



DATE: March 21st 2006

TRADING SYMBOL:

TORONTO & OSLO: **CRU**, FRANKFURT: **KNC**, OTC-BB-other: **CRUGF**

NOT FOR DISSEMINATION IN THE UNITED STATES

### **New Issuance of Bonds**

LONDON, United Kingdom, (March 21<sup>st</sup> 2006). Crew Gold Corporation announces that it has received subscriptions for a new issue of secured bonds in the aggregate principal amount of approximately USD 80 million, comprised of a USD tranche of USD 50 million and a NOK tranche of NOK 200 million. These bonds are expected to be issued on or about March 31, 2006. Under the term sheet the loan can be increased to a total of USD 100 million.

The proceeds of the bond will be used to replace Crew's previously announced existing project financing of the Lefa Gold Mine (Guinea) and to finance its Apex Gold Mine project. The Company also intends, based on recent new regional exploration data, to increase the regional exploration work at both Lefa and Apex.

"The bonds provide an attractive alternative to the existing project facility for the Lefa Gold Mine," said Jan Vestrum, President and Chief Executive Officer of Crew. "The bonds have terms that are more favourable for Crew than the more onerous project facility and, as a result, will provide Crew more flexibility going forward both in terms of production and sales. Crew's production at present is un-hedged and the replacing of the project loan by the new bond allows the company to stay un-hedged if so desired. The development of the Lefa Gold Mine appears to be on schedule, and commissioning of the 7 million ton a year plant is expected to take place in December 2006.

The USD tranche of the bonds will have a floating interest of 3 month LIBOR + 5.0% per annum, whereas the NOK tranche will have a floating interest of 3 month NIBOR + 5.0% per annum. The bonds will have a 5 year term, and Crew may redeem the bonds (wholly or in part) at the third anniversary of the issuance at a price of 105.0% and at the fourth anniversary of issuance at a price of 102.5%. The bonds will be secured by a pledge over all the shares of Crew's wholly owned subsidiary Guinor Gold Corporation. Crew will undertake not to raise any new debt which results in the company's total debt to EBITDA ratio exceeding 3.0, nor raise any new debt in Guinor Gold Corporation. In addition, Crew will also agree not to make any dividend payments or other distributions to its shareholders that would constitute more than, on a consolidated basis, 50% of Crew's net profit after taxes for the previous financial year (other than in respect of a divesting of non-gold assets of Crew into a separate entity listed on a stock exchange). The issue of the bonds is conditional upon approval by Crew's existing convertible bondholders of the



additional borrowings by Crew. Further tranches of up to an additional USD 20 million may be issued pursuant to the loan agreement for the bonds.

Pareto Securities ASA has been appointed as arranger of the bond issue.

**Jan A. Vestrum**  
**President & CEO**

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fluctuations in financial markets and investor interest in the proposed private placement. Although Crew has attempted to identify important factors that could cause actual actions, events or cause actions events or results not to be anticipated, estimated or intended, there can be no assurance that forward looking statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Except as may be required by applicable law or stock exchange regulation, the company undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events. Accordingly, readers should not place undue reliance on forward-looking statements.

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