



DATE: February 27, 2009

TRADING SYMBOLS;  
TORONTO AND OSLO - CRU

## NEWS RELEASE

### **Unaudited results for the Quarter and Year ended December 31, 2008** **Corporate governance updates**

LONDON, United Kingdom, February 27, 2008 - Crew Gold Corporation (“Crew” or “the Company”) (TSE & OSE: CRU) today announces;

#### **Unaudited results**

This release of information represents a change in reporting for the Company to comply with new rules of Oslo Bors. Crew is a Yukon, Canada incorporated corporation resident in the United Kingdom and is listed on the Oslo and Toronto stock exchanges. The Company’s primary listing is Toronto, and Norway is its Home State for EU reporting purposes.

The new rules require that unaudited interim financial statements for the quarter and year to date be published no later than two months following each quarter end and that the audited financial statements and annual report be published no later than four months after the year-end. Applicable Canadian rules require the Company to publish unaudited financial statements and the Management’s Discussion and Analysis (“MD&A”) report explaining those statements no later than 45 days after each quarter end, except for the fourth quarter (“Q4”) when the financial statements must be audited and the MD&A must discuss the complete year. This year-end report must be filed no later than 90 days after the year end.

**On or before March 31<sup>st</sup>, 2009, the company will publish its audited year-end financial statements and MD&A** and will conduct its conference call to discuss the results for the year. This press release discusses financial results only.

## HIGHLIGHTS

- **Production Results**

- Gold produced in the quarter ended December 31, 2008 was 75,554 oz (quarter ended December 31, 2007 – 46,894 oz). Gold sold in the quarter ended December 31, 2008 was 64,011 oz at an average gold price of \$798/oz (quarter ended December 31, 2007 – 41,829 oz sold at an average gold price of \$811/oz);
- Gold produced in the year ended December 31, 2008 was 273,842 oz (year ended December 31, 2007 – 164,017 oz). Gold sold in the year ended December 31, 2008 was 262,177 oz at an average gold price of \$873/oz (year ended December 31, 2007 – 150,913 oz sold at an average gold price of \$712/oz);
- Comprehensive and expanded production information and cost information will be made available in the MD&A

- **Financial Results**

- The Company has early-adopted Canadian Institute of Chartered Accountants statement 3064 “Goodwill and Intangible Assets” in order to provide better comparability between the reporting periods. As a result of the application of this standard, prior period pre-operating revenues and costs have been recognised in the profit and loss statement and comparative balance sheet amounts have been restated where applicable;
- Net loss of \$84.9 million for the quarter ended December 31, 2008 due mainly to non-cash impairment charges of \$98.5 million for Maco and the further write down of goodwill of \$22.2 million on the LEFA reporting unit, corporate related costs of \$3.7 million and interest and finance charges of \$7.4 million partly offset by non cash foreign exchange gains of \$49.0 million on translation of the NOK denominated debt. A net loss of \$9.4 million was recorded for the quarter ended December 31, 2007;
- Net loss of \$253.4 million for the year ended December 31, 2008 due mainly to non-cash impairment charges of \$254.3 million (net of a future income tax recovery of \$10.5 million), including net impairment charges of \$98.5 million for Maco, the write down and move to care and maintenance of the Nalunaq Gold Mine A/S (“Nalunaq”) and the Nugget Pond processing facility (“Nugget Pond”) which resulted in a net write down of \$51.3 million and the full write down of goodwill of \$104.6 million on the LEFA reporting unit, corporate related costs of \$23.1 million and interest and finance charges of \$33.2 million partly offset by non cash foreign exchange gains of \$69.9 million on translation of NOK denominated debt. A net loss of \$85.0 million was recorded for the year ended December 31, 2007.

## **FINANCIAL REVIEW**

### **Financial Results for the Quarter Ended December 31, 2008**

Sales reported for the quarter ended December 31, 2008 were \$45.7 million (quarter ended December 31, 2007 - \$27.1 million).

Direct costs for the quarter ended December 31, 2008 were \$31.7 million (quarter ended December 31, 2007 - \$33.1 million) and mine site administration costs were \$9.6 million (quarter ended December 31, 2007 - \$9.2 million). Costs at Maco were capitalised in both periods.

Depletion and depreciation expense, a non-cash measure, for the quarter ended December 31, 2008 was \$10.0 million (quarter ended December 31, 2007 – \$5.9 million).

For the quarter ended December 31, 2008, general corporate expenditures were \$3.7 million (quarter ended December 31, 2007 – \$5.5 million) and interest and finance charges were \$7.4 million (quarter ended December 31, 2007 – \$8.5 million). The group also recognised unrealised foreign currency translation gains of \$49.0 million on the translation of the NOK denominated debt into US dollars following the strengthening of the US dollar in the quarter (quarter ended December 31, 2007 – gain of \$2.7 million).

For the quarter ended December 31, 2008, the Company recorded non-cash impairment charges of \$98.5 million for Maco and a further write down of goodwill of \$22.2 million on the LEFA reporting unit. During the quarter, the Company completed its review of the performance and ore resources of Maco and concluded that its carrying value was unlikely to be fully recovered, resulting in the impairment charge.

The goodwill impairment of the LEFA reporting unit is reflective primarily of current market conditions at December 31, 2008 and does not affect LEFA's day-to-day operations, cash position and resource base. The Company believes LEFA has considerable value and growth potential.

### **Financial Results for the Year Ended December 31, 2008**

Mineral sales reported for the year ended December 31, 2008 were \$212.0 million (year ended December 31, 2007 - \$101.6 million).

Direct costs for the year ended December 31, 2008 were \$165.1 million (year ended December 31, 2007 - \$127.2 million) and mine site administration costs were \$32.3 million (year ended December 31, 2007 - \$28.8 million).

Depletion and depreciation expense, which is a non-cash measure, was \$41.7 million (year ended December 31, 2007 – \$26.6 million).

For the year ended December 31, 2008 general corporate expenditures were \$23.1 million (year ended December 31, 2007 – \$25.0 million), including one-time severance costs of \$4.6 million and interest and finance charges were \$33.2 million (year ended December 31, 2007 – \$32.4 million) and the unrealised gain on foreign currency translation of NOK denominated debt in the period was \$69.9 million compared to a loss of \$38.9 million for the same period last year.

For the year ended December 31, 2008, the Company recorded non-cash impairment charges totalling \$254.3 million (net of a future income tax recovery of \$10.5 million) on mineral

properties, property, plant and equipment assets and goodwill. The Company reviewed the performance and ore resources of Nalunaq and Nugget Pond and concluded that the remaining limited resource was uneconomic due to high unit costs of development access and mining, shipping and processing due to the limited face lengths because of the ore body geometry which would constrain mining rates. A programme of care and maintenance will be implemented at both the Nalunaq mine and the Nugget Pond processing plant while further options are being explored. The Company identified that the carrying value of both the Nalunaq mine and the Nugget Pond processing facility was unlikely to be recovered, resulting in a total net impairment charge to mineral properties, plant and equipment of \$51.3 million.

For the year ended December 31, 2008, the Company reviewed the goodwill allocated to the LEFA Project reporting unit. The Company compared the implied fair value of the LEFA project reporting unit's goodwill to LEFA's carrying amount and concluded that the fair value of the LEFA project reporting unit was likely to be less than its carrying value and conducted a goodwill impairment test, resulting in a non-cash impairment charge of \$104.6 million. This goodwill impairment is reflective primarily of current market conditions at December 31, 2008 and does not affect LEFA's day-to-day operations, cash position and resource base. The Company considers LEFA to have considerable value and growth potential.

For the year ended December 31, 2008, the Company also recorded non-cash net impairment charges of \$98.5 million for Maco (see discussion above).

## **CORPORATE GOVERNANCE**

Effective February 26, 2009 the following changes have been made to the Board of Directors;

- Jens Ulltveit-Moe has been appointed Chairman of the Board. Mr Ulltveit-Moe replaces Cameron Belsher who has been Chairman since February 22 2007. Mr. Belsher remains a member of the Board. The Board thanks Mr. Belsher for his contribution during this very difficult period;
- Brian Hosking has resigned from the Board. Mr. Hosking has been a member of the Board since February 2004. The Board thanks Mr. Hosking for his contributions through his tenure on the Board;
- Tom Ruud is appointed as a member of the Board. Mr. Ruud is the Chief Financial Officer of the Umoe Group of companies. He is a trained Civil Engineer and has spent the majority of his career in the banking industry in Norway and has held the positions of CFO and CEO in previous companies. Mr Ruud has been an active board member for many organisations both public and private during his career and is currently on the boards of Total E&P Norway AS, Euroclear SA/PLC , Umoe Bioenergy ASA and Intex Resources ASA;
- Mr. Richard Robinson is appointed as Lead Independent Director of the Board. Mr. Robinson has been a member of the Board since January 10 2008.

## **SAFE HARBOUR STATEMENT**

Certain statements contained herein that are not statements of historical fact, may constitute forward-looking statements and are made pursuant to applicable and relevant national legislation (including the Safe-Harbour provisions of the United States Private Securities Litigation Reform Act of 1995) in countries where Crew is conducting business and/or investor relations. Forward-looking statements, include, but are not limited to those with respect to (1) the price of gold, (2) the estimation of mineral reserves and resources, (3) the realization of mineral reserves estimates, (4) the timing and amount of estimated future success of exploration activities, (5) the timing and amount of production estimates, , (6) currency fluctuations, (7) expected cost reductions, and (8) the expected future capacity and

success of the LEFA mine and its expansion potential. Often, but not always, forward-looking statements can be identified by the use of words such as plans, expects, does not expect, is expected, targets, budget, estimates, forecasts, intends, anticipates or does not anticipate, or believes, or equivalents or variation, including negative variation, of such words and phrases, or state that certain actions, events or results, may, could, would, might or will be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause the actual results of the Company to be materially different from the historical results or from any future results expressed or implied by such forward-looking statements. Such risks and uncertainties include, among others, (1) the actual results of current exploration activities, (2) conclusions of economic evaluations, (3) changes in project parameters as plans continue to be refined, (4) possible variations in grade and ore densities or recovery rates, (5) failure of plant, equipment or processes to operate as anticipated, (6) accidents, labour disputes and other risks of the mining industry, (7) delays in obtaining government approvals or financing or in completion of development or construction activities, and (8) risks and uncertainties existing in world capital markets generally. Although Crew has attempted to identify important factors that could cause actual events or results to differ from those described in forward-looking statements contained herein, there can be no assurance that the forward-looking statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements.

The material factors and assumptions used to develop forward-looking statements which may be incorrect, include, but are not limited to, (1) there being no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, damage to equipment or otherwise, (2) continued development, operation and production at LEFA consistent with our current expectations, (3) foreign exchange rates among the currencies the Crew does business in being approximately consistent with current levels, (4) certain price assumptions for gold, (5) prices for electricity, fuel oil and other key supplies remaining consistent with current levels, (6) production forecasts meeting expectations, (7) the accuracy of our current mineral reserve and mineral resource estimates, and (8) materials and labour costs increasing on a basis consistent with Crews expectations.

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.

Cautionary Note to US investors; The United States Securities and Exchange Commission permits US mining companies, in their filings with the SEC, to disclose only those mineral deposits that a company can economically and legally extract or produce. We use certain terms in this document, such as measured, indicated, and inferred resources, which the SEC guidelines strictly prohibit US registered companies from including in their filings with the SEC. US Investors are urged to consider closely the disclosure from the SECs website at <http://www.sec.gov/edgar.shtml>

**CREW GOLD CORPORATION**  
**Consolidated Balance Sheets**  
(Expressed in thousands of United States dollars - Unaudited)

	As at, December 31, 2008	As at, December 31, 2007
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and cash equivalents	17,168	20,061
Restricted cash	246	31
Accounts receivable	20,609	33,635
Prepaid expenses and deposits	4,863	2,613
Inventories and stockpiled ore	64,912	40,842
Investment in Intex Resources ASA	-	16,851
	<b>107,798</b>	<b>114,033</b>
MINING INTERESTS	<b>315,916</b>	<b>427,519</b>
PROPERTY, PLANT AND EQUIPMENT	<b>216,881</b>	<b>265,263</b>
GOODWILL	-	104,592
OTHER MINERAL PROPERTY INTERESTS	-	871
OTHER ASSETS	<b>844</b>	<b>1,855</b>
RESTRICTED CASH	<b>3,244</b>	<b>6,014</b>
	<b>644,683</b>	<b>920,147</b>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	64,649	75,219
Short term portion of other long-term debt	24,151	-
	<b>88,800</b>	<b>75,219</b>
RECLAMATION AND CLOSURE COST OBLIGATIONS	<b>6,715</b>	<b>3,180</b>
CONVERTIBLE BONDS	<b>175,172</b>	<b>225,918</b>
OTHER LONG-TERM DEBT	<b>104,294</b>	<b>139,641</b>
FUTURE INCOME TAXES	<b>51,807</b>	<b>72,817</b>
	<b>426,788</b>	<b>516,775</b>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	645,415	571,701
Equity component of convertible bonds	15,607	15,607
Contributed surplus	11,573	11,524
Accumulated other comprehensive income	538	6,412
Deficit	(455,238)	(201,872)
	<b>217,895</b>	<b>403,372</b>
	<b>644,683</b>	<b>920,147</b>

**CREW GOLD CORPORATION**

**Consolidated Statements of Loss and Deficit**

(Expressed in thousands of United States dollars, except per share amounts - Unaudited)

	Three months ended		Year ended	
	December 31 2008	December 31 2007	December 31 2008	December 31 2007
MINERAL SALES	45,717	27,081	211,959	101,573
DIRECT COSTS OF MINERAL SALES	(31,733)	(33,082)	(165,053)	(127,229)
MINE SITE ADMINISTRATION COSTS	(9,641)	(9,233)	(32,264)	(28,766)
DEPLETION AND DEPRECIATION	(10,018)	(5,859)	(41,684)	(26,560)
	(5,675)	(21,093)	(27,042)	(80,982)
EXPENSES				
Administration, office and general	(535)	(4,264)	(17,822)	(16,461)
Exploration costs	(3,447)	(137)	(3,447)	(137)
Professional fees	40	386	(1,764)	(1,122)
Stock compensation expense	235	(1,475)	(97)	(7,249)
	(3,707)	(5,490)	(23,130)	(24,969)
OTHER (EXPENSES) INCOME				
Gain on disposal of investment in Intex Resources ASA	-	18,180	2,587	72,231
Equity loss from investment in Intex Resources ASA	-	(695)	-	(404)
Gain on disposals of other investments	-	-	-	505
Realized loss on future / forward obligation contracts	(44)	(2,185)	(537)	(7,574)
Unrealized loss on forward obligation contract	-	(358)	-	(358)
Impairment charges				
Mineral property, plant and equipment	(104,389)	-	(160,203)	-
Goodwill	(22,240)	-	(104,592)	-
Interest - Convertible bonds and other long-term loans	(6,054)	(7,001)	(27,743)	(26,824)
Other finance charges - Convertible bonds and other long-term loans	(1,350)	(1,490)	(5,423)	(5,552)
Foreign exchange gain (loss)	49,005	2,739	69,925	(38,874)
Other income and expenses	3,562	1,135	2,510	1,088
	(81,510)	10,326	(223,476)	(5,762)
LOSS BEFORE RECOVERY OF INCOME TAXES AND NON-CONTROLLING INTEREST	(90,892)	(16,258)	(273,648)	(111,713)
RECOVERY OF INCOME TAXES	6,016	6,657	20,282	26,222
LOSS BEFORE NON-CONTROLLING INTEREST	(84,877)	(9,601)	(253,366)	(85,491)
NON-CONTROLLING INTEREST	-	186	-	462
NET LOSS	(84,877)	(9,415)	(253,366)	(85,029)
DEFICIT, BEGINNING OF PERIOD	(370,361)	(192,457)	(201,872)	(116,843)
DEFICIT, END OF PERIOD	(455,238)	(201,872)	(455,238)	(201,872)
LOSS PER SHARE - BASIC	\$ (1.18)	\$ (0.16)	\$ (4.00)	\$ (1.57)
LOSS PER SHARE - DILUTED	\$ (1.18)	\$ (0.16)	\$ (4.00)	\$ (1.57)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING - BASIC	71,813,838	58,096,002	63,330,994	54,268,443
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING - DILUTED	71,813,838	58,096,002	63,330,994	54,268,443

Note - the weighted average number of shares amounts as shown above have been adjusted to account for the Company's share consolidation