

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

SHARE INFORMATION

ASX Share Price: *A\$0.14*
Issued Shares: *590.9m*
Market Cap: *A\$82.73m*
Options unlisted: *42.1m*

FULLY DILUTED BASIS

Shares: *633.0m*

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By Electronic Lodgement

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CRESCENT RECOMMENCES MINING AND TRUCKING IN WA OF LAVERTON GOLD ORE

Crescent Gold Limited is pleased to announce that mining and trucking operations have recommenced at the Company's core asset, the Laverton Gold Project (LGP), north of Kalgoorlie in Western Australia.

Following a 14 month Development Phase including in-pit, near pit and "line of lode" assessment, and the resulting construction of a definitive Mine Schedule, Crescent has initiated its second mining campaign at LGP.

Crescent undertook a formal tendering and capabilities process to select the successful mining contractor (Mining and Civil Australia – "MACA") and haulage contractor (Hampton Mining "Hampton"). These two groups have mobilised to site at the LGP.

Against Crescent's stated schedule, LGP development has progressed well. Mining activities have commenced on time. The initial program of works is the continuation of the mining of ore and waste from the Sickie Pit as well as the continuation of stripping plus mining of waste and ore from the Euro Pit. The ore at both pits will be stockpiled on an interim basis before being trucked to Barrick's Granny Smith Mill (BGSM).

The ore haulage contract has commenced on schedule and is "ramping" up trucking movements leading up to full quota. The loading and trucking will be from both existing stockpiles and newly mined ore stockpiles at Sickie as well as from new ore stockpiles at Euro. The loading and trucking of ore to BGSM will be on a 24 hour basis.

Crescent ore will be delivered to BGSM and stockpiled on the primary Run of Mine pad (RoM) continually in order to build a stockpile in the order of 240,000 tonnes. The ore will then be processed over an agreed campaign period (50 days a quarter allocated to Crescent ore processing).

Revenues (ore payments made to Crescent by Barrick) will commence once processing of LGP ore commences. There will be progress payments made to Crescent by Barrick following each gold shipment (fortnightly). These payments will amount to approximately 50% of the gold value processed. A balance payment will be made at the end of the campaign period less costs and variances (+/-).

Current mining and hauling progress suggests that operations are in line with the stated schedule of commencing campaign processing at BGSM in the first half of October.

Critical to the decision to proceed with production, was the arranging and signing of an Ore Purchase Agreement (OPA) by Crescent Gold with Barrick Gold Corporation.

This collaborative Agreement is simple and transparent in its construction and in the reconciliation of costs to gold produced. More importantly however, is the definite advantage the OPA provides Crescent in lower processing costs over our existing mill purely due to economies of scale and the current surplus capacity in the BGSM.

Crescent's 1.5mtpa Barnicoat mill (which was inherited with the original Laverton foundation tenement package), remains in good condition but on care and maintenance. We are examining a number of commercial options in respect to its longer term utilisation.

Crescent is delighted to have both MACA and Hampton as part of the LGP mining and ore trucking team and we look forward to working closely together to achieve our target production goals with Barrick.

Yours faithfully



ROLAND HILL
CHAIRMAN

Additional information related to the Company is available for review at www.sedar.com or on the Company's website at www.crescentgold.com.

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