crescent gold limited

LAVERTON ORE RESERVES DOUBLE

13th December 2005

By Electronic Lodgment

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

ASX Code: CRE

Share Price: A$0.215

Issued Shares: 187.68m

Market Cap: A$40.4m

Options 18c unlisted: 14.75m

Resources : 1.4m ozs

Reserves : 0.29m ozs

Market Cap/oz Resource : A$29 /oz

Market Cap/oz Reserve: A$139 /oz

Fully Diluted Basis:

Shares : 232.43m

Cash upon dilution : A$6.7m

Current Cash ** : A$13.0m

Current Cash/Share : A$0.029

Enterprise Value:

EV : A$30.0m

EV / oz reserve : A$103 /oz

EV / oz resource : A$22 /oz

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*** Inc. A$2.4m Environmental Bonds*

LAVERTON ORE RESERVES — 292,000 ozs

- Ore Reserve increased to 292,000 ozs (4.4mt at 2.1g/t).
- Nearly double the previous base case Ore Reserve (BFS Nov 2004 - 148,500 ozs, 1mpta @ A$575/oz).
- Net Cashflow (Profit) from 292,000 oz Ore Reserve;

  A$46.8m (@A$675/oz).
  A$74.3m (@A$750/oz — 2 year forward price).
- Spot gold price is now A$699/oz.
- Cash (C1) costs A$313/oz — excellent margins.
- 1.38 moz Mineral Resource.
- Excellent potential to add to reserves from the unconverted resource balance.
- Additional targets identified for new discoveries. Drilling planned.

Cashed up - A$12m total, A$8.9m added recently

The Balance Sheet has strengthened dramatically with A$8.9m received from the recent option exercise. The company is now progressing towards gold production at Laverton;

- Production can be committed to with cash on hand (A$12m) providing financial safety for commissioning.
- The Ore Reserve improvement is adequate to support Project Debt Finance.
- Forward sales prices of A$799/oz (3 years) and A$873/oz (5 years) provide the opportunity to lock in robust cashflows.
- Low capital cost (A$5.6m) to refurbish the 1 mpta processing plant and an additional A$5.9m to expand to 1.5 mtpa.

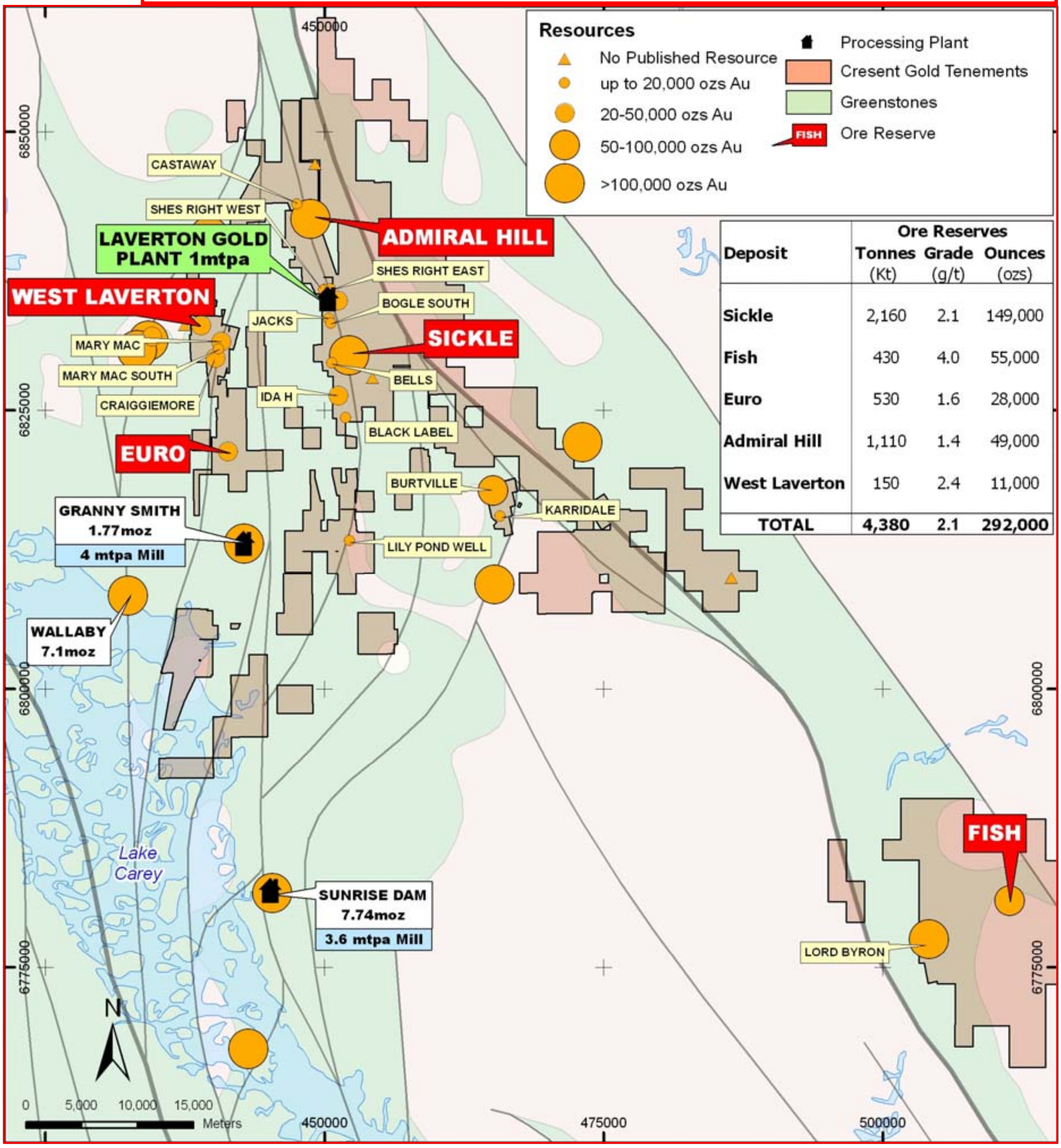
Laverton Ore Reserve Statement

The ore reserve statement for the Laverton gold project is detailed in Table 1. The ore reserves have been based on the company expanding the existing gold plant to 1.5 mtpa and a gold price of A$625/oz (US$460/oz).

4.4 mt at 2.1 g/t for 292,000 ounces.

This is a 97% increase on ounces and reflects the work completed over the last 12 months. The ore reserve estimate has been carried out by Orelogy consultant mining engineer Steve Craig.

Figure 1—Location of Ore Reserves and Mineral Resources



Deposit	Ore Reserves Tonnes (Kt)	Grade (g/t)	Ounces (ozs)
Sickle	2,160	2.1	149,000
Fish	430	4.0	55,000
Euro	530	1.6	28,000
Admiral Hill	1,110	1.4	49,000
West Laverton	150	2.4	11,000
TOTAL	4,380	2.1	292,000

Laverton Ore Reserve Statement

Table 1—Summary of Ore Reserves as at December 2005

Deposit	Ore Reserves Tonnes (Kt)	Grade (g/t)	Ounces (ozs)	Work Index	Pit Design Strip ratio W:O	Max Depth (m)
Sickle	2,160	2.1	149,000	10.6	7.7	100
Fish	430	4.0	55,000	19.0	16.6	100
Euro	530	1.6	28,000	5.7	6.5	80
Admiral Hill	1,110	1.4	49,000	8.2	4.5	75
West Laverton	150	2.4	11,000	5.7	17.0	70
TOTAL	**4,380**	**2.1**	**292,000**			

Gold grades are rounded to 1 decimal figure and ounces are rounded to nearest 1000. Abbreviations used : Kt = 1,000 tonnes, g/t = grams per tonne

Definitions;
Ore reserves - Reserves are classified as Proven and Probable, >0.8g/t cut off.
Reserve ounces - Net of mine dilution and ore loss
Max. Depth is the maximum pit depth below surface

Asumptions:
A$625/oz spot price,
State Royalty applied at 2.5% and Native Title Royalty of A$1.60/oz.
1.5mtpa mill expanded case

Table 2 —Financial Summary of Ore Reserves December 2005.

Deposit	Net Cashflow A$675/oz (A$m)	Net Cashflow A$750/oz (A$m)	Recovered Ounces (ozs)	Cash Costs/oz (C1)	Total Costs/oz (C1+C2+C3)
Sickle	26.4	40.2	137,700	306	466
Fish	11.9	17.1	52,700	253	433
Euro	2.9	5.5	26,800	336	551
Admiral Hill	4.8	9.5	47,100	370	556
West Laverton	0.9	2.0	11,100	384	577
TOTAL	**46.9**	**74.3**	**275,400**	**313**	**488**

Mining and processing costs were updated to reflect the recent increases recorded. All other technical inputs were sourced and updated from the BFS.

Definitions;

- *C1 - Cash Costs, excluding admin, overheads, capitalised waste, depreciation, amortisation*
- *C1+C2+C3 - Cash Costs + admin, overheads, capitalised waste*
- *Ore Reserve ounces - In-situ net of mine dilution and ore loss*
- *Recoverable ounces - Net recoverable ounces adjusted for CIP Plant recovery*
- *Optimisations have been carried out at $625/oz, however cashflows have been estimated using $675/oz and $750/oz.*

The Sickle deposit clearly underpins the project in terms of net cashflow and recovered ounces.

Capital and Operating Cost Updated for all Cost Increases

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

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 .

CIP Plant– care and maintenance

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.

Gold Resources — 1.38 mozs (29.5 mt @ 1.5 g/t)

The Measured, Indicated and Inferred resource at the Laverton Project totals 29.5 million tonnes at 1.5 g/t Au containing 1,378,000 ounces of gold (as at December 2005).

Table 3—Identified Gold Resources

GOLD RESOURCES

Gold Resources	Measured Tonnes (kt)	Measured Grade (g/t)	Indicated Tonnes (kt)	Indicated Grade (g/t)	Inferred Tonnes (kt)	Inferred Grade (g/t)	Total Tonnes (kt)	Total Grade (g/t)	Total Ounces
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

100% owned, CIP Plant- care and maintenance

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 Mary Mac, Mary Mac South and Craiggiemore*
- *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.*

Regards

Crescent Gold Limited

Andrew Haythorpe

Managing 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 promulgates 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.