
NEWS

• RELEASE •

2 MARCH 2005

CRESCENT SECURES HISTORIC AGREEMENT ON WA GOLD PROJECT

Crescent Gold Limited (ASX code: "CRE") – which is developing a new gold mine near Laverton in Western Australia – has secured an all-encompassing Land Access Agreement (LAA) with the Wongatha Claim Group.

The LAA encompasses Crescent Gold's entire portfolio of tenements in the Laverton region of Western Australia.

The agreement has paved the way for the Company to now advance its application to the WA Minister for Mines for a Mining Lease over its flagship Sickle tenement at Laverton.

It also provides for a share issue by Crescent Gold to the Wongatha Claim Group, based in the eastern goldfields of Western Australia.

The shares will be issued to the NEIB Aboriginal Corporation as trustee for the Wongatha Aboriginal Charitable Trust.

Crescent has completed a bankable feasibility study for the project and is considering options for a mill throughput at its 100%-owned Laverton plant of either 1 mtpa or 2 mtpa. The LAA's main points include:

- It covers all of the Company's tenements currently held or acquired in the future which are within a 50 km radius of Crescent Gold's Laverton Treatment Plant, a potential area of 7,850 square km;
- Facilitates rapid development of new resources and provides certainty regarding future production opportunities;
- Provides for a royalty of between 0.2% and 0.4% of gold produced depending on the rate of production (up to 250,000 ounces per annum), equivalent to \$1.10 - \$2.20 at current gold prices;
- The issue of up to 350,000 Crescent Gold shares which will be subject to a 12 month escrow.

The Shares are being issued as part consideration for the Wongatha Claim Group entering into and performing their obligations under the LAA. Shareholder approval of the issue is not required.

Crescent Gold Managing Director, Mr Andrew Haythorpe, said the NEIB had worked closely with the Company for the past 6 - 9 months to finalise the LAA.

Those discussions and negotiations have been constructive and commercial to the needs and requirements of a junior mining company," Mr Haythorpe said.

The Company also acknowledged the role of the Department of Industry and Resources (DoIR) in Western Australia during the negotiation process.

MEDIA CONTACT:

Dean Gallegos.	Director	0416 220 007
Carol New	Company Secretary	08 9322 5833

issued through

FIELD PUBLIC RELATIONS PTY LTD ABN 74 008 222 311

231 South Road, MILE END SA 5031

Ph: 08 8234 9555 Fax: 08 8234 9566

admin@fieldpr.com.au