Goldcrest Resources Ltd.
Management's Discussion and Analysis
For the Period Ended September 30, 2005
November 24, 2005

(all figures in Canadian dollars unless otherwise noted)

Forward-Looking Statements

This discussion contains certain forward-looking statements. While these forward-looking statements represent our best current judgment, they are subject to a variety of risks and uncertainties that are beyond the Company's ability to control or predict and which could cause actual events or results to differ materially from those anticipated in such forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Nature of Business

Goldcrest Resources Ltd. (the "Company") is an exploration and development company with its primary assets being the Youanmi property ("Youanmi") in Western Australia, which is a former producing gold mine, and the Malba, Souhouera and Kampti properties in Burkina Faso, West Africa.

The Company acquired Youanmi through the acquisition of Goldcrest Mines Limited ("GML"), an Australian company, effective October 22, 2003. At the time of the acquisition, GML held options to purchase the Youanmi tenements (exploration and mining concessions), a carbon-in-pulp ("CIP") processing plant and owned a biological leach processing plant. GML also had an option to earn an 80% interest in the Malba copper-gold property in Burkina Faso. During 2004, the Company acquired 100% of the Malba property through the acquisition of Wentworth Resources Pty. Ltd.

Prior to October 22, 2003, the Company was a capital pool company, as defined by the TSX Venture Exchange, and did not have an active business. Therefore the results and financial position prior to 2004 are not comparable. The Company completed its initial public offering as a capital pool company at the end of 2002. In the fourth quarter of 2003, the Company completed the acquisition of the Australian assets.

Liquidity and Capital Resources

At September 30, 2005, the Company had working capital of $1,692,783 compared to working capital of $471,671 at December 31, 2004. As the Company presently has no revenue- producing operations, it is dependant on the capital markets for project funding.

On July 5, 2005 and August 8, 2005, the Company completed private placements raising total gross proceeds of $2,100,000. A total of 12,000,000 units were sold on a non-brokered basis at $0.175 per unit. Each unit consists of one common share plus one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at $0.25 per share for a period of two years following closing. Financial advisory and finders fees in connection with the placement included $107,600 plus an option to purchase 551,760 units under the same terms described above.

The Youanmi project has annual expenditure requirements totaling AUS$783,660 ($695,000) or AUS$31.54 ($27.99) per hectare per year.

Results of Operations

Youanmi Project

The Youanmi project is a contiguous tract of land located in Western Australia covering 24,848 hectares along 45 kilometers of the Youanmi fault system containing the former producing Youanmi gold mine. Historically, the mine has produced over 670,000 ounces of gold. The mine ceased production in late 1997 when it was faced with declining gold prices. Approximately 49% of the above area is in the “Snowpeak” tenements in which the Company has an 80% interest with the remaining 20% interest carried until completion of a feasibility study. Historical production was from the Youanmi tenements.

Onsite infrastructure is extensive and includes housing, offices, and a tailings disposal facility. In addition, the site has a CIP processing plant capable of processing 600,000 tonnes of ore per year and a biological leach plant with the capacity to process 50,000 tonnes of concentrates per year from the CIP plant.

Unclassified resources at the mine are approximately 530,000 ounces of gold consisting of 1,079,755 tonnes at a grade of 2.5 grams/tonne gold in oxide mineralization, 1,494,760 tonnes @8.8 grams/tonne gold in sulphide mineralization and a further 400,000 tonnes @1.6 grams/tonne gold in tailings.

The Company spent approximately $ 169,000 during the third quarter of 2005 compared to approximately $353,000 on exploration at Youanmi in the third quarter of last year. Year to date expenditures in 2005 amount to $502,000 compared to $1,005,101 in the first nine months of 2004. Expenditures have been reduced in 2005 in order to conserve cash prior to completion of the equity financings in July and August 2005. Expenditures to date have been made to analyze available data on the project, identify new drill targets and to drill around the existing open pits. As a result, several high priority targets are ready for drilling and resource estimates have been updated to include an indicated resource of 105,399 ounces of gold and an inferred resource of 10,137 ounces of gold at Penny-West, Commonwealth-Connemarra and the Plant Zone (based on a resource estimate completed by Ravensgate Pty. Ltd. at December 30, 2004).

To date, approximately $1.8 million has been spent on exploration at Youanmi. During the balance of 2005, the Company plans to continue drilling on new targets which have been identified.

Malba Project (Burkina Faso)

The Malba copper-gold project is located in southern Burkina Faso and covers an area of 250 square kilometers.

Previous exploration on the property has outlined an unclassified resource estimate at the Dienemera deposit of 126,000 tonnes of copper and 265,000 ounces of gold.

To date in 2005, the Company spent approximately $92,355 on the property which represents minimum holding costs plus some geophysical work. No expenditures were made on Malba last year.

Kampti Project (Burkina Faso)

This 244.5 square kilometre concession was granted to the Company in September 2004. This gold prospect has several drill-ready targets and has had previous work which identified several anomalous gold zones.

Under the guidelines of National Instrument 43-101, the qualified person for the above projects is Mr. Michael Higgins, a Fellow of the Australian Institute of Mining and Metallurgy.

Souhouera Project (Burkina Faso)

In October 2005, the Company acquired the Souhouera concession which is a 250 square kilometer property located immediately south of and contiguous to the Company's Malba concession. The purchase price was US$75,000 and includes a right to purchase the Dangoro concession which is another 250 square kilometer property located immediately south of Souhouera.

The Souhouera property hosts the southern extension of the copper-gold mineralized district recognized by historic exploration. The Company's previous work programs at Malba have identified a strong north-south corridor trending from Malba into the Souhouera concession, thought to represent the main structural control on mineralization.

Historic exploration in the 1970-80s within the Souhouera concession has included geological mapping, stream, soil, IP/Magnetic surveys and limited diamond drilling, which have identified multiple porphyry copper-gold and gold targets. The Company has access to the results of this work through the database it acquired over the Malba concession and has identified the Gongondy prospect as one of several high priority targets with similar geological characteristics to the Dienemera deposit on the Malba concession.

Quarterly Results
(figures in Canadian dollars, in accordance with Canadian GAAP)

Quarter ended	September 30, 2005	June 30, 2005	March 31, 2005	December 31, 2004
Total revenues	$ -	$ -	$ -	$ -
Loss	142,547	234,996	202,610	164,027
Basic and diluted loss per share	nil	0.01	0.00	0.00

Quarter ended	September 30, 2004	June 30, 2004	March 31, 2004	December 31, 2003
Total revenues	$ -	$ -	$ -	$ -
Loss	246,892	16,947	292,068	363,505
Basic and diluted loss per share	0.01	0.01	0.01	0.05

The increased loss in the quarter ended December 31, 2003 reflects the fact that the Company began operations during this period. The loss is comprised primarily of general and administrative costs incurred in the quarter including $103,200 of non-cash, stock-based compensation costs. The fluctuations in quarterly losses from the quarter ended December 31, 2003 to the fourth quarter of 2004 are primarily due to the timing of stock option grants in 2004 and the associated stock-based compensation costs.

During 2005, there have been no stock-based compensation costs and the quarterly expenses are lower in 2005 compared to 2004 as a result of a reduction in discretionary expenditures and of increased income tax recoveries. The increase in the loss in the second quarter of 2005 compared to the first quarter of 2005 is primarily a result of costs incurred in connection with production of the annual report.

General and Administrative Costs

	Three months ended September 30, 2005	Three months ended September 30, 2004	Nine Months ended September 30, 2005	Nine Months ended September 30, 2004
	$	**$**	**$**	**$**
Stock – based compensation	-	-	-	188,750
Legal and audit	55,856	24,248	125,590	116,510
Salaries	54,701	82,667	228,458	242,239
Office and general	13,214	36,556	94,408	119,794
Travel	6,510	28,911	34,428	88,882
Investor relations	18,856	14,336	74,786	129,603
Rent	15,812	18,605	47,302	54,608
Financing costs	23,770	-	23,770	-
Loss on disposal of vehicle	10,066	-	10,066	-
Depreciation	11,340	9,899	35,351	20,253
	210,125	215,222	674,159	960,639

General and administrative costs for the third quarter of 2005 compared to 2004 reflect higher audit costs accrued in the quarter for the 2005 audit and lower salaries resulting from less administrative staff. Items which have decreased from 2004 result from cost cutting measures. The financing costs in the third quarter of 2005 are costs associated with a financing that was not completed due to adverse market conditions.

On a year to date basis, these costs are lower in 2005 due to the absence of stock-based compensation and reductions in other costs due to cost cutting measures. In the case of investor relations, a manager performing this function in 2004 has not been replaced. Rent is lower in 2005 as a result of subletting some office space.

Other Expenses

Foreign exchange losses during 2005 reflect the effect of the strengthening of the Canadian dollar versus the Australian dollar during the third quarter on the Canadian dollar-denominated intercompany debt of the Company's Australian subsidiary.

Common Share Data (as at November 18, 2005)

Common shares outstanding **(1)**	54,667,073
Potential issuance of common shares:	
Warrants	14,915,880
Options issued to directors, employees and consultants	2,816,667
Agent's options	1,191,760
	73,591,380

Note:
(1) Includes 4,069,291 shares held in escrow (7% of common shares outstanding). These shares are released evenly every six months until October 21, 2006.

Additional Information

Additional information, including quarterly and annual consolidated financial statements, technical reports and other disclosure documents may be found by accessing the Company's website at www.goldcrestresources.com or the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) website at www.sedar.com.