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TRADING SYMBOLS;  
TORONTO AND OSLO - CRU

## NEWS RELEASE

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

LONDON, United Kingdom, March 26, 2009 - Crew Gold Corporation (“Crew” or “the Company”) (TSE & OSE: CRU)

The Company previously published unaudited financial results for the quarter and year ended December 31, 2008 on February 27, 2009. The assumptions relating to the Canadian Institute of Chartered Accountants handbook section (“CICA”) 3064 accounting treatment of the Maco property have been updated since then and have resulted in certain amendments to the previously published unaudited financial results. The effect of the Maco CICA 3064 adjustment is summarised in detail below and additional information can be located in the Audited Annual Financial Statements of the Company for the year ended December 31, 2008.

The Company will hold a conference call to discuss these results on March 31, 2009. The details of this conference call have already been released.

### **HIGHLIGHTS**

#### **For the Quarter Ended December 31, 2008**

- Q4 gold production increased by 61% to 75,257 ounces (“oz”) from 46,894 oz in 2007
- Gold sold in quarter of 64,011 oz (Q4 2007 – 41,829 oz)
- Net loss of \$5.8 million for the quarter due mainly to impairment charges of \$28.6 million for Maco and the further write-down of goodwill of \$22.2 million relating to LEFA reporting unit, offset by non-cash foreign exchange gains of \$45.7 million on translation of the Norwegian kroner (“NOK”) denominated debt
- Raised net proceeds of \$14.6 million from fully subscribed rights issue of 42.5 million post-consolidation common shares in December

#### **For the Year Ended December 31, 2008**

- Overview
  - Annual group gold production increased by 67% to 273,545 oz from 164,017 oz in 2007
  - Annual group gold sold of 262,177 oz at an average realised price of \$873/oz (2007 – 150,913 oz sold at an average realised price of \$712/oz)
  - Raised net proceeds of \$58.9 million from private placement of 6.2 million post-consolidation common shares in June and \$14.6 million from a rights issue of 42.5 million post-consolidation common shares in December

- Results
  - Net loss of \$203.5 million for the year ended December 31, 2008 (year ended December 31, 2007 – net loss of \$122.9 million) due mainly to net impairment charges, net of taxes, of \$184.5 million (comprising \$28.6 million for Maco, \$51.3 million for Nalunaq and Nugget Pond and \$104.6 million of goodwill impairment for the LEFA reporting unit)
- LEFA
  - 2008 gold production up 104% to 197,556 oz from 96,927 oz in 2007; Q4 gold production increased by 74% to 52,904 ounces (“oz”) from 30,443 oz in 2007
  - Significant improvements in plant availability and gold recovery are a result of the rectification and upgrade completed to date.
- Maco
  - Annual gold production increased 276% to 22,449 oz in 2008 from 7,266 oz in 2007
  - Completed construction of new tailings facility
  - Completed review of carrying value resulting in its write down. Ore reserves and resources being reviewed in Q2 2009
  - Continuing to explore strategic alternatives with potential partners
- Nalunaq Gold Mine and Nugget Pond Processing Facility
  - 2008 gold production of 53,540 oz, down 10% from 59,824 oz for the ten months from the commencement of operations at Nugget Pond to December 2007
  - Reviewed ore resources and expenditures to delineate ore body which resulted in decision to suspend operations and move to care and maintenance once the available stope has been mined and stockpiles have been processed, resulting in the write down of the carrying values.
  - Exploring opportunities to sell both properties
- Exploration
  - Field exploration work at Wa, Ghana and at Glover Island, Canada.
  - Decision made to sell Wa project and to suspend any further exploration at Glover Island.
- Corporate
  - Reverse stock split implemented in February 2009, shares consolidated on an 8 for 1 basis (all share amounts in the MD&A adjusted for the effect of this change)
- Outlook
  - Production growth at LEFA in Q2 2009
  - Improve process plant reliability, improve efficiencies and reduce costs at LEFA
  - Complete care and maintenance program and then consider sale or closure of Nalunaq and Nugget Pond
  - Continue to explore strategic opportunities for Maco
  - Reduction of corporate costs

## **OVERVIEW**

Crew is an international mining company currently focused on restructuring and maximising the performance of its gold resource projects..

### **Results**

The Company has early-adopted CICA 3064 “Goodwill and Intangible Assets” in order to provide better comparability between the reporting periods. As a result of the application of CICA 3064, prior period pre-operating revenues and costs for LEFA and Maco have been recognised in the profit and loss statement and comparative balance sheet amounts have been restated where applicable.

Net loss for the quarter ended December 31, 2008 was \$5.8 million (quarter ended December 31, 2007 – net loss of \$10.5 million). The losses in the period were comprised mainly of impairment charges of \$28.6 million for Maco and a further write-down of goodwill of \$22.2 million on the LEFA reporting unit, mine operating losses of \$10.9 million, interest and finance costs on the bonds and other long term debt of \$7.4 million, corporate related and exploration expenditures of \$3.7 million, partly offset by non-cash foreign exchange gains of \$45.7 million on translation of the NOK denominated debt.

Gold produced in the quarter ended December 31, 2008 was 75,257 oz (quarter ended December 31, 2007 – 46,894 oz). Gold sold during the quarter ended December 31, 2008 was 64,011 oz (quarter ended December 31, 2007 – 41,829 oz).

Net loss for the year ended December 31, 2008 was \$203.5 million (year ended December 31, 2007 – net loss of \$122.9 million). The net loss in the year was mainly due to non-cash impairment charges of \$184.5 million (net of future income tax recoveries of \$10.4 million) comprising net impairment charges of \$28.6 million for Maco, \$51.3 million for Nalunaq Gold Mine A/S (“Nalunaq”) and the Nugget Pond processing facility (“Nugget Pond”) and the full write down of goodwill of \$104.6 million on the LEFA reporting unit. Other significant components of the net loss in the year were corporate related and exploration costs of \$23.1 million (including one-time severance costs of \$4.6 million), interest and finance charges of \$33.2 million and non-cash foreign exchange gains of \$66.6 million on translation of NOK denominated debt.

Total group gold produced in the year ended December 31, 2008 was 273,545 oz, an increase of 67% from the 164,017 oz produced in the year ended December 31, 2007. Gold sold during the year ended December 31, 2008 was 262,177 oz (year ended December 31, 2007 – 150,913 oz, an increase of 74%).

## **OPERATIONS**

### **LEFA**

#### *Plant and Infrastructure*

Following the acquisition of the carbon-in pulp gold processing plant (the “CIP plant”), its relocation from Indonesia to Guinea and its reassembly, it became evident that there were a number of deficiencies in the plant as well as changes that were needed to improve the throughput. Much of 2007 was spent attempting to rectify these deficiencies and altering areas where improvements could be made. In 2008 however, more detailed inspection by both internal experts and external consultants indicated that the state of the plant, in terms of wear on major components compounded by errors during construction of the plant at LEFA, meant that an extended rectification period and debottlenecking exercise was required.

The upgrade of the agitators, debottlenecking and rectification projects progressed on

schedule, however while carrying out this work other issues were identified that have caused the completion of rectification to be pushed out to May of 2009. Specifically it was found that in addition to the new bearings that were scheduled for replacement, the trunnion of SAG02 needed to be sent off site for machining. The need for this repair was confirmed in December 2008 and the trunnion is expected to be back on site in May 2009.

In addition, the repairs needed for the Ball Mill 01 motor were more extensive than initially thought and the motor was sent off site for rewinding. This motor was scheduled to return and be installed by mid-February 2009, but was installed in late December of 2008. However, as the processing capacity is constrained by SAG milling capacity, and the second ball mill is only required as a standby until the second SAG mill is in place, there were no significant production gains from this.

By July 2009 it is anticipated that both mill trains will be operating. From July 2009 the de-bottlenecking projects will continue but the majority of maintenance work is anticipated to be routine. There will however remain some minor risk of partial shutdowns until end of 2010, when all of the insurance spares are on site.

The power plant electrical generation system has been fully commissioned. It is currently running on diesel oil and is being converted to operate with heavy fuel oil (HFO). Two out of 8 generators were converted during October and November with completion of the commissioning of the HFO conditioning and treatment plant completed in early 2009. The plant is expected to be fully operating on HFO at the end of Q2 2009. The change to HFO power generation is expected to reduce cash operating costs by an estimated 15-20 USD per ounce. Additionally, the storage capacity of 3.5 million litres of HFO, which has already been delivered to site, will provide an additional buffer against possible disruption to supply in the wet season. The bulk diesel storage will then be required only for the open pit mining fleet mobile equipment.

The rectification and expansion project is expected to be substantially completed during Q2 2009 with other debottlenecking projects continuing. The Company is providing revised production guidance for 2009 of 290,000 oz as a result of the later-than-expected implementation of SAG02.

### *Operations*

On September 26, 2008, the Company announced that its operating subsidiary had taken over the activities being performed under its third party mining contract. The takeover was necessary to protect the serviceability of the open pit mining fleet. The transition has been smooth with minimal disruption to mining operations and no increase to costs. However, following the takeover, equipment availability was reduced as maintenance that the contractor had deferred was commenced.

### *Reserves and Resources*

In June 2008, the Company announced updated resources at LEFA, effective March 31, 2008. Total resources increased by 0.47 million oz (7%) from 5.95 million oz announced in March 2007 to 6.42 million (this takes account of depletion to March 31, 2008 surfaces). The Measured and Indicated resource total increased by 0.28 million oz to 5.1 million oz. Inferred resource increased by 0.2 million oz to 1.3 million oz.

Resources will be updated in May 2009 for mining depletion up to that date and the drilling results between April 2008 and February 2009 and will be independently verified during July 2009.

## **Maco**

### *Plant and Infrastructure*

During 2007 and the early part of 2008 the 500 tpd pilot plant operated on development ore while the technical review of the mill expansion and mine plan continued. The plant has shown that it can operate at rates of up to 700 tpd, but not on a sustainable basis.

Flotation studies were originally started to reduce the amount of cyanacides in the ore including, copper, lead and zinc. Tests however have shown that saleable concentrates of these base metals can be obtained that could potentially double the value of the ore. Poor base metal prices and concerns over the market for these concentrates, has meant that this project has been deferred for the time being.

The new starter dam and first phase of the tailings management facility was completed in 2008. This facility will support production through 2009. The second phase is scheduled to start in late 2009, with the timing of the third phase dependent upon further evaluation of the tailings consumed in the mine backfilling process.

### *Operations*

The experience gained in 2006 and 2007 has led to a better understanding of the orebody and has identified issues including ground conditions, gas and water management that were originally not foreseen.

A study to review the stoping methods indicated that under ideal conditions, the maximum production peaks at 1,900 tpd when multiple vein systems are being mined simultaneously. A production rate of 1,000 tpd to 1,500 tpd was considered achievable based on normal expectations regarding the confidence in resources and the physical mining conditions. This expectation has been downgraded further based on disappointing results from the review of the published resources.

### *Exploration and underground development*

Apex Mining Company Inc released an update of mineral resources for Maco in February 2007. The total resource inventory for Maco included an estimated 304,000 oz of Indicated Resource (1.46 million tonnes at 6.5 g/t Au). Inferred resources increased to 1.85 million oz (9.60 million tonnes @ 6.0 g/t Au) compared with the previous estimate of 1.15 million oz (5.74 million tonnes @ 6.3 g/t Au).

In 2008 and to date in 2009, a detailed review of these resources was undertaken internally where the drill hole data was reinterpreted and compared with the grade control data available from previous mining and the more recent development. The indications are that the Inferred Resources are considerably less than those published in 2007, however they still adequately support the mining at the reduced rates of 700tpd to 1,000tpd. These findings will be reviewed externally and an updated NI 43-101 compliant resource will be published in Q2 of 2009.

In the mid 1970s, the property had a limited open pit copper operation based on the Theresa and Kurayao porphyry deposits. An internal feasibility study based on a mineable resource (neither JORC nor NI 43-101 compliant) at the time indicated approximately 80 million tonnes at 0.4% Cu and 0.4 g/t Au. An internal review of geological data, indicates potential for the smaller porphyrys to merge at depth.

Interest has been shown by major international mining companies in exploration and possible development of the copper-gold porphyry resources existing on the concession. However with the decline in copper prices this interest has also declined. Apex has done no further work on

these deposits.

## **Nalunaq and Nugget Pond**

### *Reserves and Resources*

Ore resources at Nalunaq were reviewed in 2008. It was found that the only mining area remaining where a reasonable degree of confidence can be applied to the ore resource is the Mountain Block. The Mountain Block cannot be effectively drilled from the surface due to the terrain. The Mountain Block incline was extended from the 680, 690, 700 and 720 levels. On each level ore strike drives were developed to the east and west to verify the exploration data. The overall results have been very discouraging.

Because this is only a one ramp access area with limited strike length, the rate of mining was not expected to exceed 300tpd. With the current cost structure and camp infrastructure in place, the operation cannot be profitable at current gold prices. This resulted in a decision to suspend operations and move to care and maintenance once the available stope has been mined and stockpiles have been processed.

The high grade of the remaining resources at Nalunaq and the mining infrastructure in place may make this mine attractive to an operator that is able to use less mechanisation and thereby reduce the dilution. Crew is actively working to find a partner that can either jointly or solely run this mine.

In addition, negotiations are advancing for both a short term (1 year) toll milling contract and possibly an outright sale of the Nugget Pond facility once the processing of the Nalunaq ore is complete.

### *Operations*

The Nalunaq Gold Mine commenced operations in 2004. It is located in a remote part of southern Greenland. Mining operations were conducted using contract mining

In late 2006, we acquired the Nugget Pond facility in Newfoundland to process ore produced from our Nalunaq Gold Mine in Greenland. Refurbishment and recommissioning of the plant was completed in February 2007. The first gold was poured in March 2007. Ore is currently shipped to South Brook and trucked to Nugget Pond.

## **EXPLORATION PROJECTS**

Fieldwork was undertaken on two exploration projects during 2008.

### *Wa, Ghana*

Permits were renewed by the Ghanaian Minerals Commission based on the \$1 million exploration budget submitted to it. Exploration work involved further trenching, mapping and surface sampling. The old database and historic data were recovered and compiled into a combined new database. The total area of the claims is over 300km<sup>2</sup>.

The work performed indicated that while there was a significant resource possibility it would not be sufficient to support a full operation. The company entered into negotiations with a neighbouring exploration company to combine the properties. The negotiation was finalized with Azumah Resources in early 2009, whereby they will be able to earn up to a 100% interest in the Wa property by performing the exploration work required under the permits. Crew will receive an increasing number of Azumah shares depending on the success of the exploration program and a royalty based on ounces produced.

*Glover Island, Newfoundland*

Phase 1 of the Glover Island exploration program was completed on schedule in October 2008. The results of this exploration program have indicated mineralised structures, however the grade and structure of any likely ore body suggest that the mineralisation may not be economically viable to extract. Consequently the exploration costs relating to this property have been written off.

**RESULTS FROM OPERATIONS**

**Gold Production - Quarter ended December 31**

		LEFA	Nalunaq/ Nugget Pond	Maco	Total
Tonnes mined	- 2008	795,557	29,930	46,194	871,681
	- 2007	828,405	31,748	23,129	883,282
Mined Grade (g/t)	- 2008	2.4	13.4	5.6	
	- 2007	1.9	11.9	2.6	
Tonnes milled	- 2008	647,592	39,298	48,016	734,906
	- 2007	791,450	40,183	26,901	858,534
Milled Grade (g/t)	- 2008	2.7	13.1	5.2	
	- 2007	1.3	13.2	2.6	
Recovery (%)	- 2008	94.1	92.9	83.1	
	- 2007	90.1	87.5	83.4	
Gold produced (ounces)	- 2008	52,904	15,168	7,185	75,257
	- 2007	30,443	14,541	1,910	46,894
Gold sold (ounces)	- 2008	44,124	13,175	6,712	64,011
	- 2007	24,824	14,809	2,196	41,829
Sale price realised (\$/oz) <sup>(1)</sup>	- 2008	804	783	789	798
	- 2007	821	788	861	811
Cash cost per ounce (\$/oz) <sup>(1)</sup>	- 2008	783	536	846	
	- 2007	1,405	678	4,819	

<sup>(1)</sup> Sales price realised and cash cost per ounce is a "Non-GAAP" measure which is more specifically described in the section "Non-GAAP measures" on the final page of this Management's Discussion and Analysis of Financial Condition and Results of Operations.

**Commentary on LEFA and Maco quarterly cash costs**

LEFA cash costs per oz for the quarter ended December 31, 2008 were \$783. Cash costs were relatively high as they included the realisation of ore capitalised to stock piles in prior periods at lower production rates as well as the continued use of diesel instead of heavy fuel oil. LEFA cash costs per oz for the quarter ended December 31, 2007 are not meaningful as the plant was in the commissioning stage. Similarly, Maco's cash costs for the quarters ended December 31, 2008 and December 31, 2007 are not meaningful as the property was not yet in commercial production.

## Gold Production - Year ended December 31

	Year ended December 31	LEFA	Nalunaq/ Nugget Pond	Maco	Total
Tonnes mined	- 2008	3,884,861	107,992	162,925	4,155,778
	- 2007	2,253,671	132,930	78,076	2,464,677
Mined Grade (g/t)	- 2008	2.1	12.9	5.2	
	- 2007	1.6	14.5	3.8	
Tonnes milled	- 2008	3,085,177	141,390	171,760	3,398,327
	- 2007	2,482,203	132,579	84,965	2,699,747
Milled Grade (g/t)	- 2008	2.2	13.1	4.6	
	- 2007	1.4	14.9	3.2	
Recovery (%)	- 2008	92.5	94.7	85.6	
	- 2007	89.0	94.4	83.9	
Gold produced (ounces)	- 2008	197,556	53,540	22,449	273,545
	- 2007	96,927	59,824	7,266	164,017
Gold sold (ounces)	- 2008	188,528	53,586	20,063	262,177
	- 2007	87,188	56,570	7,155	150,913
Sale price realised (\$/oz) <sup>(1)</sup>	- 2008	878	864	851	873
	- 2007	713	709	730	712
Cash cost per ounce (\$/oz) <sup>(1)</sup>	- 2008	827	772	1,084	
	- 2007	1,274	N/A	5,146	

<sup>(1)</sup> Sales price realised and cash cost per ounce is a "Non-GAAP" measure which is more specifically described in the section "Non-GAAP measures" on the final page of this Management's Discussion and Analysis of Financial Condition and Results of Operations.

### Commentary on LEFA and Maco annual cash costs

LEFA cash costs per oz for the year ended December 31, 2008 were \$827. Cash costs were relatively high as they included the realisation of ore capitalised to stock piles in the prior year at lower production rates as well as the continued use of diesel instead of heavy fuel oil. LEFA cash costs per oz for the year ended December 31, 2007 are not meaningful as the plant was in the commissioning stage. Similarly, Maco's cash costs for the years ended December 31, 2008 and December 31, 2007 are not meaningful as the property was not yet in commercial production.

### **LEFA Gold Mine**

Ore mined in the quarter ended December 31, 2008 was 795,557 tonnes at a grade of 2.4 g/t. (quarter ended December 31, 2007 - 828,405 tonnes at grade of 1.9 g/t). Mining activities in the quarter were affected by equipment availability as open pit mining equipment had to be brought back to original equipment manufacturer standards following the takeover of mining operations.

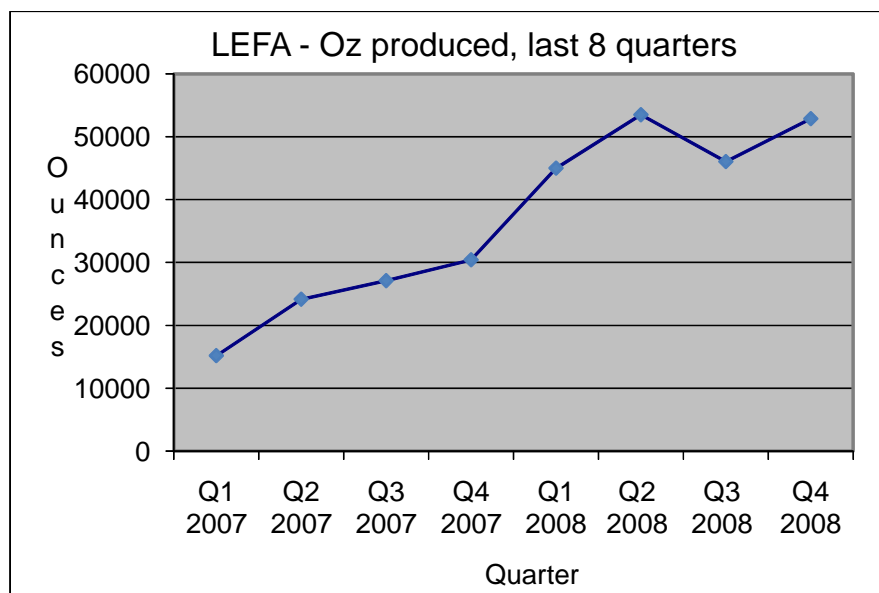
Ore mined in the year ended December 31, 2008 totalled 3,884,861 tonnes at an average grade of 2.1 g/t (year ended December 31, 2007 – 2,253,671 tonnes at a grade of 1.6 g/t).

Ore milled during the quarter ended December 31, 2008 was 647,592 tonnes at an average grade of 2.7 g/t (quarter ended December 31, 2007 was 791,450 tonnes at an average grade of 1.3 g/t). Mill operations in the quarter were affected by the rectification works on all four mills.

Ore milled in the year ended December 31, 2008 was 3,085,177 tonnes at an average grade of

2.2 g/t (year ended December 31, 2007 - 2,482,203 tonnes at an average grade of 1.4 g/t).

Gold produced in the quarter ended December 31, 2008 was 52,904 oz, compared to 30,443 oz for the quarter ended December 31, 2007. Gold production during the last eight quarters is as follows:



Quarter	Q1 2007	Q2 2007	Q3 2007	Q4 2007	Q1 2008	Q2 2008	Q3 2008	Q4 2008
<b>Ounces Produced</b>	15,194	24,168	27,122	30,443	45,043	53,531	46,078	52,904

Gold produced for the year ended December 31, 2008 was 197,556 oz (year ended December 31, 2007 - 96,927 oz).

Due to the refinery closing early over year end, there was estimated to be approximately 19,000 oz in circuit at December 31, 2008.

Gold sold in the quarter ended December 31, 2008 was 44,124 oz at an average gold price of \$804/oz (quarter ended December 31, 2007 – 24,824 oz at an average gold price of \$821/oz). For the year ended December 31, 2008, gold sold was 188,528 oz at an average gold price of \$878/oz (quarter ended December 31, 2007 – 87,188 oz at an average gold price of \$713/oz).

### Maco Mine

Ore mined in the quarter ended December 31, 2008 was 46,194 tonnes at an average grade of 5.6 g/t (quarter ended December 31, 2007 – 23,129 tonnes at 2.6 g/t). Ore mined in the year ended December 31, 2008 was 162,925 tonnes at an average grade of 5.2 g/t (year ended December 31, 2007 – 78,086 tonnes at an average grade of 3.8 g/t).

The Maco Pilot Plant processed 48,016 tonnes at 5.2 g/t in the quarter ended December 31, 2008 (quarter ended December 31, 2007 – 26,901 tonnes at 2.6 g/t). Total ore processed in the year ended December 31, 2008 was 171,760 tonnes at an average grade of 4.6 g/t (year ended December 31, 2007 – 84,965 tonnes at an average grade of 3.2 g/t).

Gold produced in the quarter was 7,185 oz (quarter ended December 31, 2007 – 1,910 oz) and for the year ended December 31, 2008 was 22,449 oz (year ended December 31, 2007 – 7,266 oz). Gold sold in the quarter ended December 31, 2008 was 6,712 oz (quarter ended December 31, 2007 – gold sold of 2,196 oz). Gold sold for the year ended December 31, 2008 was 20,063 oz (year ended December 31, 2007 – gold sold of 7,155 oz).

Maco also recovered a total 60,181 oz of silver in the year ended December 31, 2008,

compared to 21,790 oz in the year ended December 31, 2007.

### **Nalunaq Gold Mine and Nugget Pond Processing Facility**

Nalunaq mined 29,930 ore tonnes during the quarter ended December 31, 2008 (quarter ended December 31, 2007 – 31,748 tonnes). Ore mined in the year ended December 31, 2008 totalled 107,992 tonnes (year ended December 31, 2007 – 132,930 tonnes). During the quarter ended September 30, 2008, stoping operations at the mine were suspended and stockpiled material was prepared for shipping to Nugget Pond. The strategy was to allow for the large stockpiles of previously mined material to be shipped and to reduce costs while exploration of the Mountain block was accelerated through concentrated development of the internal ramp access to the area. The overall exploration results for the Mountain Block have been very discouraging and scheduled stope production was restarted in mid-September on the available ore blocks. The impact for the quarter was reduced mine production and lower total costs.

During the quarter, four ore shipments totalling 33,096 tonnes were shipped to Nugget Pond. Ore shipped to Nugget Pond in the year to December 31 was 129,155 tonnes. At December 31, 2008, 17,078 tonnes of run-of-mine ore was stockpiled at Nalunaq's port in Greenland containing management's estimate of approximately 7,000 oz of gold. In addition, there was 13,875 tonnes of ore containing approximately 4,900 oz of gold at Nugget Pond.

The Nugget Pond plant processed a total of 39,298 dry metric tonnes of ore at an average grade of 13.1 g/t during the quarter (quarter ended December 31, 2007 – 40,183 tonnes at an average grade of 13.2 g/t). Total ore processed in the year ended December 31, 2008 was 141,390 tonnes at a grade of 13.1 g/t (period from the commencement of mill operations at the end of February 2007 to December 31, 2007 – 132,579 tonnes at 14.9 g/t).

Gold produced during the quarter ended December 31, 2008 was 15,465 oz (quarter ended December 31, 2007 – 14,541 oz). Total gold produced in the year ended December 31, 2008 was 53,540 oz (year ended December 31, 2007 – 59,824 oz). Gold sold during the quarter was 13,175 oz at an average realised gold price of \$783/oz (quarter ended December 31, 2007 – 14,809 oz at an average price of \$788/oz). For the year ended December 31, 2008, gold sold totalled 53,586 oz at an average gold price of \$864/oz (ten months ended December 31, 2007 – 56,570 oz at an average price of \$709/oz).

## **FINANCIAL REVIEW**

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

Sales reported for the quarter ended December 31, 2008 were \$48.9 million (quarter ended December 31, 2007 - \$28.2 million).

Direct costs for the quarter ended December 31, 2008 were \$45.6 million (quarter ended December 31, 2007 - \$38.5 million) and mine site administration costs were \$9.8 million (quarter ended December 31, 2007 - \$9.7 million).

Depletion and depreciation expense, a non-cash measure, for the quarter ended December 31, 2008 was \$11.7 million (quarter ended December 31, 2007 – \$8.1 million).

For the quarter ended December 31, 2008, general corporate expenditures and exploration costs expensed and written off 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 \$45.7 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 \$28.6 million for Maco, net of taxes, and a further write down of goodwill of \$22.2 million on the LEFA reporting unit. During the quarter ended December 31, 2008, 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 (see discussion below).

The goodwill impairment of the LEFA reporting unit does not affect LEFA's day-to-day operations, cash position and resource base. The Company believes that the LEFA reporting unit 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 \$224.6 million (year ended December 31, 2007 - \$106.1 million).

Direct costs for the year ended December 31, 2008 were \$182.4 million (year ended December 31, 2007 - \$153.9 million) and mine site administration costs were \$39.2 million (year ended December 31, 2007 - \$38.9 million).

Depletion and depreciation expense, which is a non-cash measure, was \$46.7 million (year ended December 31, 2007 – \$32.2 million).

For the year ended December 31, 2008 general corporate expenditures and exploration costs expensed and written off were \$23.1 million (year ended December 31, 2007 – \$25.0 million), including one-time severance costs of \$4.6 million. 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 \$66.6 million compared to a loss of \$38.9 million for the same period last year.

At September 30, 2008, the Company reviewed the performance and ore resources of both Nalunaq and Nugget Pond and concluded that the current resource is uneconomic due to high

costs of mining, shipping and processing. A programme of care and maintenance is being 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 impairment charges to mineral properties and plant and equipment of \$48.5 million for Nalunaq and \$9.6 million for Nugget Pond. The impairment resulted in a recovery of the future income tax liabilities relating to Nalunaq of \$4.5 million and Nugget Pond of \$2.3 million. The total net charge after recovery of future income taxes relating to the impairment of the Nalunaq and Nugget Pond assets is \$51.3 million.

As at December 31, 2008, the Company reviewed the operating performance to date and estimated ore resources of Maco and concluded that the full carrying value of Maco was unlikely to be recovered from current mining and processing operations, resulting in impairment charges to mineral properties and plant and equipment of \$32.1 million. The impairment resulted in a recovery of the future income tax liability relating to Maco of \$3.5 million and the total net charge after recovery of future income taxes relating to the impairment of the Maco asset is \$28.6 million.

During 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 in each of the third and fourth quarters of 2008, resulting in an impairment charge of \$82.4 million during the third quarter of 2008 and \$22.2 in the fourth quarter of 2008. There is no residual goodwill remaining.

## **LIQUIDITY AND CAPITAL RESOURCES**

At December 31, 2008 our main source of liquidity was consolidated cash of \$17.2 million. Of the cash held, \$10.3 million was held in Norwegian kroner, \$4.3 million was held in US dollars, \$0.3 million was held in Canadian dollars, \$1.5 million was held in Danish kroner, \$0.5 million was held in Philippine pesos, \$0.2 million was held in British pounds sterling, and the balance of \$0.1 million comprised South African rand and Australian dollars,

At December 31, 2008 our consolidated working capital comprising cash, restricted cash, accounts receivable, prepayments and inventories, less current liabilities was \$19.7 million (December 31, 2007: \$39.7).

In February 2008, the Company sold its remaining interest in Intex Resources ASA totalling 10.4 million shares and closed out the forward obligation for aggregate net proceeds of \$13.6 million.

On June 19, 2008, the Company concluded a private placement of 6,241,613 common shares at NOK52 per share (approximately US \$10.07 per share) for aggregate net proceeds of \$58.9 million after issue expenses of \$4.0 million.

On December 15, 2008, the Company concluded a rights offering of 42,500,003 common shares at NOK2.40 per share (approximately US \$0.35 per share) for aggregate net proceeds of \$14.6 million after issue expenses of \$0.5 million.

The proceeds of these transaction are being utilised to finance the Company's investment program at the LEFA gold project in Guinea, and for general working capital requirements.

On February 18, 2009, certain bondholders of the NOK 325 million March 2006 bonds and of the NOK 1,319.5 million 6% convertible bonds agreed to exchange their bonds to US dollar denominated bonds.

NOK 194 million of the NOK 325 million tranche was converted to US dollars, using an agreed exchange rate of 6.9079, resulting in a replacement bond issuance of \$28,083,789, consisting of floating rate bonds of \$1.00 each. NOK 1,200.5 million of the NOK 1,319.5 million 6% convertible bonds was converted to US dollars, using an agreed exchange rate of 6.9079, resulting in a replacement issuance of \$173,784,380 convertible bonds (of \$72,380 each) at fixed rate of 5.4060% p.a.

All other terms and conditions of the 6% convertible bonds and the March 2006 bonds remain the same.

We have held no asset backed commercial paper at, or since, the year-end. We have not entered into gold or other hedging contracts during the quarter or since the year-end. Consideration will be given to hedging in the future and will depend on production rates and anticipated gold prices and exchange rates.

Based on the assumption that the Corporation meets its anticipated production target for the LEFA operations for the next 12 months of approximately 290,000 ounces of gold at an operating cash cost of approximately \$483 per ounce with a realized gold sale price of approximately \$800 per ounce, the Corporation believes that it will be able to fund its working capital requirements for the remainder of the 2009 calendar year.

The Corporation is continuing to evaluate strategic alternatives available to it in case it cannot fully fund the working capital requirements, or if the above assumptions prove to be incorrect. These alternatives may include, but are not limited to, raising additional funds through an equity issue, the sale of assets (as permitted under its bond covenants), the forward sale of gold, cash flow and cost savings, obtaining a new loan facility to replace its existing debt facilities or postponing planned capital expenditures.

## **OUTLOOK**

For 2009, our primary objective is to complete the rectification and debottlenecking program at LEFA and to ramp up production to an average of 28,000 - 30,000 ounces per month by year end.

The LEFA mine and its expansion potential will continue to be the main contributor to Crew's production in the years to come, particularly as the capacity ramp-up is completed and higher than average grade satellite deposits, such as Firifirini, are brought into production. The regional exploration program is currently focused on consolidation of the existing data and drilling to supplement the ongoing fieldwork will be recommenced once cash flow permits.

Maco continues to operate at 500tpd. Crew is reviewing strategic alternatives for this investment.

Nalunaq has now ceased mining operations and is shipping remaining stockpiles. The processing of the remaining ore will continue at the Nugget Pond facility in Newfoundland, Canada into Q2 2009 and upon completion of this processing it is anticipated that a toll milling operation will commence.

Corporate costs will continue to be reduced.

The Company remains confident in the sustainability and prospects relating to the price of gold and believes that LEFA has considerable value which can be realized for shareholders. The Company will continue to explore alternatives to ensure that the value is realized.

## 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) targeted production cash costs and forecasted cash reserves, (7) Crew’s hedging practices, (8) currency fluctuations, (9) requirements for additional capital, (10) government regulation of mining operations, (11) environmental risk, (12) title disputes or claims limitations on insurance coverage, (13) the timing and possible outcome of pending litigation, (14) expected cost reductions, and (15) 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 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 and Maco 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 Crew’s 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 SEC’s website at <http://www.sec.gov/edgar.shtml>.

## **NON-GAAP MEASURES**

“EBITDA” is a non-GAAP measure of performance that describes earnings before interest, taxes, depletion and depreciation, impairment charges, stock compensation charges, impairment charges and non-cash foreign exchange movements.

“Cash cost” is a non-GAAP measure calculated in accordance with the Gold Institute Production Cost Standard and includes site costs for all mining (excluding deferred stripping costs), processing and administration, royalties and production taxes, but exclusive of depletion, depreciation, reclamation, financing costs, capital costs, and exploration costs. Cash cost is presented as we believe it represents an industry standard of comparison.

“Cash cost per ounce” is a non-GAAP measure derived from the cash cost of ounces produced as a measure of total ounces produced.

“Sales price per ounce” is a non-GAAP measure derived by dividing the total cash amounts received on gold sales by the number of ounces sold in the period.

EBITDA, cash cost per ounce and sales price per ounce are not terms defined under Canadian generally accepted accounting principles, nor do they have a standard, agreed upon meaning. As such, EBITDA, cash cost per ounce and sales price per ounce may not be directly comparable to EBITDA, cash cost per ounce and sales price per ounce reported by other similar issuers.

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

	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>316,788</b>	<b>372,979</b>
PROPERTY, PLANT AND EQUIPMENT	<b>207,924</b>	<b>258,467</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>636,598</b>	<b>858,811</b>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	63,929	74,383
Short term portion of other long-term debt	24,151	-
	<b>88,080</b>	<b>74,383</b>
RECLAMATION AND CLOSURE COST OBLIGATIONS	<b>6,263</b>	<b>3,180</b>
6% CONVERTIBLE BONDS	<b>178,548</b>	<b>225,918</b>
OTHER LONG-TERM DEBT	<b>105,464</b>	<b>140,477</b>
FUTURE INCOME TAXES	<b>51,807</b>	<b>72,805</b>
	<b>430,162</b>	<b>516,763</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	(466,697)	(263,196)
	<b>206,436</b>	<b>342,048</b>
	<b>636,598</b>	<b>858,811</b>

**CREW GOLD CORPORATION**  
**Consolidated Statements of Loss and Deficit**  
(Expressed in thousands of United States dollars, except per share amounts)

	Year ended	
	December 31, 2008	December 31, 2007
MINERAL SALES	224,646	106,148
DIRECT COSTS OF MINERAL SALES	(182,392)	(153,920)
MINE SITE ADMINISTRATION COSTS	(39,249)	(38,895)
DEPLETION AND DEPRECIATION	(46,748)	(32,198)
	<b>(43,743)</b>	<b>(118,865)</b>
EXPENSES		
Administration, office and general	(17,822)	(16,461)
Exploration costs expensed and written off	(3,447)	(137)
Professional fees	(1,764)	(1,122)
Stock compensation expense	(97)	(7,249)
	<b>(23,130)</b>	<b>(24,969)</b>
OTHER (EXPENSES) INCOME		
Gain on disposal of investment in Intex Resources ASA	2,587	72,231
Equity loss from investment in Intex Resources ASA	-	(404)
Gain on disposals of other investments	-	505
Realized loss on future / forward obligation contracts	(537)	(7,574)
Unrealized loss on forward obligation contract	-	(358)
Impairment charges		
Mineral property, plant and equipment	(90,249)	-
Goodwill	(104,592)	-
Interest - Convertible bonds and other long-term loans	(27,743)	(26,824)
Other finance charges - Convertible bonds and other long-term loans	(5,423)	(5,552)
Foreign exchange gain (loss)	66,549	(38,874)
Other income and expenses	2,510	1,088
	<b>(156,898)</b>	<b>(5,762)</b>
LOSS BEFORE RECOVERY OF INCOME TAXES AND NON-CONTROLLING INTEREST	<b>(223,771)</b>	<b>(149,596)</b>
RECOVERY OF INCOME TAXES	20,270	26,234
LOSS BEFORE NON-CONTROLLING INTEREST	<b>(203,501)</b>	<b>(123,362)</b>
NON-CONTROLLING INTEREST	-	462
NET LOSS	<b>(203,501)</b>	<b>(122,900)</b>
DEFICIT, BEGINNING OF YEAR	<b>(263,196)</b>	<b>(140,296)</b>
DEFICIT, END OF YEAR	<b>(466,697)</b>	<b>(263,196)</b>
LOSS PER SHARE - BASIC	\$ (3.21)	\$ (2.26)
LOSS PER SHARE - DILUTED	\$ (3.21)	\$ (2.26)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING - BASIC	63,330,994	54,268,443
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING - DILUTED	63,330,994	54,268,443

**CREW GOLD CORPORATION**  
**Consolidated Statements of Cash Flows**  
(Expressed in thousands of United States dollars)

	Year ended	
	December 31, 2008	December 31, 2007
<b>OPERATING ACTIVITIES</b>		
Net loss	\$ (203,501)	\$ (122,900)
Add (deduct) items not affecting cash:		
Depletion and depreciation	46,748	32,198
Other finance charges - amortisation and accretion	5,423	5,552
Exploration costs expensed and written off	2,225	-
Gain on disposal of investment in Intex Resources ASA	(2,587)	(72,231)
Equity loss from investment in Intex Resources ASA	-	404
Gain on disposals of other investments	-	(505)
Impairment charges		
Mineral property, plant and equipment	90,249	-
Goodwill	104,592	-
Unrealized loss on forward / future obligation contracts	-	358
Unrealized foreign exchange (gain) loss	(73,111)	41,295
Recovery of income taxes	(20,270)	(26,234)
Stock compensation expense	97	7,249
Non-controlling interest	-	(462)
Change in non-cash operating working capital items	(14,460)	(13,322)
	<b>(64,595)</b>	<b>(148,598)</b>
<b>FINANCING ACTIVITIES</b>		
Gross proceeds from common shares issued	78,170	68,237
Costs of issuance of common shares	(4,504)	(4,642)
Repayment of other long-term obligations	(3,808)	-
	<b>69,858</b>	<b>63,595</b>
<b>INVESTING ACTIVITIES</b>		
Proceeds on disposal of investment in Intex Resources ASA	13,564	27,517
Proceeds on disposal of other investments	-	1,338
Acquisition of minority interest in Nalunaq Gold Mine	-	(2,614)
Expenditures on LEFA mineral property, plant and equipment	(25,685)	(38,610)
Proceeds on disposal of (expenditures on) of Maco mineral property, plant and equipment	3,215	(10,200)
Expenditures on Nalunaq mineral property, plant and equipment	(1,509)	(2,457)
Proceeds on disposal of (expenditures on) Nugget Pond property and equipment	47	(2,264)
Expenditures on other mineral property interests	(1,354)	(550)
Decrease in security deposits	1,343	616
Decrease (increase) in long-term restricted cash balances	2,770	(1,375)
(Increase) decrease in restricted cash	(215)	271
(Increase) decrease in other assets	(332)	963
	<b>(8,156)</b>	<b>(27,365)</b>
<b>EFFECT OF FOREIGN EXCHANGE TRANSLATION ON CASH AND CASH EQUIVALENTS</b>		
	-	492
<b>NET CASH OUTFLOW</b>	<b>(2,893)</b>	<b>(111,876)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>20,061</b>	<b>131,937</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 17,168</b>	<b>\$ 20,061</b>