

QUARTERLY REPORT

31 December 2009

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

SHARE INFORMATION

ASX Share Price: *A\$0.185*
Issued Shares: *618.7m*
Market Cap: *A\$114.5m*

Unlisted options
and convertible
notes: *49.9m*

FULLY DILUTED BASIS

Shares: *668.6m*

CONTACT DETAILS

Level 2, 40-48 Subiaco Square
Subiaco WA 6008
Phone: +61 8 6380 7100
Fax: +61 8 6380 7199
info@crescentgold.com
www.crescentgold.com

ABN 49 087 360 996

29 January 2010

By Electronic Lodgement

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

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HIGHLIGHTS FOR THE QUARTER ENDED 31 DECEMBER 2009

- Crescent achieved a milestone event with the commencement of ore processing at Barrick's Granny Smith Mill (BGSM) on the 11th October 2009 and was completed on 28th November 2009 under the terms of the recently arranged Ore Purchase Agreement (OPA).
- The campaigns first gold pour through BGSM took place on 21st October 2009 of ~132.7kg representing 9 days of processing.
- The total gold production resulting from the ore sold to Barrick in the first campaign was 27,251 ounces (attributable to Barrick). This demonstrates that CRE is on track to achieve its forecast ore sales to Barrick of >100,000 ounces pa equivalent.
- The first campaign equivalent cash costs (C1 unaudited) of A\$841/oz came in slightly below the long term forecast of A\$850/oz.
- Production resulted in positive cash flows for the quarter.
- Crescent Gold's cash position at the end of December 2009 was A\$12.9 million.
- The Company announced on 30 November 2009 that it has doubled its gold inventory and expanded its exploration acreage in Laverton after signing an agreement to acquire assets from Barrick and Carbon Energy for \$5 million. The agreement will boost Crescent's gold inventory to over 2.1 million ounces of Measured, Indicated and Inferred Resources.
- The Company announced on 9th December 2009 the discovery of significant vanadium outcrops and iron mineralisation within the Calvert Hills joint venture tenement in the Northern Territory.
- On 22 January 2010 the Company announced the successful completion of a A\$5.3 million equity raising. The funds raised will be used for the unbudgeted acquisition costs and subsequent accelerated development work on the Laverton Extended Joint Venture properties purchased from barrack and Carbon Energy in November 2009.
- Laverton gold exploration expenditure continues to be maintained at a prudent level focusing on near term resource conversion and production development opportunities.

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

For further information please contact Roland Hill or Mark Tory in Australia on +61 8 6380 7100, or Renee Brickner in Canada on +1 604 802 6806.

OVERVIEW

Following the signing of an Ore Purchase Agreement with subsidiaries of Barrick Gold Corporation in relation to the purchase by Barrick of Crescent's Laverton gold ore and the proposed batch treatment through Barrick's Granny Smith mill (BGSM), Crescent commenced mining and haulage operations from the Company's Laverton Gold Project in preparation for the first processing campaign that commenced on the 11th October 2009.

The initial processing campaign proceeded well with the mining and hauling components achieving most KPI targets. Additionally, the BGSM performed exceedingly well with the plant handling the characteristics of the oxide ore delivered by Crescent at a throughput rate that exceeded budget expectations. The increased scale of economies from the elevated throughput resulted in a far better unit cost than could be achieved through Crescent's own mill - supporting the decision to process our ore under the OPA.

The OPA principle operating guidelines are for Crescent to mine ore from its 100% wholly owned project deposits and deliver it to the nearby 3.8mtpa Granny Smith mill (BGSM) for processing by Barrick on a 50 day allotment per quarter.

Table: First campaign mining and processing statistics

Mining (Total Material Moved)			Processing Recovery		
Target	BCM	2,448,712	Target		90.6%
Actual	BCM	2,070,112	Actual		87.3%
Difference	BCM	- 378,600	Difference		-3.2%
% Target	%	85%	% Target		96%
Haulage (Total Ore Hauled)			Equivalent Ounces Produced*		
Target	t (dry)	450,000	Target	oz	25,000
Actual	t (dry)	570,078	Actual	oz	27,251
Difference	t (dry)	+ 120,078	Difference	\$	+2251
% Target	%	127%	% Target	%	109%
Ore Sold (Processed)			Cost / oz (AUD)		
Target	t (dry)	450,000	Target	\$	\$ 850
Actual	t (dry)	528,869	Actual	\$	\$ 841
Difference	t (dry)	+78,869	Difference	\$	-\$ 9
% Target	%	117%	% Target	%	99%
Grade (Mill Head Grade)			Ore Purchase Price / oz (AUD)		
Target	g/t	1.88	Target	\$	\$ 1,100
Actual	g/t	1.83	Actual	\$	\$ 1,215
Difference	g/t	- 0.04	Difference	\$	+\$ 115
% Target	%	98%	% Target	%	110%

*Equivalent Ounces Produced – One of the terms under the OPA with Barrick provides for the out-turn (gold produced) from the processing of Crescent ore to be attributable to Barrick (as the Agreement is an Ore Purchase Agreement not a Toll Treatment or similar process). Crescent therefore do not own the out-turn and cannot state a direct cash cost per ounce.

LAVERTON GOLD PROJECT - DEVELOPMENT

The Company continues to develop its Laverton gold assets with the strategy of accelerating the economic production of known deposits and ore sources as well as identification of "brown fields" mineralisation in order to extend overall mine life of the project and also to deliver operating flexibility in mining schedules. Current mining plans are scheduled out to December 2016 incorporated over several phases of mining and development activity.

LAVERTON GOLD PROJECT - EXPLORATION

Exploration over the quarter was focused on the development of the West Laverton, Craiggimore, Mary Mac, Castaway and Lord Byron deposits. An extensive RC drilling program has been maintained over most of the quarter and will continue for the next few months with a further RC rig being added to the drilling program in February. Assay results are pending. Work also undertaken by the exploration team included geological reinterpretation and extensive resource modelling.

URANIUM EXPLORATION

Crescent is exploring for uranium resources in South Australia, Queensland and the Northern Territory. All tenements, joint ventures and exploration activities are conducted under Uranium West Limited, a 100% subsidiary of Crescent Gold Limited.

Sturt Joint Venture - Uranium

At the Sturt Project near Moomba in north eastern South Australia, assay results from core drilling undertaken in the previous quarter confirmed the uranium mineralisation in the target sands. The results are based on drill core samples obtained from the Sturt Project's first cored holes. Maximum values were:

Big Lake 20 Locality - Core hole BLD084 – a twin of rotary mud hole BL064

- **1,652ppm U3O8** over 7.5cm, within a zone of
- **329ppm U3O8** from 87.0 – 87.4 metres

Big Lake 28 Locality - Core hole BLD085 – a twin of rotary mud hole BL080

- **864ppm U3O8** over 10cm, within a zone of
- **247ppm U3O8** from 105.7 – 106.1 metres

These results establish the significance of the discovery of extensive sedimentary uranium anomalism announced in the previous quarter. The uranium is hosted in Tertiary aged clays of the Namba Formation immediately underlying an oxidised sand unit. The prospect overlies the Big Lake oil and gas field of the Cooper Basin. Full details have been provided in the market release of 5 January 2010.

Aggressive exploration programs are planned for 2010 across the very large tenement position the joint venture partners (TCDC) have secured surrounding these anomalies. These will target both the Namba and underlying Eyre Formation.

Other SA Projects

Crescent is reviewing the exploration data for EL3603 (Oak Dam) subsequent to obtaining 100% ownership of the tenement in the September quarter.

Northern Territory Uranium

All Crescent tenements in the Northern Territory are being explored by joint venture partners.

Southern Uranium continued exploration at Calvert Hills (EL24837) with 4 core holes drilled at the Big Foot prospect (1218m) confirming the presence of prospective units (Siegel and Westmoreland), but without locating any uranium mineralisation. The Vanadis vanadium prospect area was discovered by geological reconnaissance; where outcropping haematite veined hydrothermal breccia averaged 0.74% V2O5 and 27% Fe over a 250 x 250m area. Full details have been provided in market releases.

A report on Crescent's exploration activities held in joint venture with project managers Rum Jungle Uranium is provided in that company's quarterly report (ASX: RUM).

The information in this report that relates to Exploration Results at the Sturt Uranium Project, is based on information compiled by Mr Tony Mason, who is a Member of the Australasian Institute of Mining and Metallurgy and registered in the field of uranium reporting and resource estimation. Tony Mason 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" and a Qualified Person under "Canadian National Instrument 43-101 Standards of Disclosure for Mineral Projects". Tony Mason consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Tony Mason is an independent consultant.

The information in this report that relates to gold, base metal and manganese Exploration Results and Mineral Resources is based on information compiled by Mr Neal Leggo, who is a Member of the Australian Institute of Geoscientists and is employed by Crescent.

The information in this report that relates to gold Ore Reserves is based on information compiled by Mr Gordon Garnsey and Mr Steve O'Grady who are Members of the Australasian Institute of Mining and Metallurgy. Mr Garnsey and is employed by Crescent. Mr O'Grady is an independent consultant.

They each have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are 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" and a Qualified Person under "Canadian National Instrument 43-101 Standards of Disclosure for Mineral Projects". They each consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

RESULTS OF OPERATIONS

During the three months ended 31 December 2009, Crescent incurred a net cash inflow of A\$2.3 million compared to a net cash outflow of A\$3.8 million for the same period in 2008. The latest net cash inflow is primarily due to the revenues associated with the completion of the first campaign under the Ore Purchase Agreement with Barrick. The previous December 2008 quarter outflow is largely attributed to costs associated with the suspension of mining and milling operations at the Laverton Gold Project.

During the three months ended 31 December 2009, the Company incurred A\$1.1 million in exploration and development costs, compared to A\$3.5 million for the same period in 2008.

Administration costs were A\$0.9 million during the quarter ended 31 December 2009 compared to A\$0.7 million for the same period in 2008.

CHANGES IN ACCOUNTING POLICIES

Full disclosure of the Company's Significant Accounting Policies is made in Note 3 of the Annual Financial Report 2009 which was announced to the ASX/TSX on 30 September 2009.

DERIVATIVE INSTRUMENTS

None.

TRANSACTIONS WITH RELATED PARTIES

During the quarter, a company associated with Non-Executive Director, Mr David Keough, was engaged to provide consulting technical services to Crescent on an ad-hoc part-time basis at A\$1,000 per day.

PAYMENTS TO DIRECTORS

Executive and Non Executive Directors of the Company received combined salary and payments totaling A\$124,000 for the three months ended 31 December 2009.

The Company is served by a Board of Non-Independent and Independent Directors, to which the Managing Director and the Chief Financial Officer report.

- | | |
|----------------------|---|
| ▪ Roland Hill | Managing Director and Chairman |
| ▪ David Keough | Non-Executive Director |
| ▪ Geoff Stanley | Non-Executive Director |
| ▪ Simon Grenfell | Non-Executive (Nominee) Director |
| ▪ Theodore Backhouse | Non-Executive (Nominee) Director |
| ▪ Mark Tory | Chief Financial Officer & Company Secretary |

SUMMARY OF QUARTERLY RESULTS

The table below sets out the quarterly cash flows for the past eight quarters:

	<u>31-Dec</u> <u>2009</u> \$A '000	<u>30-Sep</u> <u>2009</u> \$A '000	<u>30-Jun</u> <u>2009</u> \$A '000	<u>31-Mar</u> <u>2009</u> \$A '000	<u>31-Dec</u> <u>2008</u> \$A '000	<u>30-Sep</u> <u>2008</u> \$A '000	<u>30-Jun</u> <u>2008</u> \$A '000	<u>31-Mar</u> <u>2008</u> \$A '000
Revenue	32,467	-	-	-	-	6,066	15,302	16,889
Other Income	144	185	291	285	1,074	951	1,701	1,811
Production	(25,625)	(5,491)	-	-	(591)	(13,369)	(25,164)	(17,383)
Exploration and Development	(1,148)	(1,324)	(3,272)	(2,271)	(3,517)	(2,617)	(3,088)	(1,450)
Administration	(929)	(525)	(985)	(865)	(667)	(2,340)	(1,829)	(716)
Other Operating Expenses	(55)	(162)	(84)	(170)	(43)	(4,401)	0	(431)
Other / Investing & Finance Exp	(2,554)	(112)	(52)	(67)	(69)	(4,883)	(23,777)	(19,886)
Net Increase (Decrease)	2,300	(7,429)	(4,102)	(3,088)	(3,813)	(20,593)	(36,855)	(21,166)
Net Gain (Loss) per Share A\$	0.0039	(0.0126)	(0.0069)	(0.0052)	(0.0065)	(0.0349)	(0.0625)	(0.0358)

Costs incurred in the 31 December 2009 quarter relate predominantly to mining and exploration activities. Cash inflow for the Company was primarily revenue from mining activities and interest from cash assets.

The Company did not report quarterly financial statements as its continued status is as a Designated Foreign Issuer (which is exempt) for reporting purposes in Canada and is also not required pursuant to Australian reporting requirements.

Exploration costs incurred during the quarter related to tenements surrounding the Laverton Gold Project and JV expenditure for Uranium West Pty Ltd.

LIQUIDITY & CAPITAL RESOURCES

The Company's cash on hand and funds on deposit as at 31 December 2009 was A\$12.9 million.

In the three months ended 31 December 2009, the Company received other income of A\$0.1 million from interest compared to A\$1.1 million for the same period last year, due primarily to the lower volume of funds on deposit and lower deposit interest rates.

During the quarter, the Company used net cash of A\$1.1 million for exploration and development activities with spending on the Laverton Gold Project, exploration in the Laverton region and on the Northern Territory and South Australian Uranium and IOCG projects and joint ventures.

OUTSTANDING SHARE DATA

At the beginning of the quarter (1 October 2009), the Company had 590,979,938 ordinary shares outstanding.

As at 31 December 2009, the Company had 591,959,938 ordinary shares on issue.

FORWARD LOOKING STATEMENT

This discussion and analysis contains certain forward-looking statements. These include statements about our expectations, beliefs, intentions or strategies for the future, and are indicated by words such as “budget”, “anticipate”, “intent”, “believe”, “estimate”, “forecast”, “expect”, and similar words. While all forward-looking statements reflect our current views with respect to future events, they are subject to certain risks and uncertainties. Actual results may differ materially from those projected in these statements for a number of factors, including those which are described in the Corporation’s periodic filings with securities regulatory authorities. We base our forward-looking statements on information currently available to us and we do not assume any obligation to update or revise them, except in accordance with applicable securities laws, readers should not place undue reliance on forward-looking statements.

Regards

Crescent Gold Limited



Roland Hill
Managing Director

In accordance with the requirements of Canadian National Instrument 43-101 further information on the geology and mineralising setting can be found within the "Independent Technical Report on the Laverton Gold Project Western Australia" which is available on SEDAR (www.sedar.com) or the Company's website www.crescentgold.com.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Crescent Gold Limited

ABN

49 087 360 996

Quarter ended ("current quarter")

31 December 2009

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	32,467	32,467
1.2 Payments for (a) exploration and evaluation	(1,148)	(2,472)
(b) development	-	-
(c) production	(25,625)	(31,116)
(d) administration	(929)	(1,455)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	134	319
1.5 Interest and other costs of finance paid	(55)	(204)
1.6 Income taxes paid	-	-
1.7 Other – mining contractor early termination payment	10	(3)
Net Operating Cash Flows	4,854	(2,464)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) option contracts	-	-
(c) other fixed assets	(681)	(757)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) option contracts	-	-
(c) other fixed assets	-	10
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other – purchase of gold tenements	(2,000)	(2,000)
Net investing cash flows	(2,681)	(2,747)
1.13 Total operating and investing cash flows (carried forward)	2,173	(5,211)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	2,173	(5,211)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	127	127
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – repayment of lease liabilities	-	(45)
	Other – share issue costs	-	-
	Net financing cash flows	127	82
	Net increase (decrease) in cash held	2,300	(5,129)
1.20	Cash at beginning of quarter/year to date	10,601	18,030
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	12,901	12,901

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.2	Aggregate amount of payments to the parties included in item 1.2	
	Executive Director	72
	Non-Executive Directors	52
1.2	Aggregate amount of loans to the parties included in item 1.10	Nil

1.2 Explanation necessary for an understanding of the transactions

Not applicable

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Not applicable.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Not applicable.

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	3,200
4.2 Development	-
Total	3,200

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	12,901	10,601
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other	-	-
Total: cash at end of quarter (item 1.22)	12,901	10,601

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Changes in interests in mining tenements

	Tenement reference	Nature of interest	Interest at beginning of quarter %	Interest at end of quarter %	
6.1	Interests in mining tenements relinquished, reduced or lapsed	EL24834	Transfer of interest	100	50
		EL24835	Transfer of interest	100	50
		EL24866	Transfer of interest	100	50
6.2	Interests in mining tenements acquired or increased	E38/2388	Pending	-	100
		L38/0166	Pending	-	100

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>	Nil	-	-	-
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	Nil	-	-	-
7.3 +Ordinary securities	591,959,938	591,959,938	Fully paid	Fully paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	Nil Nil	Nil Nil		
7.5 +Convertible debt securities <i>(description)</i>	12,500,000	12,500,000	40 cents	40 cents
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	Nil Nil	Nil Nil	- -	- -
7.7 Options <i>(description and conversion factor)</i>	24,120,000	Nil	-	-
7.8 Issued during quarter	Nil	-	-	-
7.9 Exercised during quarter	980,000	-	-	-
7.10 Expired during quarter	Nil	-	-	-
7.11 Debentures <i>(totals only)</i>	Nil	-		
7.12 Unsecured notes <i>(totals only)</i>	Nil	-		

+ See chapter 19 for defined terms.

ITEM 7.7 DETAILS OF OPTIONS ON ISSUE

Total Number	Number Quoted	Exercise price \$	Expiry date
650,000	-	0.40	30/11/2010
250,000	-	0.35	30/11/2010
1,000,000	-	0.31	26/05/2011
11,820,000	-	0.13	16/09/2011
1,000,000	-	0.16	16/06/2012
9,400,000	-	0.175	16/06/2012
24,120,000	-		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 29 January 2010
(Director/~~Company Secretary~~)

Print name: Roland Hill

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