



Crescent Gold Limited
Laverton Gold Project

**Mineral Resource &
Ore Reserve
Statement**

June 2008

Neal Leggo

Competent Person (CP) - JORC

Qualified Person (QP) - NI-43-101

August 2008

SUMMARY

A review of the Ore Reserves and Mineral Resources of Crescent Gold's Laverton Gold Project (LGP) has been undertaken resulting in a revised set of estimates with the effective date of 30 June 2008. The global Ore Reserves for the LGP have been estimated to be at 3.1 mt @ 1.9 g/t Au for 190,000oz contained gold in 10 deposits. The global Mineral Resources for the LGP have been estimated to be 24 mt @ 1.4 g/t Au for 1,100,000oz contained gold in 16 deposits. Resources are inclusive of the Ore Reserve (not additional to the Reserves). These Reserves and Resources have been classified according to the JORC Code (2004) as summarised in Table 1. Classifications for each deposit are provided in Tables 3 and 4. All numbers are rounded to 2 significant figures, which appropriately reflects the accuracy of the estimates.

Table 1 - LGP Reserves and Resources at June 2008

JORC Code Category	Tonnes x 1,000	Grade g/t Au	Contained Oz Au	Number Deposits
Proven Ore Reserves	70	1.6	4,000	1
Probable Ore Reserves	3,000	1.9	190,000	10
Combined Ore Reserves	3,100	1.9	190,000	10
Measured Mineral Resources	210	1.7	12,000	2
Indicated Mineral Resources	15,000	1.4	670,000	13
Inferred Mineral Resources	8,900	1.4	410,000	15
Combined Mineral Resources	24,000	1.4	1,100	16

Notes for Table:

- Mineral Resources are inclusive of Ore Reserves.
- Figures have been rounded to 2 significant figures.
- Abbreviations used: Au = gold, g/t = grams per tonne, Oz = Troy ounces.
- Ore Reserves include stockpiles totalling 700,000 tonnes at 0.9 g/t Au
- Deposits with Ore Reserves are Admiral Hill, Bells, Castaway, Euro, Fish, Grouse, Lord Byron, Mary Mac South, Sickle and West Laverton. Deposits with Mineral Resources are the above 10 plus Barnicoat, Black Label, Burtville, Craggiemore, Ida H and Lily Pond Well.

Comparison with estimates published by Crescent Gold for June 2007 (Table 2) indicates a reduction in Ore Reserves of 200,000oz and a reduction in Mineral Resources of 300,000oz between 2007 and 2008.

Table 2 - LGP Reserves and Resources at June 2007

JORC Code Category	Tonnes x 1,000	Grade g/t Au	Contained Oz Au	Number Deposits
Proven Ore Reserves				
Probable Ore Reserves	7,300	1.6	390,000	11
Combined Ore Reserves	7,300	1.6	390,000	11
Measured Mineral Resources				
Indicated Mineral Resources	20,000	1.5	930,000	16
Inferred Mineral Resources	10,000	1.4	480,000	19
Combined Mineral Resources	30,000	1.4	1,400	23

Figure 1 illustrates the areas in which reduction of Ore Reserves have occurred. Production of gold from the Sickle pit accounted for 64,000oz of reserve depletion. Geological reinterpretation of the Sickle deposit, together with application of a higher cut-off grade, removed 43,000oz. Application of high cut-off grades on the remaining nine deposits reduced Reserves by 29,000oz, including Burtville which was rendered uneconomic by application of higher mining dilution factors and therefore removed from the inventory. Consideration of metallurgical problems associated with elevated concentrations of copper necessitated the removal of 50,000oz from the Admiral Hill Probable Reserve. Stockpile movements accounted for 9000oz of Reserve depletion.

Figure 1 Changes to Ore Reserves 2007 to 2008

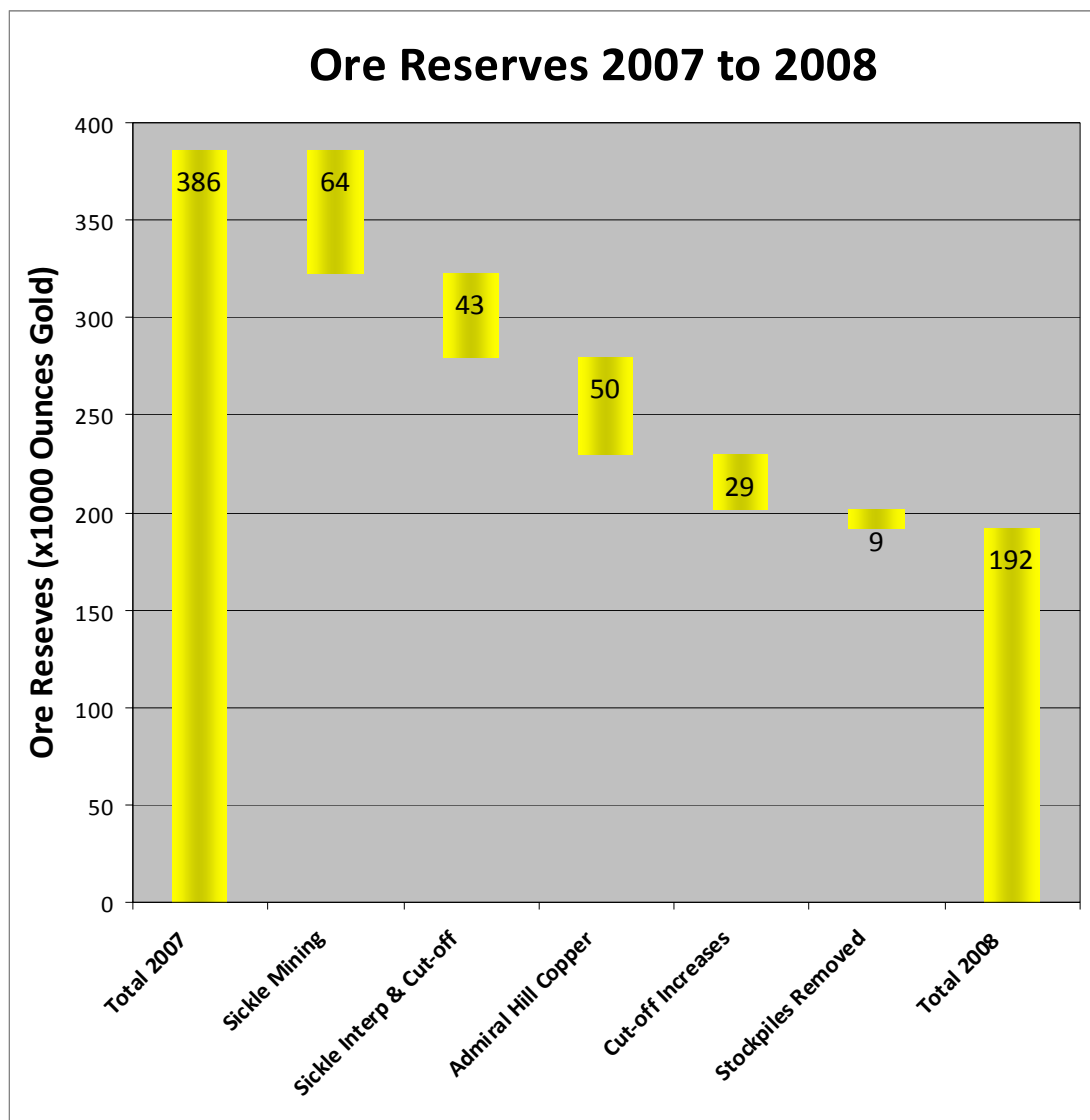
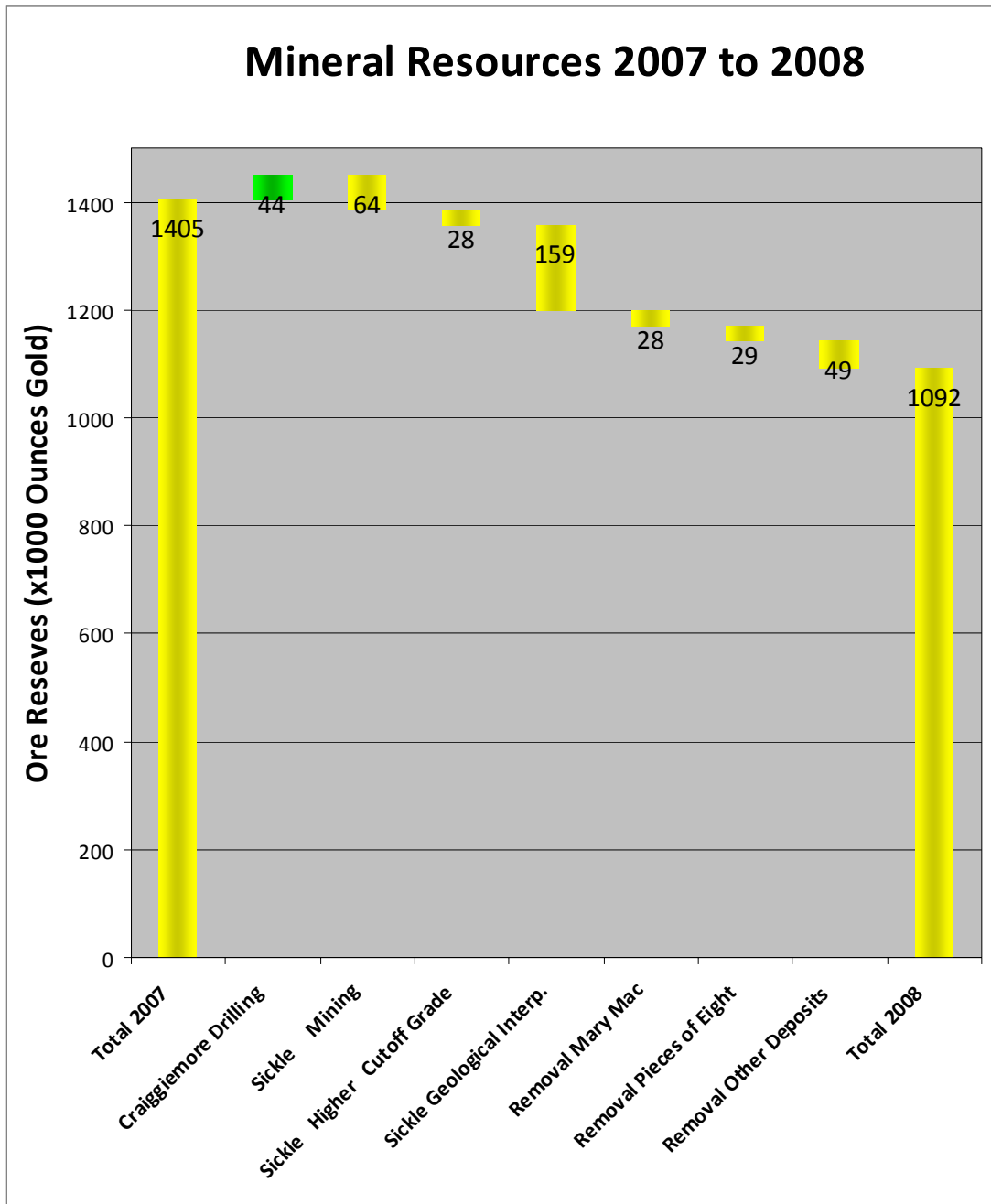


Figure 2 illustrates the areas in which changes to Mineral Resources have occurred. An updated resource estimate of the Craggiemore deposit added 44,000oz, mining at Sickle accounted for 64,000oz of Mineral Resource depletion, reinterpretation and higher resource cut-off grade at Sickle removed 187,000oz. A number of deposits were removed from the mineral resource inventory accounting for the remaining 106,000oz.

Figure 2 Changes to Mineral Resources 2007 to 2008



ORE RESERVE ESTIMATES

Ore Reserves have been established for 10 of the deposits which comprise the Laverton Gold project: Admiral Hill, Bells, Castaway, Euro, Fish, Grouse, Lord Byron, Mary Mac South, Sickle and West Laverton. The reserves at Sickle and West Laverton lie below existing open pits. The June 2008 Reserves were estimated by applying revised cut-off grades to mine engineering optimised block models and pit designs developed for the June 2007 estimates. Revised cut-off grades were determined from updated mining cost parameters in mid 2008, which we used to interrogate the 2007 models yielding revised Ore Reserve estimates (O'Grady 2008).

Table 3 Ore Reserves - June 2008

Deposit	Proven		Probable		All Ounces x 1000
	Tonnes Kt	Au Grade g/t	Tonnes Kt	Au Grade g/t	
Admiral Hill	-	-	440	1.4	20
Bells	-	-	35	2.9	3
Burtville	-	-	-	0.0	-
Castaway	-	-	130	2.4	10
Euro	-	-	370	1.7	21
Fish	-	-	380	4.2	51
Grouse	-	-	83	2.0	5
Lord Byron	-	-	220	2.1	15
Mary Mac South	-	-	110	1.9	7
Sickle	70	1.6	150	2.4	15
West Laverton	-	-	410	1.9	25
Sub-Total Deposits	70	1.6	2,330	2.3	170
Stockpiles	-	-	700	0.9	20
TOTAL (including Stockpiles)	70	1.6	3,030	1.9	190

MINERAL RESOURCE ESTIMATES

16 gold deposits within the Laverton Gold Project contain Mineral Resources which have been classified in accordance with the JORC Code: Barnicoat, Black Label, Burtville, Craggiemore, Ida H and Lily Pond Well, plus the 10 deposits for which Ore Reserves were classified. The resources at Barnicoat, Burtville, Craggiemore, Sickle and West Laverton lie below existing open pits, while resources at Craggiemore and Ida H are transected by historic underground workings.

These Mineral Resources are inclusive of the Ore Reserves. The Ore Reserve for each deposit is that subset of the Mineral Resource which lies within an open pit mine design.

Comprehensive descriptions of the work which underlies the mineral resource estimates are provided in an Independent Technical Report (Ravensgate 2007) including sections describing: exploration history, mining history, geological setting, deposit type, mineralisation, drilling programs, sampling methods, data verification, metallurgical testing, geological interpretation, geostatistical analysis, block modelling, grade interpolation and classification. In addition, an independent consultant has undertaken the resource estimation process for each deposit and a specific technical report has been developed describing the methodologies and results for each deposit.

The Mineral Resource estimates for each of the Laverton Gold project deposits are provided in Table 4, classified in accordance with the JORC Code.

Table 4 Mineral Resources - June 2008

Deposit	Measured		Indicated		Inferred		All Ounces x 1000
	Tonnes Kt	Au Grade g/t	Tonnes Kt	Au Grade g/t	Tonnes Kt	Au Grade g/t	
Admiral Hill	-	-	4,667	0.8	1,710	1.4	197
Barnicoat	-	-	340	1.3	250	1.0	22
Bells	-	-	594	2.0	36	1.4	40
Black Label	-	-	-	-	610	1.0	20
Burtville	-	-	700	1.5	-	-	35
Castaway	-	-	338	2.1	37	1.7	25
Craggiemore	88	1.70	1,419	1.6	112	1.4	82
Euro	-	-	646	1.7	53	1.5	38
Fish	-	-	500	4.2	160	3.7	87
Grouse	-	-	520	1.7	27	1.3	30
Ida H	-	-	-	-	627	1.4	28
Lily Pond Well	-	-	-	-	338	1.4	15
Lord Byron	-	-	3,190	1.0	1,980	0.9	160
Mary Mac South	-	-	455	1.9	137	2.1	37
Sickle	123	1.70	792	1.9	2,382	1.8	190
West Laverton	-	-	1,007	1.9	452	1.9	87
TOTAL	211	1.70	15,168	1.4	8,910	1.4	1,092
TOTAL (Meas + Indic + Infer)			24,078	1.40	1,092		

COMPARISON TO PREVIOUS ESTIMATES

Significant changes have been made to the Mineral Resource and Ore Reserve estimates for the Laverton Gold Project, as summarised earlier. The most recent previous estimates were in June 2007 for all deposits except Craggiemore, for which an updated Mineral Resource was released to the market on April 3 2008. The June 2007 estimates have been recompiled into the same format as the June 2008 estimates (refer Table 5 below).

Table 5 Previous Mineral Resource and Ore Reserve Statement - June 2007

Ore Reserves

Deposit	Proven		Probable		
	Tonnes Kt	Au Grade g/t	Tonnes Kt	Au Grade g/t	Contained Au K Oz
Admiral Hill	-	-	1,963	1.1	69
Bells	-	-	37	3.2	4
Burtville	-	-	256	2.4	20
Castaway	-	-	148	2.3	11
Euro	-	-	431	1.6	22
Fish	-	-	385	4.2	51
Grouse	-	-	107	1.7	6
Lord Byron	-	-	293	1.8	16
Mary Mac South	-	-	138	1.7	7
Sickle	-	-	1,719	2.2	122
West Laverton	-	-	517	1.7	28
					-
Sub-Total Deposits	-	-	5,994	1.852	357
Stockpiles	-	-	1,307	0.7	29
TOTAL (including Stockpiles)			7,301	1.646	386
TOTAL (Proven + Probable)			7,301	1.65	386

Mineral Resources

Deposit	Measured		Indicated		Inferred		All Ounces x 1000
	Tonnes Kt	Au Grade g/t	Tonnes Kt	Au Grade g/t	Tonnes Kt	Au Grade g/t	
Admiral Hill	-	-	4,667	0.8	1,710	1.4	197
Barnicoat	-	-	340	1.3	250	1.0	22
Bells	-	-	594	2.0	36	1.4	40
Black Label	-	-	-	-	610	1.0	20
Bogle South	-	-	43	1.7	-	-	2
Burtville	-	-	700	1.5	-	-	35
Castaway	-	-	338	2.1	37	1.7	25
Craiggiemore	-	-	-	-	390	3.0	38
Euro	-	-	646	1.7	53	1.5	38
Fish	-	-	500	4.2	160	3.7	87
Grouse	-	-	520	1.7	27	1.2	29
Ida H	-	-	-	-	627	1.4	28
Karridale	-	-	210	2.1	-	-	14
Lily Pond Well	-	-	-	-	338	1.4	15
Lord Byron	-	-	3,190	1.0	1,980	0.9	160
Mary Mac	-	-	-	-	322	2.7	28
Mary Mac South	-	-	455	1.9	137	2.1	037
Pieces of Eight	-	-	-	-	699	1.3	029
Scotland Yet	-	-	-	-	250	1.4	011
Shes Right East	-	-	162	1.7	-	-	009
Shes Right West	-	-	119	2.2	40	3.2	013
Sickle	-	-	6,240	1.7	2,400	1.3	441
West Laverton	-	-	1,007	1.9	452	1.9	087
	-	-	-	-	-	-	000
TOTAL	-	0.00	19,729	1.5	10,522	1.4	1,405

TOTAL (Meas + Indic + Infer)	30,250	1.4
-------------------------------------	---------------	------------

CHANGES TO ORE RESERVES

The changes to the Ore Reserves for each deposit are summarised in Table 6.

Previous Ore Reserve estimates had been based on assumptions and estimations made during various studies undertaken before the commencement of mining. With the commencement of operations at the Sickle mine and the Barnicoat Mill, appropriate cut-offs for the Sickle deposit could be developed. In addition, much improved data was available for estimating the cut-offs appropriate for the other deposits in the Laverton Gold Project by utilising the actual mining costs, milling costs and administration costs from the operation. The LGP mining operation team developed a set of cut-offs for this purpose ("Cut-off grades dmc080719_CREcogLGP.xls") which are presented in Table 7.

A report titled "Laverton Gold Project Mine Reserve Estimate - August 2008" was completed for Crescent Gold by Intermine Engineering Consultants to provide updated reserves for the following resources at the Laverton Gold Project: Admiral Hill, Bells, Castaway, Euro, Fish, Grouse, Lord Byron, Mary Mac, West Laverton and Sickle. The changes in ore reserve cut-off grades utilised between the 2007 and 2008 are summarised in Table 8.

Table 6 Changes in Ore Reserves - from June 2007 to June 2008

Deposit	Combined Proven + Probable			Contained Au	
	Tonnes	Au Grade	Contained Au	Proven	Probable
	Kt	g/t	K Oz	K Oz	K Oz
Admiral Hill	-1,528	1.01	-50	0	-50
Bells	-2	7.55	-0	0	-0
Burtville	-256	2.40	-20	0	-20
Castaway	-15	1.37	-1	0	-1
Euro	-58	0.91	-2	0	-2
Fish	-3	1.68	-0	0	-0
Grouse	-24	0.77	-1	0	-1
Lord Byron	-70	0.79	-2	0	-2
Mary Mac South	-30	0.83	-1	0	-1
Sickle	-1,500	2.21	-107	4	-110
West Laverton	-109	0.74	-3	0	-3
Sub-total	-3,595	1.60	-185	4	-188
Stockpiles	-605	0.47	-9	0	-9
TOTAL	-4,199	1.44	-194	4	-197

Table 7 Cut-off Grades and Input Factors

CUTOFF GRADE DERIVATION			Admiral Hill	Bells	Castaway	Euro	Fish
	Responsible	Unit					
Forecast Gold Selling Price	MT/RH	AUD/oz	850	850	850	850	850
Royalty- State Gov	MT/RH	%	2.50	2.50	2.50	2.50	2.50
- Native Title	DC		0.24	0.24	0.24	0.24	0.24
- Summit/Climax/Normandy	DC		1.88				
Effective Gold Price after Royalty		AUD/oz	811	827	827	827	827
Process Recovery on Marginal Ore	DC	%	85.0	85.0	85.0	85.0	90.0
Administration Costs	DC	AUD/t	2.00	2.00	2.00	2.00	2.00
Processing Costs	DC	AUD/t	14.40	18.00	18.00	18.00	23.94
Ore Road Transport Costs	SO	AUD/t	3.00	2.07	2.70	5.00	12.65
Calculated Cutoff Grade		Au g/t	0.88	0.98	1.00	1.11	1.61
Cutoff Grade (rounded to 1 dec)		Au g/t	0.9	1.0	1.0	1.1	1.6

CUTOFF GRADE DERIVATION			Grouse	Lord Byron	Mary Mac South	Sickle	West Laverton
	Responsible	Unit					
Forecast Gold Selling Price	MT/RH	AUD/oz	850	850	850	850	850
Royalty- State Gov	MT/RH	%	2.50	2.50	2.50	2.50	2.50
- Native Title	DC		0.24	0.24	0.24	0.24	0.24
- Summit/Climax/Normandy	DC						
Effective Gold Price after Royalty		AUD/oz	827	827	827	827	827
Process Recovery on Marginal Ore	DC	%	85.0	90.0	85.0	85.0	85.0
Administration Costs	DC	AUD/t	2.00	2.00	2.00	2.00	2.00
Processing Costs	DC	AUD/t	18.00	18.00	18.00	18.00	18.00
Ore Road Transport Costs	SO	AUD/t	2.70	11.54	3.39	2.30	3.34
Calculated Cutoff Grade		Au g/t	1.00	1.32	1.04	0.99	1.03
Cutoff Grade (rounded to 1 dec)		Au g/t	1.0	1.3	1.0	1.0	1.0

Table 8 Summary Changes in Ore Reserve Cut-off Grades

Deposit	2008	2007
Admiral Hill	1.0	0.61
Bells	1.0	0.73
Burtville	X	0.80
Castaway	1.0	0.71
Euro	1.1	0.66
Fish	1.6	1.075
Grouse	1.0	0.64
Lord Byron	1.3	1.12
Mary Mac South	1.0	0.64
Sickle	1.0	0.65
West Laverton	1.0	0.67

Burtville

Burtville was totally removed from the Ore Reserve inventory. A review of mining economics including application of higher mining dilution factors and a higher cut-off grade, resulted in a negative cash flow indicating that mining the pit would be uneconomic. A downward classification of all the Probable Reserves which had been included in previous estimates was implemented.

Admiral Hill

A significantly smaller Probable Reserve has been estimated for Admiral Hill, due to uncertainties about the metallurgical performance of copper bearing material. Geological review indicated that many of the gold lodes contain copper minerals. Assaying for cyanide soluble copper confirmed that copper minerals present were cyanide soluble in concentrations high enough to potentially affect the viability of the proposed metallurgical flow sheet.

Drilling results indicate that levels of cyanide soluble copper are low in the upper regolith, 0 to 35 m depth. Revised pit designs have been developed on this portion of the Admiral Hill deposit and these form the basis of the June 2008 Probable Reserves. A downward classification of all the Probable Reserves below a depth of 35 m was implemented, pending resolution of this metallurgical issue.

CHANGES TO MINERAL RESOURCES

Changes have been made to the Mineral Resources for 9 deposits. These changes are summarised in Table 9. There were no changes in the Mineral Resources for the following 14 deposits: Admiral Hill, Barnicoat, Bells, Black Label, Burtville, Castaway, Euro, Fish, Grouse, Ida H, Lily Pond Well, Lord Byron, Mary Mac South and West Laverton. No deposits have been added to the resource base.

Table 9 Changes in Mineral Resources - from June 2007 to June 2008

Deposit	COMBINED (Meas+Indic+Infer)			Contained Au		
	Tonnes	Au Grade	Contained Au	Meas	Indic	Infer
	Kt	g/t	K Oz	K Oz	K Oz	K Oz
Bogle South	-43	1.70	-2	0	-2	0
Craggiemore	1,229	1.12	44	5	72	-33
Karridale	-210	2.10	-14	0	-14	0
Mary Mac	-322	2.70	-28	0	0	-28
Pieces of Eight	-699	1.30	-29	0	0	-29
Scotland Yet	-250	1.40	-11	0	0	-11
Shes Right East	-162	1.70	-9	0	-9	0
Shes Right West	-159	2.45	-13	0	-8	-4
Sickle	-5,343	1.46	-251	7	-292	34
TOTAL	-5,961	1.63	-313	12	-253	-71

A number of deposits were removed from the mineral resource inventory due to the lack of substantiating documentation of the interpretation and modelling process and concerns over their compliance with the JORC Code: Bogle South, Karridale, Mary Mac, Pieces of Eight, Scotland Yet, She's Right East and She's Right West. It is likely that with further geological technical work on these deposits, tonnages and grades could be appropriately reclassified to JORC categories. Such work would involve some of the following activities: drilling confirmatory holes, data validation, geological interpretation, geostatistical studies, block modelling and preparation of appropriate technical reports.

Craggiemore

The updated estimate for Craggiemore contains 1.5 Mt at 1.6 g/t Au Measured and Indicated Resource for 77,000oz of contained gold using a 0.5 g/t cut-off. An additional 0.1 Mt @ 1.6 g/t Au of Inferred Resources has been defined. This compares with the previously published estimate of 390,000 tonnes @ 3 g/t Au of Inferred Resources for Craggiemore (38,000oz). This has added 44,000oz and upgraded the resource classification from Inferred to Indicated with some Measured Resource. The updated Craggiemore resource was based on significant amounts of new drilling and a detailed resource modelling exercise conducted by an independent consultant, Ravensgate.

Sickle Mine

Significant revision of the Sickle resource occurred, down 250,000oz from 440,000oz to 190,000oz. A detailed geological reinterpretation on the Sickle deposit which incorporated grade control data, pit mapping, flitch plans and structural domaining, formed the basis of a revised block model incorporating more detailed geostatistical

studies and more rigorous grade interpolation system. An updated mineral resource based on this new model was finalised in July 2008. A detailed technical report is in preparation. The revised modelling resulted in the removal of 159,000oz. The application of a higher resource cut-off grade of 1.0g/t Au (previously 0.8), reduced the resource by a further 28,000oz. Mining at Sickle accounted for the remaining 64,000oz of the overall depletion from the June 2007 estimate.

Further drilling and resource geology work is underway on eight of the LGP deposits, and results this work are anticipated in early 2009. Engineering studies of these deposits are also in progress.

Neal Leggo

B.Sc. (Hons)
Member, Australian Institute of Geoscientists