the lodes in more detail (refer drill hole plan):

The **West Lode** strikes 340 degrees and steeply dips to the East and has been delineated over a 600 metre strike length. The lode forms the current known footwall position and is generally tabular in shape and can occur in multiple parallel lodes along its strike length. Mineralisation in the oxide zone occurs as saprolitic clays with minor quartz veining. The lode position is open both North and South and at depth.

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CRISTAR Gold Limited
 "massive gossanous hematite zone"

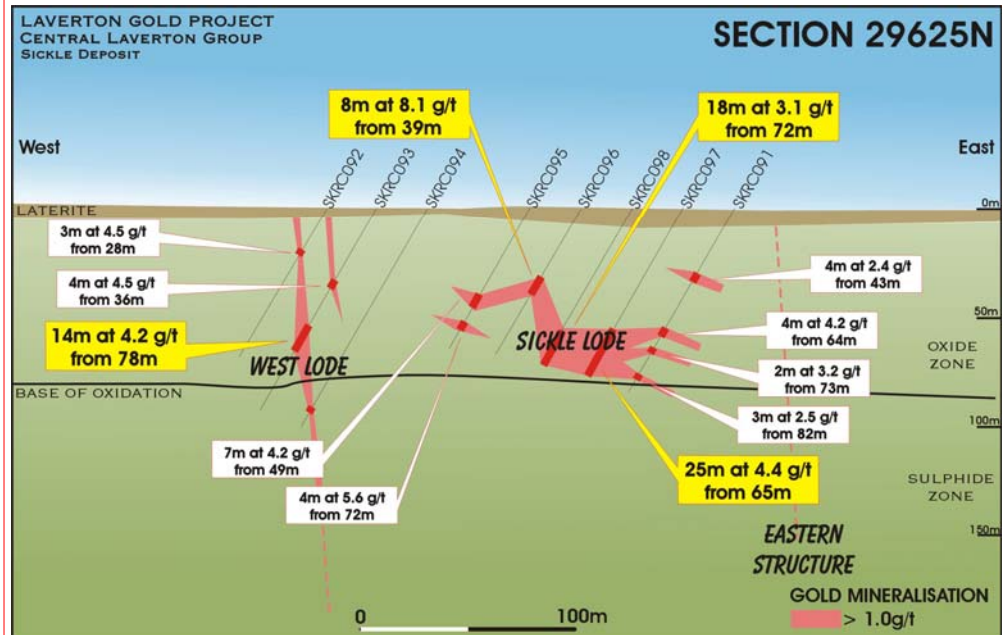
Better intersections for the West Lode include:

Mineralised Intercept				
Interval (m)	Grade Au (g/t)	Depth From (m)	Depth To (m)	Hole Id
14	4.2	78	92	SKRC093
14	3.5	65	79	SKRC034
12	7.7	34	46	SKRC033

The **Sickle Lode** dips moderately to the East and plunges at about 20 degrees to the south and has been delineated over a 300 metre strike length. The lode forms the bulk of the mineralisation, as it has an average width of over 100 metres and is rectangular in shape. Mineralisation in the oxide zone occurs within a massive gossanous hematite zone and massive pyrite in the primary zone. The interface of the oxide and fresh defines the available oxide resource for sickle and this position is interpreted on the attached drill hole plan. Several target positions have been identified for the occurrence of potential repetitions; in addition the lode position is open to the south, however this is a primary zone target.

Significant intersections have been recorded for the Sickle Lode and include:

Mineralised Intercept				
Interval (m)	Grade Au (g/t)	Depth From (m)	Depth To (m)	Hole Id
17	3.2	10	27	SKRC105
25	4.4	65	90	SKRC097
16	2.8	65	81	SKRC024

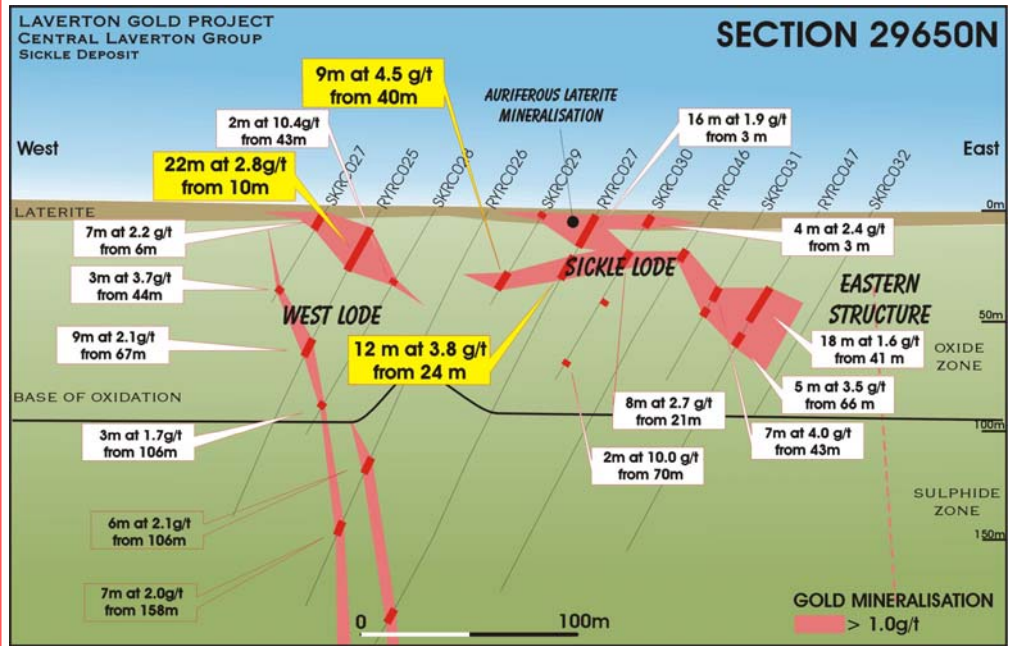


Auriferous Laterite has been delineated over a large area where the Sickle lode occurs at surface (refer attached drill hole plan). Further analytical work is being undertaken on the laterite outside this defined zone, as the current analysis method indicates a very large sub-economic zone. Analysis is being undertaken to evaluate if the laterite host a coarse gold component which could lead to an under call of the grade.

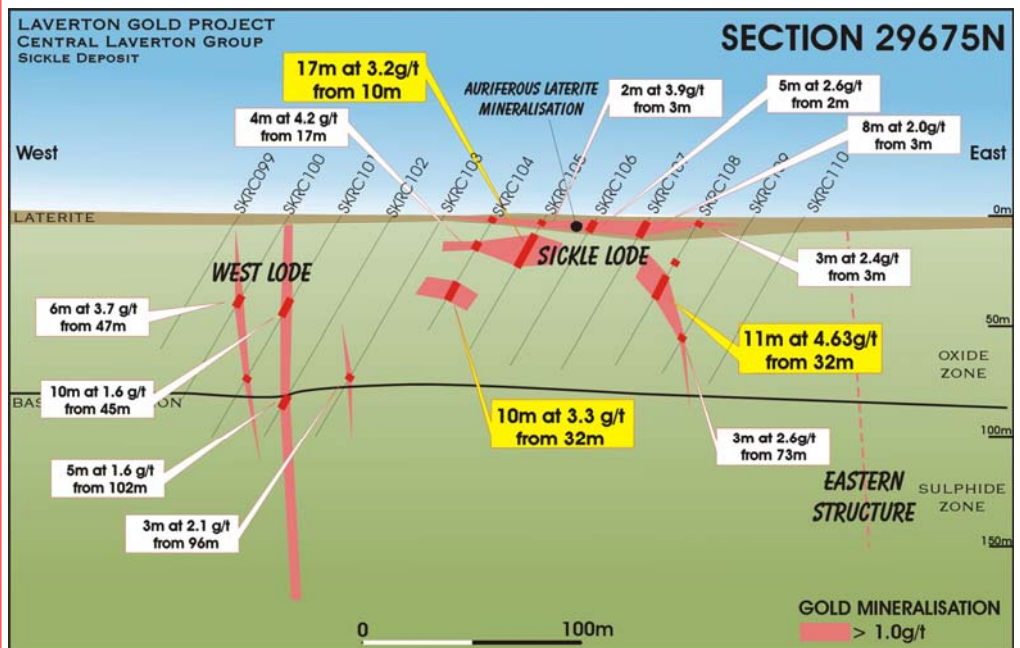
Creighton Gold Limited
 "significant number of standout drilling targets"

Intersections for this zone are very consistent and typical intersections include;

Mineralised Intercept				
Interval (m)	Grade Au (g/t)	Depth From (m)	Depth To (m)	Hole Id
5	2.6	2	7	SKRC106
5	2.8	3	8	SKRC038
4	2.8	3	7	SKRC037



The **Eastern Structure** is interpreted as a possible additional mineralized lode, however limited drill data occurs for this position. Regional geological interpretations have the position coincident with a major lithological contact. It is interpreted the structure to be parallel and have a similar geometry as the West Lode.



At Sickle a significant number of standout drilling targets occurs together with favorable untested regional positions contiguous with the Sickle deposit. Further drilling is being planned to commence at the completion of the Feasibility Study.

The following cross sections illustrate the continuity of the West Lode, Sickle Lode and Laterite mineralised systems.

RESOURCE ESTIMATE

As announced to the ASX on the 18th June 2003, the deposit was previously estimated to contain inferred resources of 6 million tonnes at 1.25 g/t containing 245,000 ounces as detailed below:

GOLD RESOURCES	RESOURCES								
	MEASURED		INDICATED		INFERRED		TOTAL		
	TONNES	GRADE	TONNES	GRADE	TONNES	GRADE	TONNES	GRADE	OUNCES
	(kT)	(g/t)	(kT)	(g/t)	(kT)	(g/t)	(kT)	(g/t)	
CENTRAL LAVERTON GROUP									
OXIDE ZONE					1,200	2.0	1,200	2.0	77,000
PRIMARY ZONE					4,800	1.1	4,800	1.1	168,000
TOTAL					6,000	1.3	6,000	1.3	245,000

It is expected that the oxide component of the resource will be significantly increased, as a result of both higher-grade RC intersections and an increase in the dry bulk density. All quality control measures show the data collected at Sickle is within acceptable variation and as such conforms to required standard for reporting resources to there relative confidence levels.

METALLURGICAL TESTWORK

Results received thus far have indicated in excess of 94% recovery rates for the oxide zone using standard Cyanide Leach techniques. All metallurgical testwork has been carried out at the Ammtec Laboratory in Balcatta, Western Australia and supervised by suitably qualified personnel from BEMEX Corporation.

No metallurgical testwork has been carried out on the sulphide zone, but a total of 37 RC samples from this zone were submitted for Bulk Leach Extractable Gold "BLEG" analysis. The results from the BLEG analysis confirm the very poor recovery rates for samples from the massive pyrite zones. However not all primary gold mineralisation is associated with massive pyrite, evaluation of these zone are outside of the scope of the feasibility study.

CIRSCENT gold limited

"94% recovery rates for the oxide zone"

LAVERTON PROJECT FEASIBILITY STUDY UPDATE

The feasibility study is being completed on 4 Projects; Sickle, Euro, Armstrong Hill and West Laverton. Production is anticipated to commence during the early part of 2005. Geological Interpretations, Resource estimations and mining optimisation studies are currently being carried out for all projects.

The expected terms of the reference of the Feasibility Study are outlined below:

Target Production:	50 –70,000 ozs per year
Mine Life:	3 to 5 years
Operating Cost:	A\$400/oz
Capital Cost:	\$3-9 million

The feasibility study is expected to be completed during the September Quarter 2004 and available during the December Quarter. Discussions have commenced with financial institutions regarding debt finance.

Yours faithfully

Crescent Gold Limited



Andrew Haythorpe
Director

Company Profile

Directors

Alan Phillips, Chairman
Dean Gallegos, Director
Andrew Haythorpe,
Executive Director
Neil O'Loughlin, Executive
Director

Share Price

13cps

Market Cap

\$13m

Issued Capital

\$104m shares

Cash

\$3m