



ANNUAL REPORT EL 24898
RUM JUNGLE NT

Reporting Period
15th March 2006 - 14th March 2007

For Crescent Gold Limited
May 2007

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Summary

Project Name:	Rum Jungle
Report Title:	Annual Report Reporting Period: 15th March 2006 to 14th March 2007
Author:	Kas De Luca
Tenement Holders:	Uranium West Limited
Tenement Nos.:	EL 24898
Work Completed:	Assessment for Uranium (and other commodities) Potential

1.0 Introduction

EL 24898 forms part of a project in the Rum Jungle district of the Northern Territory which Crescent Gold Ltd. (Crescent), through its wholly owned subsidiary Uranium West Ltd, is currently exploring for uranium.

EL 24898 is one of several tenements assessed for uranium and other commodities by Crescent during 2006. The tenement currently forms part of a Joint Venture Heads of Agreement with Rum Jungle Uranium Pty. Ltd. (operators).

2.0 Location and Access

EL 24898 is located within the Northern Territory's Rum Jungle Mineral Field, which is situated some 70km south of Darwin. Access to the project area is by sealed highways from Darwin to the small town of Batchelor, population 650; thence via a series of sealed and reasonably well maintained gravel roads (Figure 1).

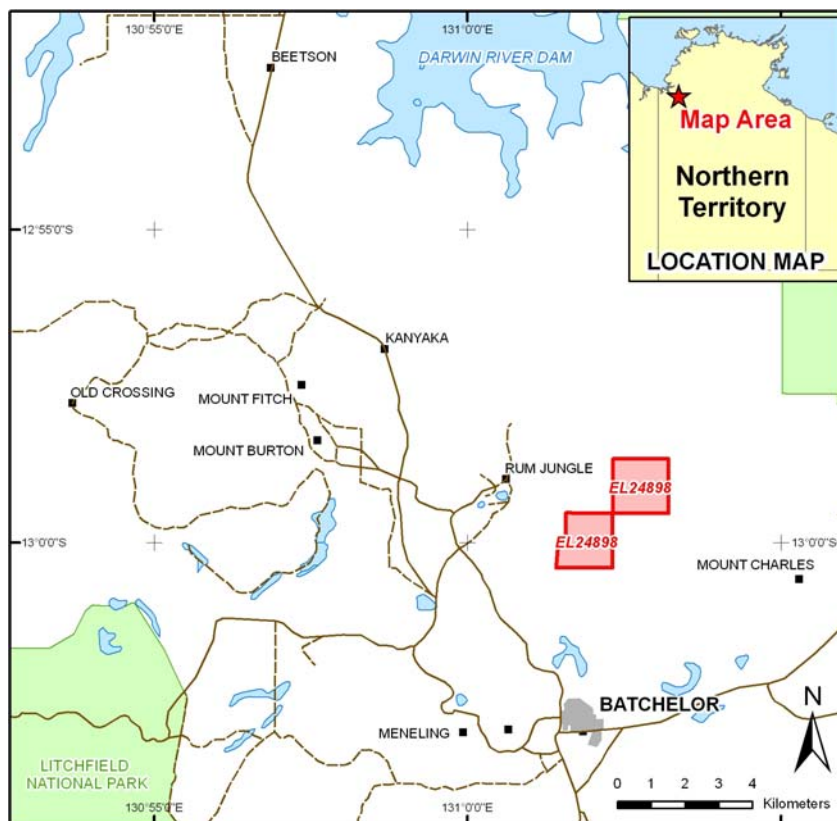


Figure 1 Location of EL 24898

The area experiences monsoonal climate with a wet season from October to April. Most rain falls between December and March, with an annual rainfall of 1600mm.

Temperatures are highest in November and December when the mean temperature is 34°C and minimum is 27°C. The coolest month is July when the average temperature is

30°C and the minimum is 19°C. The area comprises rolling topography and in places contains dissected lowlands. Vegetation consists of open forest and woodlands dominated by species of Eucalypt, Livistonia and Pandanus.

3.0 Tenure

EL 24898 was granted on 15th March 2006 and has an annual expenditure commitment totaling \$10,000. The tenement covers an area of 7 sub-blocks.

In October 2006 Crescent Gold exercised its Option with Finching Pty. Ltd. and Mundena Holdings Pty. Ltd. to purchase several leases in the Northern Territory for a cost of \$550,000. The granted leases, including EL 24898, were transferred into a 100% controlled subsidiary, Uranium West Pty. Ltd.

Uranium West Pty. Ltd. then entered into a Joint Venture Heads of Agreement with Rum Jungle Uranium Pty. Ltd. on two of its project areas, Rum Jungle and Tennant Creek, including EL 24898. Rum Jungle Uranium Pty. Ltd. has the right to earn a 25% stake by spending \$200,000 before the end of 2007 and a total of 50% by spending a further \$400,000 by the end of 2008.

Table 1 Project Tenement Details

Tenement Number	Project Name	Owner	Area (BL)	Expenditure	Date Granted
EL24898	Rum Jungle	Uranium West Ltd	7 sub-blocks	\$10,000	15 March 2006

4.0 Geology

4.1 Regional Geology

The oldest rocks of the Rum Jungle Mineral Field are schists and ironstones of the Stanley Metamorphics, which were intruded by various granitic phases of the Rum Jungle Complex around 2530Ma (Lally, 2002). These rocks are exposed in two structural domes (Rum Jungle and the Waterhouse Domes) and are unconformably overlain by a sedimentary succession comprising the Manton, Mount Partridge, South Alligator and Finnis River groups of the Pine Creek Orogen. Dolerite and gabbro sills of the Zamu Dolerite intrude these sediments.

Multiple folding and faulting events affected the rocks from 1880 to 1770 Ma. Early northwest orientated thrusts were overprinted by tight to isoclinal north trending folds. Metamorphism ranged to upper greenschist facies. Open folding and faulting of the area is believed to be a distant expression of granitic emplacement to the southeast and to

the east, and was followed by retrograde metamorphism to lower greenschist facies accompanied by regional-scale, northwest trending strike-slip faulting. The Golsec Formation unconformably overlies the Mt Partridge Formation, and consists of siltstone, sandstone and hematite-quartz breccia. The Golsec Formation occurs principally around the Waterhouse Dome.

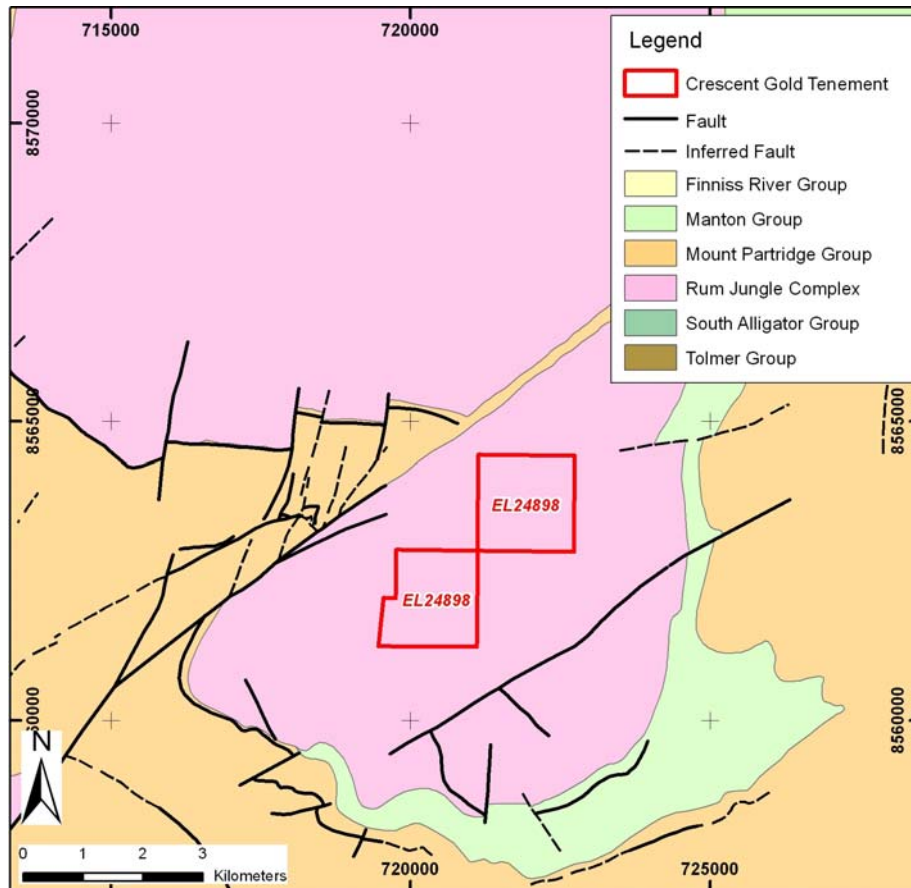


Figure 2 Geology interpretation of the project area.

4.2 District Geology

EL 24898 is interpreted to occur entirely over the Rum Jungle Complex, with the tenement area containing only 5% outcropping bedrock. The outcrop is exclusively granite and granite-gneiss of the Rum Jungle Complex. Three late stage northeasterly trending (Giants Reef Fault parallel) dolerite dykes interpreted from magnetic data also transect the tenement.

Four of the five major uranium deposits in the area (Dysons, Whites, Whites East and Intermediate) occur along a northeasterly shear within a triangular zone referred to as The Embayment. The area comprises Paleoproterozoic sediments enclosed to the north and south (along the Giants Reef Fault) by Rum Jungle Complex rocks. The deposits are sediment-hosted and are interpreted to be localized at the intersections of the northeasterly shear with N-NNE, cross-cutting, high-angle reverse faults.

5.0 Exploration Activity

5.1 Assessment for Uranium (and other commodities) Potential

During 2006 Uranium West engaged geological consultants Ravensgate Pty Ltd (Ravensgate) to conduct a geological assessment of the economic potential of its tenure in the northern Territory, concentrating on Uranium potential (Ravensgate 2006). This work included EL 24898.

Ravensgate identified the main target style for uranium mineralisation within the tenure as Proterozoic unconformity-related, where deposits occur proximal to unconformities, generally between fractured, brecciated uranium enriched basement rocks and overlying porous sediments. Several occurrences of this type-mineralisation lie near to the project area (Dysons (U), Whites (U-Cu-Co), Intermediate (Cu-Co) and Browns (Pb-Cu-Co-Ni-Zn) deposits).

Recommendations for exploration from Ravensgate included geological mapping in order to identify the unconformity between the Mt Partridge group and the Rum Jungle Complex, if it exists within EL 24898.

A second study by Southern Geoscience Pty. Ltd. (Southern Geoscience) a geophysical consulting group was commissioned later in the year, with geophysics as a focus (Southern Geoscience 2006). Open-file government geological and geophysical data were compiled and assessed for geological setting, mineralization potential and quality of existing geophysical data. The primary aim of this assessment was to evaluate the uranium prospectivity of the area, identify potential targets and provide exploration recommendations. Evaluation of the polymetallic/base metal potential was a secondary objective.

Government airborne magnetic and radiometric surveys across the tenement comprise 200 m line spaced data. Regional gravity stations are sparsely located along regional roads and traverses at 200-500 m station spacings. Landsat and SRTM digital elevation data are also available. The extent of outcropping bedrock and residual cover is sufficient for the airborne radiometrics to be representative of the bedrock from a mapping point of view.

No specific targets were delineated during the study. Recommendations from this study were that these areas should be flown with high-resolution airborne magnetics and radiometrics.

6.0 Annual Expenditure

Total annual expenditure for EL24898 for the period of 15th March 2006 – 14th March 2007 is \$8,457. Supporting cost figures are detailed in Appendix I.

7.0 Proposed Year 2 Work Program

Rum Jungle Uranium will be operators for EL 24898 in the 2007-2008 anniversary period. The proposed exploration program with estimated annual expenditure is as follows:

Research all company data	\$5,000
Obtain magnetic images	\$2,000
Obtain radiometric images	\$2,000
Ground reconnaissance	\$5,000
Geochemical sampling	\$2,000
Geological mapping	\$3,000
Report preparation	\$3,000
Overheads	\$3,000
TOTAL	\$25,000

Bibliography

Lally, J.H., (2002). Stratigraphy, structure and mineralisation, Rum Jungle Mineral Field, Northern Territory. Northern Territory Geological Survey, Record 2002-005.

Ravensgate Pty. Ltd. (2006) Technical Report on the Mineral Exploration Tenements in Australia held by Western Uranium, Internal Crescent Report.

Southern Geoscience Ltd (2006) Rum Jungle - Assessment of Uranium Mineralization Potential and Geophysical Targeting, Internal Crescent Report.

Appendix 1 – Cost estimates for EL 24898 exploration program.

COST CENTRE	EL24898
Travel & Accommodation	\$769.27
Geological - Consulting	\$5,361.46
Geophysical Consulting	\$1,557.81
Sub Total	\$7,688.54
Administration & Overheads	\$768.85
TOTAL	\$8,457.39