

SICKLE ORE RESERVE - 41% INCREASE

15th November 2005

By Electronic Lodgment

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

ASX Code: CRE

Share Price: A\$0.20

Issued Shares: 137.1m

Market Cap: A\$27.4m

Options 20c CREO : 66.9m

Options 15c/18c unlisted: 17.4m

Resources : 1.3m ozs

Reserves : 0.24m ozs

Market Cap/oz Resource : A\$21 /oz

Market Cap/oz Reserve: A\$114 /oz

Fully Diluted Basis:

Shares : 231.4m

Cash upon dilution : A\$16.5m

Current Cash : A\$3.9m**

Current Cash/Share : A\$0.071

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Preliminary Sickle Ore Reserve - 41% Increase

- 41% increase on previous Sickle Reserve (BFS 2004 97,000 ozs, 1mpta @ A\$625/oz).
- Further increases anticipated from current drilling and new resource and reserve estimations.
- Sickle Pit Reserve — 137,000 ozs recoverable estimated.
- Probable ore reserves of 2.2 mt @ 2.1 g/t for 137,000 ozs.
- Net Cashflow of A\$22.8m from Sickle Pit so far (using \$625/oz less costs). Gold price is now A\$640/oz.
- Cash (C1) costs approximately A\$300/oz. Total costs, including administration, estimated at A\$456/oz.
- Recent successful drilling is expected to improve reserve grade and economics.
- Unit costs can be reduced by increasing the cut-off grade, without a major reduction in cash flow.
- Optimisation studies on the other 1.3m ozs of resource.

Fish

- Resource estimate commenced. Ore reserve to follow.

Laverton Costs Updated — July 2005

- All 2005 cost increases included, contingencies added
- Refurbishment cost estimate for 1 mpta — \$5.6m.
- 1.5 mtpa expansion estimate (additional ball mill) - \$5.9m.

Sickle Ore Reserve Estimate

The probable ore reserve estimate for the Sickle deposit has increased 41%. The new estimate incorporates the 1.5 mtpa expansion study and a gold price of A\$625/oz (US\$460/oz).

2.2 mt at 2.1 g/t for 137,000 oz (recovered).

This is a 41% increase on recovered ounces and reflects the work completed over the last nine months. The ore reserve estimate has been carried out by Oreology consultant mining engineer Steve Craig.

The following table summarises results of the optimisation study.

Sickle Deposit		1.5 mtpa
Ore	mt	2.2
	g/t	2.1
Waste	mt	16.7
Strip ratio	W:O	7.7
Gold - Contained	000 ozs	149
Bond Work Index		11.5
Gold Recovery	%	91.5
Gold - Recovered	000 ozs	137

Mining and processing costs were updated to reflect the recent increases recorded since the completion of the Bankable Feasibility Study ("BFS") in November 2004.

All other technical inputs were sourced and updated from the BFS.

Laverton Gold Project

The November 2004 BFS ore reserve estimate for the other 3 deposits included is summarised below (ore reserves estimates using A\$625 gold price and the 1mtpa refurbishment option):

Admiral Hill	0.7 mt at 1.4 g/t for 27,500 oz (recovered)
Euro	1.8 mt at 1.8 g/t for 26,500 oz (recovered)
West Laverton	0.3 mt at 2.2 g/t for 16,800 oz (recovered)

The company is progressing with the 1.5 mtpa expansion option. These ore reserves should increase given the lower processing cost associated with the higher throughput rate. Further work is underway;

- Recently completed RC infill drilling at the Fish deposit. A mineral resource estimate has commenced and optimisation study will be completed during the quarter. Better RC intersections received and previously reported include:

11m @ 7.6 g/t from 70m
10m @ 6.1 g/t from 154m
4m @ 5.3 g/t from 83m
13m @ 4.0 g/t from 8m
7m @ 2.9 g/t from 68m
7m @ 7.0 g/t from 12m
8m @ 5.7 g/t from 96m
8m @ 5.6 g/t from 107m

- Current RC drilling at Sickle will further impact the mineral resource estimate. Recently announced results include:

12m @ 9.6 g/t from 41m
6m @ 7.3 g/t from 139m

The project economics are highly leveraged to a higher gold price. The company is conducting optimisation studies based on gold price sensitivities for the other resources contained within the 1.3m ozs total.

Inferred Resources – 1.38 mozs (29.5 mt @ 1.5 g/t)

The Measured, Indicated and Inferred resource at the Laverton Project totalled 29.5 million tonnes at 1.5 g/t Au containing 1,378,000 ounces of gold (as at 15 November 2005). The Mineral Resource Statement is detailed below.

Identified Gold Resources

GOLD RESOURCES									
Gold Resources	Measured		Indicated		Inferred		Total		Ounces
	Tonnes (kt)	Grade (g/t)	Tonnes (kt)	Grade (g/t)	Tonnes (kt)	Grade (g/t)	Tonnes (kt)	Grade (g/t)	
Sickle			7,150	1.7	2,550	1.5	9,700	1.7	520,000
Euro	570	1.7	76	1.5	53	1.5	699	1.7	38,000
Armstrong			4,831	0.8	1,638	1.4	6,469	0.9	197,000
West Laverton			392	1.9	321	2.1	713	2.0	45,000
Fish					621	4.1	621	4.1	81,000
West Laverton Group			48	1.9	829	2.8	877	2.7	77,000
Central Laverton Group			544	1.7	3,532	1.3	4,076	1.4	183,000
South Laverton Group					948	1.1	948	1.1	35,000
Jasper Hills Group					4,125	1.0	4,125	1.0	130,000
Burtville Group			210	2.1	1,060	1.7	1,270	1.8	72,000
TOTAL RESOURCES	570	1.7	13,251	1.4	15,677	1.5	29,498	1.5	1,378,000

ADDITIONAL NOTES FOR TABLE

- Figures contained within table have been rounded. Gold grades are rounded to 1 decimal figure; both estimated tonnes and contained ounces are rounded to nearest 1000.
- Abbreviations used : kt = 1000 tonnes, g/t = grams per tonne,
- West Laverton Group includes resources for West Laverton, Mary Mac, Mary Mac South and Craiggimore
- Central Laverton Group includes resources for Castaway, Pieces of Eight, She's Right West, She's Right East, Scotland Yet, Grouse, Jacks, Bogle, Bogle South, Bells, Ida H and Low Grade Stockpiles.
- South Laverton Group includes resources for Black Label and Lily Pond Well.
- Jasper Hill Group includes resources for Lord Byron.
- Burtville Group includes resources for Burtville and Karridale deposits.
- The Karridale deposit is hosted within tenements that are subject to the Merolia Joint Venture Agreement ("MJV"), in which the company holds 75.5% interest in the MJV.
- The following mineral resource locations are contiguous with existing open cut pits West Laverton, Mary Mac, Mary Mac South, Craiggimore, She's Right West, She's Right East, Scotland Yet and Ida H.

Capital and Operating Cost Updated for all Cost Increases

Bemex Corporation Pty Ltd provided updated capital and operating costs for re-starting the 1mtpa Laverton Gold Plant and also expanding the plant to 1.5 mtpa by adding a second ball mill (Expansion option). This includes all known recent cost increases.

The total infrastructure re-start cost of \$5.6 million includes:

- Refurbishment of the 1mtpa Laverton Gold Plant,
- Including EPCM cost,
- First fill reagents,
- Commissioning and
- 15% contingency .

The estimated processing cost per tonne, excluding administration, ranges between \$11.2 and \$12.7 per tonne.

The additional expansion to 1.5 mtpa, estimated at \$5.9 million, includes:

- EPCM cost,
- First fill reagents,
- Commissioning and
- Contingencies.

Bringing the total cost to 1.5 mtpa capacity to \$11.5 million. Estimated processing cost per tonne, excluding administration, ranges between \$9.1 and \$10.5 per tonne.

The above costs were in-line with expectation and current work is focussed on ways to minimise the capital requirement at the proposed start-up.

Regards

Crescent Gold Limited



Andrew Haythorpe
Executive Director

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". 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.