

7m @ 6.4g/t, 4m @ 6.9g/t - Crescent Gold commences search for grade

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

SHARE INFORMATION

ASX Share Price: *A\$0.34*
Issued Shares: *218.0m*
Market Cap: *A\$74.1m*
Options unlisted: *30.1m*

FULLY DILUTED BASIS

Shares: *248.1m*
Cash on dilution: *A\$5.6m*
Current Cash ** : *A\$5.0m*

ENTERPRISE VALUE

EV: *A\$69.1m*
EV / oz reserve: *A\$193/oz*
EV / oz resource: *A\$49/oz*

RESOURCES

Measured: *0.07m ozs*
0.9mt
2.5g/t
Indicated: *0.88m ozs*
18.7mt
1.5g/t
Inferred: *0.54m ozs*
11.4mt
1.5g/t

Market Cap/oz: *A\$50/oz*

RESERVES

Probable: *0.36m ozs*
6.2mt
1.8g/t
Market Cap/oz: *A\$207/oz*

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** Inc. A\$2.4m Enviro' Bonds

7 September 2006

By Electronic Lodgement

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PERTH WA 6000

Crescent is now searching for high grade, low cost Ore Reserves. After 3 years of drilling to convert Resources into Reserves, the company gained Bank Finance Approval to proceed into production last week.

Crescent has received assays of significant intersections at Bells, located 4.5 kms south of its Laverton Gold Plant.

A total of 16 RC holes for an advance of 2,026m has been completed, testing a strike length of 400m. Better intersections include:

6m	at	5.1 g/t	from	83m
4m	at	6.9 g/t	from	15m
7m	at	4.0 g/t	from	65m

The first 10 holes have been received, the full listing of these results is detailed in Table 1 (down hole lengths reported - true widths will be determined). Once the final 5 holes are received, additional drilling is planned.

The Bells prospect is interpreted to lie on the same structure as the historic Ida H deposit, which produced 180,000 oz at a head grade of 22.8 g/t. The following sections (Figure 1 and 2), shows the mineralisation to be a steeply tabular body with apparent good grade continuity on section.

The structure remains virtually unexplored along strike and at depth. Most holes are less than 60m deep (Figure 3).

FISH

Further intersections have also been received at Fish as a result of 7 RC hole follow-up programme;

7m	at	6.4 g/t	from	65m
3m	at	6.7 g/t	from	78m

A further 15 holes are planned.

For diagrams and full details please refer to the company website www.crescentgold.com and www.sedar.com.

Figure 1 and Figure 2 – Bells Cross Section

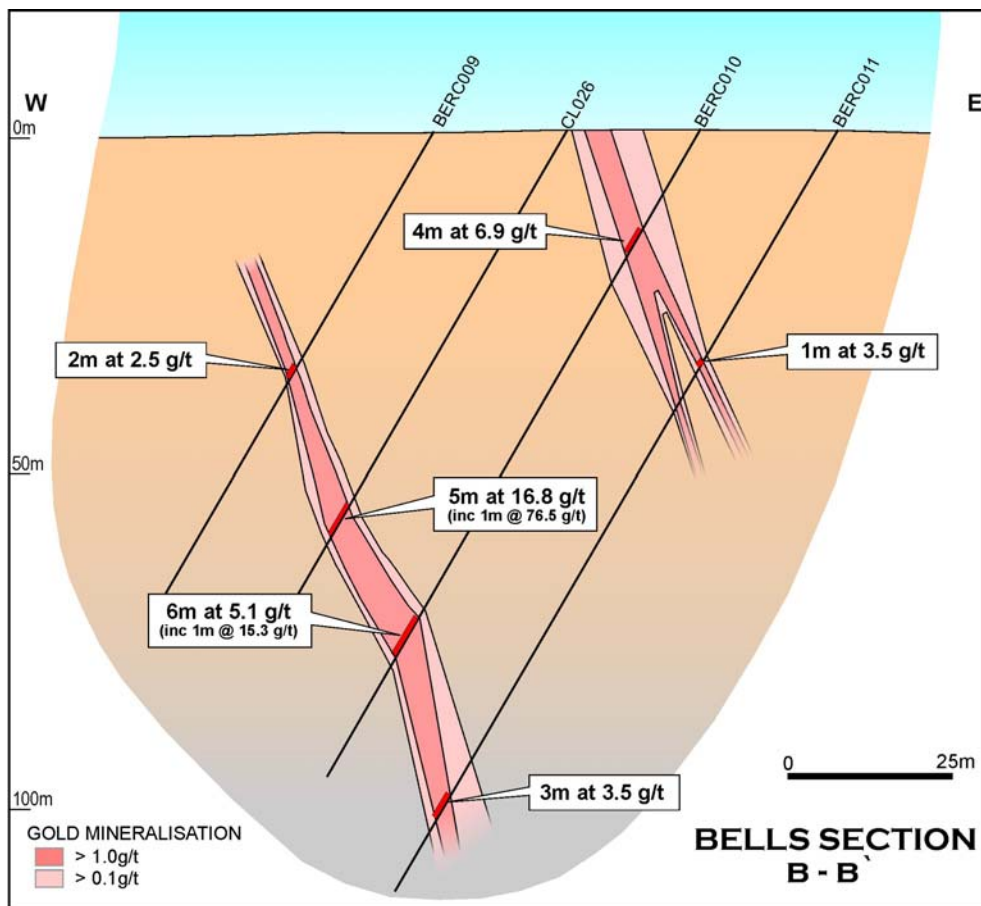
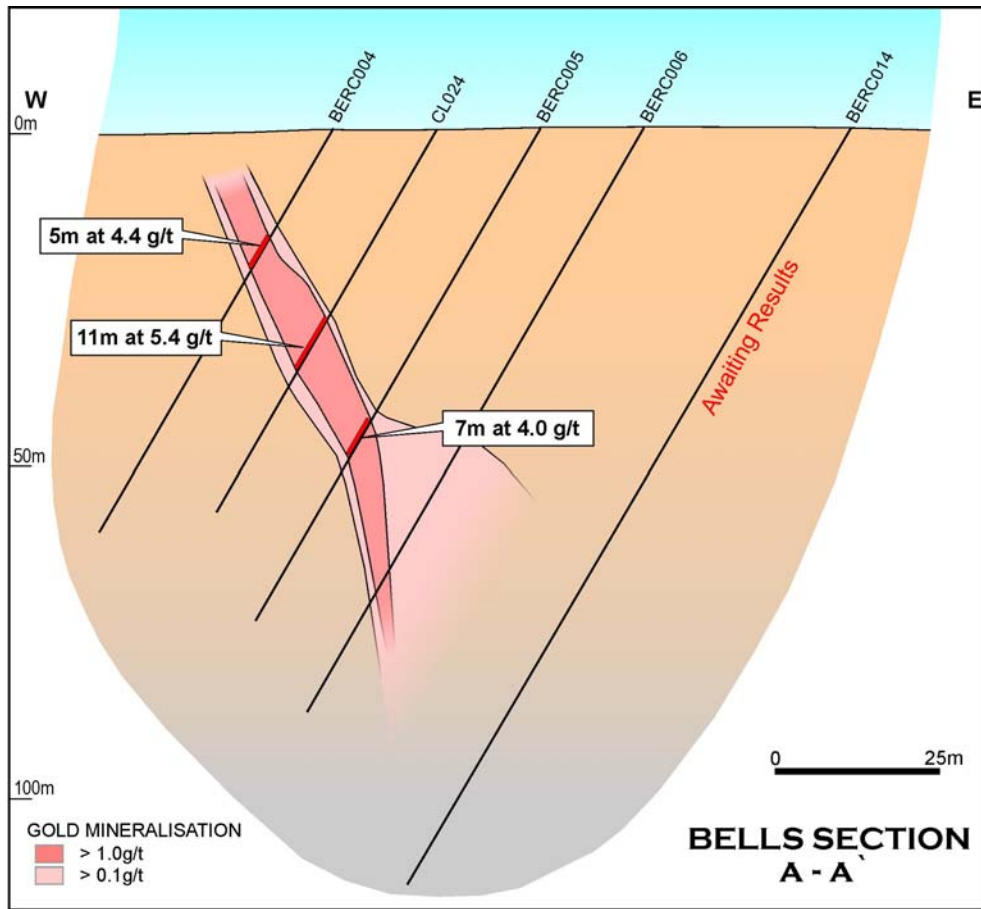
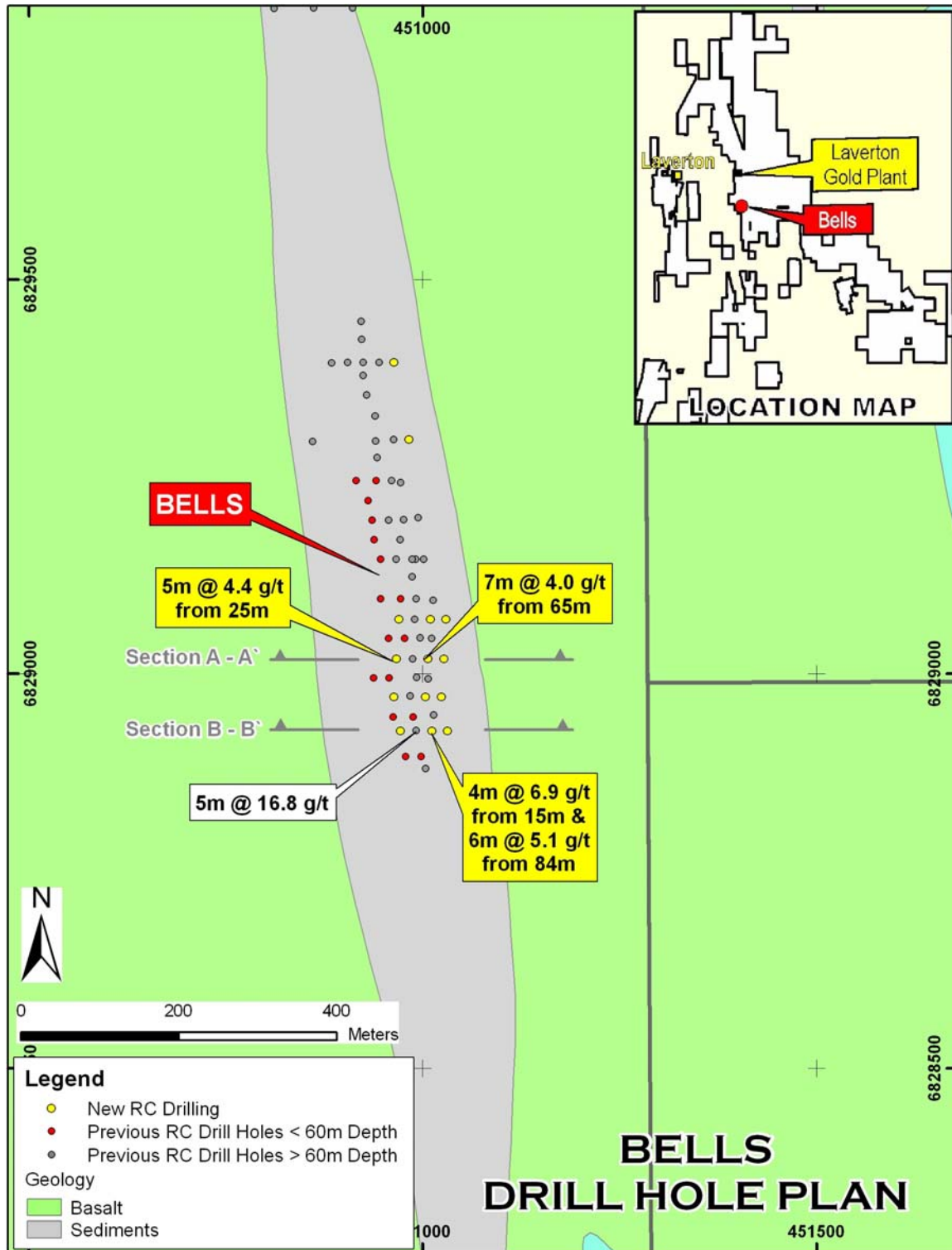


Figure 3 – Geological Location Plan - Bells



Limited (shallow) drilling has occurred along the strike length of the Bells prospect. The Ida H deposit produced 180,000 oz at a head grade of 22.8 g/t and is located 2.5 km south of hole BERC010, where 4m at 6.9 g/t from 15m and 6m at 5.1 g/t from 84m was intersected.

Table 1 – RC Drill Results for Bells

MINERALISED INTERCEPT				AZIMUTH	DIP	NORTH	EAST	HOLE ID
INTERVAL (M)	GRADE AU (G/T)	DEPTH FROM (M)	DEPTH TO (M)					
2	4.4	39	41	270	-60	6829069	450970	BERC001
1	1.2	90	91	270	-60	6829069	451010	BERC002
No Significant Intersection				270	-60	6829069	451030	BERC003
5	4.4	25	30	270	-60	6829019	450967	BERC004
7	4.0	65	72	270	-60	6829019	451007	BERC005
1	2.1	67	68	270	-60	6829019	451027	BERC006
2	2.3	100	102					
3	4.5	7	10	270	-60	6828971	450964	BERC007
2	2.2	55	57	270	-60	6828971	451004	BERC008
2	2.5	39	41	270	-60	6828928	450972	BERC009
4	6.9	15	19	270	-60	6828928	451012	BERC010
6	5.1	84	90					
1	3.5	38	39	270	-60	6828928	451032	BERC011
3	1.5	106	109					
3	3.5	113	116					

Table 2 – RC Drill Results for Fish

MINERALISED INTERCEPT				AZIMUTH	DIP	NORTH	EAST	HOLE ID
INTERVAL (M)	GRADE AU (G/T)	DEPTH FROM (M)	DEPTH TO (M)					
3	4.6	15	18	270	-60	6781110	511426	FHRC029
3	5.2	78	81	270	-60	6781110	511478	FHRC030
3	2.8	64	67	270	-60	6781150	511489	FHRC031
1	2.9	54	55	270	-60	6781250	511476	FHRC032
3	2.6	26	29	270	-60	6780990	511365	FHRC033
7	6.4	65	72	270	-60	6780930	511358	FHRC034
3	6.7	78	81					
7	3.4	142	149	270	-60	6781089	511499	FHRC035

1. All gold analysis undertaken by 40 gram Fire Assay at independent commercial laboratory Genalysis located in Perth, Australia.
2. RC Samples collected over 1 metre intervals using a industry standard 3 tier riffle splitter Diamond core was sampled over 1m by collecting whole core, sample was crushed then rotary split at Ammtec Pty Ltd.
3. Minimum intersection width 2 metres with internal waste of no more than 2 metres
4. Downhole lengths reported as true width is unknown.
5. Azimuths are referenced to local grid.
6. No top cut has been applied.
7. Intersection grade rounded to 1 decimal figure.

Quality Assurance and Quality Control (QAQC):

Gold intersections reported have been verified by the company's QAQC protocols, which include routinely inserted standards and replicate field splits. All samples from drill holes are prepared by Genalysis and pulverised to 90% passing 75 microns then analysed for gold using Fire Assay methods.

"The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Andrew Spinks, who is a Member of The Australasian Institute of Mining and Metallurgy included in a list promulgated by the ASX from time to time. Andrew Spinks is employed by Crescent Gold Limited and 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. Andrew Spinks consents to the inclusion in the report of the matters based on his information in the form and context in which it appears."

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 Mineral Asset of Laverton Gold Project" which is available on SEDAR (www.sedar.com) or the company's website www.crescentgold.com

Further information on Crescent Gold Limited and technical reports on the Laverton Gold Project can be found on the company's website www.crescentgold.com.

Caution Regarding Forward Looking Statements

Some of the statements in this news release contain forward-looking information, which involves inherent risk and uncertainty affecting the business of Crescent. Actual events may differ materially from those currently anticipated in such statements. The TSE does not accept responsibility for the adequacy or accuracy of this release.

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Regards
Crescent Gold Limited

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