
NEWS

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CRESCENT ADDS NEW ZONE TO LAVERTON GOLD

PROJECT ADVANCING TOWARD 4Q PRODUCTION START

New drill results have extended known gold zones within Crescent Gold Limited's Laverton project in Western Australia where the Company is gearing up for first production by end of year.

Crescent announced today that the first results from 10 holes of a 19 hole RC drilling program at Mary Mac South had highlighted a further mineralised zone in the project area's footwall. Better intersections included:

7m at 3.2g/t from 22m
12m at 2.9g/t from 1m
11m at 4.8g/t from 66m

Assays from the remaining nine holes have been delayed for nearly a month because of the sample log-jam facing Australian testing laboratories.

"The latest drilling was designed to evaluate the depth potential directly below existing high grade zones," Crescent's Managing Director, Mr Andrew Haythorpe said today.

"Results from the current and ongoing drilling programs will be incorporated in an updated resource estimate for Mary Mac South to be completed within the next 8 weeks," Mr Haythorpe said.

Crescent - the largest landholder in the rich Laverton tectonic zone - has already defined an Inferred Resource at Mary Mac of 165,000 tonnes at 2 grams per tonne gold, with previous results including

4m at 17.5 g/t from 87m,
9m at 6.2 g/t from 123m,
6m at 7.6 g/t from 7m and;
11m at 3.4 g/t from 97m.

Mary Mac South is immediately west of Crescent's primary Sickle mineralisation from which open pit mining is due to commence in the December quarter.

As at 31 March 2006, Crescent Gold's Indicated resource at Laverton totalled 14.3 million tonnes at 1.5 g/t Au containing 697,000 ozs of gold and an Inferred resource of 15.2 million tonnes at 1.4 g/t Au containing 687,000 ozs.

Five resources have been identified so far – Sickle, Fish, Euro, Admiral Hill and West Laverton, with Sickle providing over half of the current reserve figure of 292,000 ounces of gold, sufficient for an initial mine life of nearly four years through the Company's 100% owned Laverton gold mill. Current work is aimed at extending mine life beyond 5 years.

Crescent has moved into its final pre-mine stage for production start by December this year, starting at Sickle with an estimated 90,000 ounces per annum production rate.

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