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TRADING SYMBOLS;  
TORONTO AND OSLO - **CRU**  
FRANKFURT - **KNC**  
OTC, BB, OTHER – **CRUGF**

## NEWS RELEASE

### **Financial Results for the Quarter and Six Months Ended June 30, 2008**

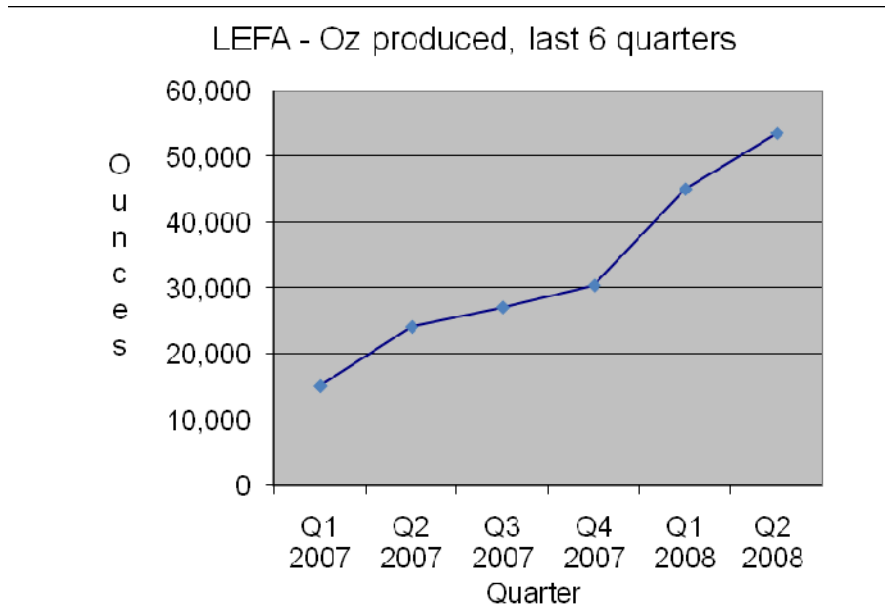
LONDON, United Kingdom, August 13, 2008 - Crew Gold Corporation (“Crew” or “the Company”) (TSE & OSE: CRU; Frankfurt: KNC; OTC-BB-OTHER: CRUGF.PK)

#### **HIGHLIGHTS**

- Overview
  - Quarterly gold production of 69,912 ounces (“oz”) (up 52% from 45,935 oz in Q2 2007)
  - 64,942 oz poured and 65,737 oz sold at an average realised gold price of \$913/oz
  - Raised net proceeds of \$59.5 million from the private placement of 49.9 million shares
  
- Results
  - EBITDA for the quarter of negative \$8.1 million (quarter ended June 30, 2007 – positive \$42.1 million primarily due to gains of \$46.0 million from sale of Intex Resources ASA (“Intex”) shares)
  - Net loss of \$20.3 million (quarter ended June 30, 2007 – net profit of \$26.8 million primarily due to the sales of Intex shares) due to LEFA and Maco not being accounted for as in commercial production during the quarter, corporate costs of \$6.4 million, interest and finance charges of \$5.8 million and non cash foreign exchange losses of \$3.8 million on translation of NOK denominated debt

- LEFA

- Ounces produced during last six quarters;



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

- Quarterly production of 53,531 oz (up 121% from Q2 2007 production of 24,168 oz)
- Positive operating cash flow in first half of 2008
- Upgrade and rectification program progressing on schedule
- Was deemed to be in commercial production July 1, 2008

- Maco

- Quarterly production of 5,380 oz (up 143% from Q2 2007 production of 2,212 oz)
- Completed construction of new tailings facility
- Positive operating cash flow year to date
- Continued re-evaluation of ore resources and mine plan

- Nalunaq Gold Mine and Nugget Pond Processing Facility

- Quarterly production of 11,001 oz (down 44% from Q2 2007 – 19,555 oz)
- Operations at Nugget Pond facility interrupted by adverse weather causing ore shipping problems
- 15,498 tonnes of ore shipped to Nugget Pond during the quarter
- Stope production curtailed while development focused on exploration in Mountain Block
- Ore strike length not meeting expectations and ore resources under review
- Revised life of mine expectation to be announced in Q3

- Exploration
  - Field exploration work continued at Wa, Ghana and commenced at Glover Island, Canada
- Outlook
  - LEFA production growth
  - Continued improvement of LEFA process plant resulting in increased reliability
  - LEFA resource expansion focused on targets with near-term mining potential
  - Increased focus on West African opportunities
  - Ongoing technical review of Maco mill expansion, mine plan and copper porphyry potential
  - Resource re-evaluation at Nalunaq and strategic review
  - Greenfield exploration commencing at Glover Island and continuing at Wa after the wet season in September
  - Review and reduction of corporate costs

## **OVERVIEW**

### **Results**

Operating revenues and costs at both the LEFA and Maco operations during the quarter were capitalised. For the quarter ended June 30, 2008, Crew reported EBITDA of negative \$8.1 million (quarter ended June 30, 2007 – positive \$42.1 million primarily due to the sales of Intex shares). EBITDA from operations was negative \$1.0 million and corporate related expenditures were \$6.4 million including one-time severance costs of \$1.5 million.

Net loss for the quarter ended June 30, 2008 was \$20.3 million (quarter ended June 30, 2007 – net profit of \$26.8 million primarily due to the sale of Intex shares). The losses in the period were comprised mainly of corporate related expenditures of \$6.4 million (including one-time severance costs of \$1.5 million), interest and finance costs on the bonds and long term debt of \$5.8 million, non cash foreign exchange losses of \$3.8 million and depletion and depreciation of \$2.4 million.

Gold poured was 64,942 oz of gold during the quarter ended June 30, 2008 (quarter ended June 30, 2007 – 48,365 oz). Gold sold during the quarter ended June 30, 2008 was 65,737 oz (quarter ended June 30, 2007 – 45,663 oz).

For the six months ended June 30, 2008, EBITDA was negative \$7.7 million (six months ended June 30, 2007 – positive \$37.0 million primarily due to the sale of Intex shares). EBITDA from operations of \$1.5 million and gains from the sale of Intex shares of \$2.6 million were offset by corporate related expenditures of \$10.8 million including one-time severance costs of \$1.5 million.

Net loss for the six months ended June 30, 2008 was \$47.9 million (six months ended June 30, 2007 – net profit of \$7.7 million primarily due to the sale of Intex shares). The losses in the period were mainly due to non cash foreign exchange losses of \$22.2 million (following a 6.4% appreciation of the Norwegian Kroner against the US dollar primarily in Q1), interest and finance costs on the bonds and long term debt of \$11.6 million, corporate related expenditures of \$10.8 million (including one-time severance costs of \$1.5 million) and depletion and depreciation of \$4.8 million, partially offset by gains on the sale of Intex shares of \$2.6 million.

Crew poured 126,131 oz of gold during the six months ended June 30, 2008 (six months ended June 30, 2007 – 61,276 oz, an increase of 106%). Gold sold during the six months ended June 30, 2008 was 126,397 oz (six months ended June 30, 2007 – 54,499 oz, an increase of 132%).

## **Operations and Projects**

### **LEFA**

#### *Plant and Infrastructure*

The LEFA CIP Plant upgrade and rectification project progressed during the quarter with significant items on the rectification plan being completed. A debottlenecking exercise is ongoing to increase reliability of process plant.

Replacement of the apron feeder at the Lero crusher will occur during the scheduled plant maintenance program in Q4 at the same time as modifications to the tracking system for the belt of the overland conveyor from Lero Crusher to the plant (CV04). In parallel improvements to the Semi-autogenous Grinding mill number 2 (SAG02) are also scheduled for Q4. The upgrade of SAG01 is scheduled for late in Q4.

The conversion of generators to run on heavy fuel oil (HFO) is complete in 3 of the 8 generators. These will be brought on line in September. In addition to the cost saving benefit, HFO operation will allow for increased fuel storage capacity which was an issue during the wet season last year. As previously reported, during April and May, the site experienced power shortages as unscheduled work had to be performed on three of the generators. A further two generators have been fully refurbished and upgraded so that the full requirement of 4 generators plus 1 standby became available in Q3.

The upgrade to the water supply previously reported, is in progress and on schedule. The arrival of the large Godwin pumps for dewatering in Q3 will allow the Stalker pumps to provide the long term solution to water supply to the mills.

During the quarter the major earthworks for the river diversion allowing the expansion of the Lero pit was completed. Deployment of mining equipment to complete this diversion reduced the mining production rate but this was planned and the diversion was completed on time and budget.

#### *Operations*

Ore mined in the quarter ended June 30, 2008 totalled 830,085 tonnes at an average grade of 2.4 g/t and containing 63,279 oz (quarter ended June 30, 2007 – 480,276 tonnes at an average grade of 1.6 g/t and containing 24,818 oz). The mining rate was reduced from 1.2 million tonnes in Q1 2008 due to the planned deployment of equipment to the river diversion project. Total ore mined for the six months ended June 30, 2008 was 2,002,277 tonnes at an average grade of 1.9 g/t (six months ended June 30, 2007 – 921,791 tonnes at an average grade of 1.5 g/t).

Ore throughput at the CIP plant in the quarter ended June 30, 2008 was 880,772 tonnes at a head grade of 2.1 g/t (quarter ended June 30, 2007 – 669,196 tonnes at a head grade of 1.2 g/t). Year-to-date throughput for the six months ended June 30, 2008 totalled 1,589,584 tonnes at a head grade of 2.1 g/t (six months ended June 30, 2007 – 1,077,911 tonnes at a head grade of 1.2 g/t).

Gold produced in the quarter was 53,531 oz (quarter ended June 30, 2007 – 24,168 oz) and for the six months to June was 98,574 oz (six months to June 30, 2007 – 39,362 oz). The gold

ounces produced for the past six quarters are as follows;

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

The major issues resulting in lost processing capacity in Q2 were power shortages due to the generators being off-line, reliability problems with SAG02, the Crusher and Apron Feeder at Lero and the cyclone feeder pumps. To a lesser extent, issues with CV04 and SAG01 also had an adverse impact on production. The rectification and debottlenecking exercise will resolve many of these issues in Q3 and Q4. Considerable improvements in throughput are expected as plant reliability issues are resolved, however, volatility from month to month during the year should continue to be expected due to planned rectification work, occasional equipment breakdown and weather conditions.

Gold poured in the quarter was 47,385 oz (quarter ended June 30, 2007 – 24,412 oz) and for the six months to June was 91,196 oz (six months to June 30, 2007 – 35,049 oz). Gold sold in the quarter to June 30, 2008 was 47,829 oz at an average gold price of \$921/oz (quarter ended June 30, 2007 – 22,549 oz at an average gold price of \$673/oz) and operating cash flow at LEFA was positive during the quarter. All proceeds from gold sold and associated costs continued to be capitalised as part of CIP plant construction and commissioning costs. Total gold sold in the six months ended June 30, 2008 was 92,967 oz at an average gold price of \$915/oz (six months ended June 30, 2007 – 31,385oz at an average gold price of \$670/oz).

During the quarter the collective agreement for the 2008/2009 bargaining year was successfully negotiated with no work stoppages. Relations with the union and workforce continue to be positive.

Gold produced during the months of April, May and June was 19,178 oz, 14,169 oz and 20,184 oz respectively and for the month of July was 18,715 oz. The factors involved in deciding when a plant has achieved commercial production status are:

- Mining rate
- Plant throughput
- Plant recovery

During the past year the operation has consistently mined ore at or above planned rates; average daily throughput during the months of April, May and June was 9,629 tpd, 8,119 tpd and 11,340 tpd respectively and for the month of July was 11,003 tpd and recoveries have consistently been well in excess of the 88% planned recovery rate. The plant is deemed by management to be in commercial production for accounting purposes from July 1, 2008 onwards and as a result future sales revenues and operating costs for LEFA will be recorded in the income statement and not capitalized.

#### *Reserves and Resources*

Exploration drilling at LEFA from April to July 2008 has continued to extend the Firifirini resource to both the east and west and the newly defined Toume Toume skarn deposit located 3 kilometres north of Firifirini. Drilling at Camp de Base is continuing to support the model linking the mineralization to the Pharmacie mineralization to the east and infill drilling is also showing continuation of the Camp de Base structure at depth.

Drilling has been focussed at Firifirini, Toume Toume and Camp de Base and has been a combination of RC and diamond drilling. To the end of June 2008, 7,816m of RC drilling and 1,869m of HQ3 Diamond drilling have been completed comprising 109 RC Holes and 15 DDH.

Drilling down dip and along strike from known mineralisation at Camp de Base has yielded expected results with broad zones of typical Camp de Base style of mineralisation consisting of disseminated and fracture filled pyrite in highly fractured, siliceous Birimian sandstone. Drilling at depth approaching the sinistral Karta fault has continued to delineate wide dilation zones of gold mineralization. Exploration in this area is ongoing and it is now expected the Camp de Base pit will link up to the Karta pit, significantly improving the economics of this area.

The geological understanding of the Firifirini and Toume Toume deposits skarn mineralization is continuing to improve and has highlighted a new focus for exploration going forward across selected areas of the concession. In June 2008, the Company announced further resource increases for LEFA including Firifirini and Toume Toume. Total Measured and Indicated Resources have increased by 0.47 million ounces (7%) from 5.95 million ounces announced in March 2007 to 6.42 million ounces and take into account mining of 175,849 ounces (3,383,207t @ 1.62g/t). The new mineral resources are based on drilling from 2007 and early 2008.

## **Maco**

The technical review of the Maco mill expansion and mine plan continued during the quarter, including a re-evaluation of the ore resources.

### *Plant and Infrastructure*

This quarter the CIL processing rate improved due to the simultaneous operations of two pumps at tailings handling station #5. With the increased pumping rate of 700 tpd, the CIL plant is able to sustain the crushing and milling rate of up to 700 tpd.

The Maco plant metallurgists are completing a comprehensive study of differential flotation in order to reduce the amount of cyanacides in the ore such as copper, lead and zinc and to produce a marketable base metal concentrate.

The new tailings management facility at Maco has been constructed with no disruption to operations. The timely completion of this facility will allow for sustainable production into 2009. The design is such that subsequent upgrades can be done in-house using mine waste and low permeability material from on site.

A newly organized Training Division is performing effectively to support the training needs of the CIL Plant as well as the Mine Operations.

### *Operations*

The planned development of the 530 sill level ore drift has been completed up to its western extremity at ramp #1. This will allow trial stoping to commence on the retreat. The eastern development of the 530 sill level, 545 and 560 ore drives are continuing towards ramp #2. In addition, a 600-meter drainage tunnel is being developed as a medium term solution to water management. This project is planned to be completed by the end of Q4 2008.

Ore mined in the quarter ended June 30, 2008 was 50,098 tonnes at an average grade of 5.1 g/t (quarter ended June 30, 2007 – 19,947 tonnes at 3.7 g/t). Ore mined in the six months to June 30, 2008 was 77,471 tonnes at an average grade of 5.0 g/t (six months ended June 30, 2007 – 31,580 tonnes at an average grade of 3.5 g/t). During the current quarter, the plant processed 45,292 tonnes at 4.3 g/t (quarter ended June 30, 2007 – 21,996 tonnes at 3.7 g/t).

Total ore processed in the six months to June 30, 2008 was 84,764 tonnes at an average grade

of 4.3 g/t (six months ended June 30, 2007 – 33,290 tonnes at an average grade of 3.5 g/t).

Gold produced in the quarter was 5,380 oz (quarter ended June 30, 2007 – 2,212 oz) and for the six months to June was 10,211 oz (six months to June 30, 2007 – 3,220 oz). Gold poured and sold in the quarter ended June 30, 2008 was 5,334 oz and 5,795 oz respectively (quarter ended June 30, 2007 – gold produced of 2,255 oz and gold sold of 2,638 oz). Year-to-date total gold poured and sold were 10,038 oz and 9,271 oz respectively (six months ended June 30, 2007 – gold poured of 3,176 oz and gold sold of 2,638 oz).

#### *Exploration and underground development*

Re-evaluation of the ore resources in the multiple vein systems is ongoing based on the consolidated data collected from sampling at exploration drives and drill holes. This process has also involved reviewing historical records to input the ore characteristics for the mined out areas to give improved accuracy to the resource estimation and identify pay shoots for current development. This information has assisted in determining the priority for the ore drives and re-evaluation of those with relatively low-grade projections.

In preparation for the planned trial stoping in the third quarter of 2008, the ore blocking has been defined and models have been generated with the aim of maximizing profits by delineating the high-grade pay shoots of the vein structure and minimizing dilution.

Surface mapping activities as well as desk studies of past open pit mining and drill hole data, are also being conducted to identify new vein systems for correlation with the known ones and with the copper porphyry systems in the western portion of the MPSA. A full review of the copper porphyry systems is currently underway and new geological models are being prepared that will be tested by drilling late in the third quarter or early in the fourth quarter. Surface mapping and sampling is continuing in these areas.

In Sagaysagay, the new exploration area, surface rock-chip samples and channel samples have been collected to help delineate the surface potential of this resource. This work will be supplemented by further exploration, trial mining and bulk sampling in Q3 when the 3km logging road is upgraded to accept road trucks.

#### **Nalunaq and Nugget Pond**

Nalunaq experienced disappointing results for the quarter. The Company is undertaking a comprehensive review of the ore resources arising from ore strike lengths not meeting management's expectations.

#### *Operations*

Nalunaq produced 26,242 ore tonnes during the quarter ended June 30, 2008 (quarter ended June 30, 2007 – 40,736 tonnes). Ore produced in the six months to June 30, 2008 totalled 61,952 tonnes (six months ended June 30, 2007 – 68,514 tonnes). During the quarter, stoping operations at the mine continued on a curtailed basis as the stockpiled material was prepared for shipping to Nugget Pond. The curtailment was planned to allow for the large stockpiles of previously mined material to be shipped and to reduce costs while exploration of the Mountain block is accelerated through concentrated development of the internal ramp access to the area. The Mountain block cannot be effectively drilled from the surface and drilling from within the mine is more expensive than developing ramps to allow access. The impact for the quarter was reduced mine production and lower total costs; in addition, production was impacted by power issues and adverse weather conditions disrupted shipping and reduced throughput at Nugget Pond.

During the quarter, two ore shipments totalling 15,498 tonnes were shipped to Nugget Pond, bringing the year-to-date ore shipped total to 43,875 tonnes. At June 30, 2008, 24,119 tonnes

of run-of-mine ore was stockpiled at Nalunaq's port in Greenland containing management's estimate of approximately 10,000 oz of gold.

The Nugget Pond plant processed a total of 26,691 dry metric tonnes of ore at an average grade of 12.9 g/t during the quarter (quarter ended June 30, 2007 – 38,221 tonnes at an average grade of 16.8 g/t). Operations at Nugget Pond were interrupted by ore availability as weather conditions adversely affected ore shipping. Milling was suspended between May 14 and June 2 and also between June 18 and July 3 due to the complete depletion of available ore stockpiles at Nugget Pond. Total ore processed in the six months ended June 30, 2008 was 61,439 tonnes at a grade of 11.9 g/t (period from the commencement of mill operations at the end of February 2007 to June 30, 2007 – 51,060 tonnes at 16.0 g/t).

Gold produced from the plant during the quarter ended June 30, 2008 was 11,001 oz (quarter ended June 30, 2007 – 19,555 oz). Total gold produced in the six months to June 30, 2008 was 22,507 oz (six months ended June 30, 2007 – 24,670 oz). Gold poured in the quarter was 12,223 oz (quarter ended June 30, 2007 – 21,697 oz) and for the six months to June was 24,897 oz (six months to June 30, 2007 – 23,051 oz). Gold sold during the quarter was 12,113 oz at an average realised gold price of \$896/oz (quarter ended June 30, 2007 – 20,476 oz at an average price of \$666/oz). For the six months ended June 30, 2008, gold sold totalled 24,159 oz at an average gold price of \$913/oz (six months ended June 30, 2007 – 20,476 oz at an average price of \$666/oz).

### **Exploration Projects**

Field work commenced on two projects at the end of the quarter.

#### *Wa, Ghana*

Successful meetings regarding permit renewals with officials from the Mining ministry and the Environmental Protection Authority in Ghana were completed during the quarter. A budget for the exploration work was set at \$1,000,000 and this will be spent incrementally depending on the outcome of each phase of the exploration. Exploration work during the quarter involved further trenching, mapping and surface sampling. New geological models have been constructed and these will be tested by drilling in late September when field work recommences after the wet season. The old database and historic data were recovered and compiled into a combined new database. The results of the work are not expected to be available until the first half of 2009. The total area of the claims is over 300km<sup>2</sup>.

#### *Glover Island, Newfoundland*

Phase 1 of the Glover Island exploration program is scheduled to be complete by October 2008. The program includes geophysical analysis of previous exploration data and data captured this year in an aerial program to be conducted in August. Ground work including surface sampling, trenching and drilling will be completed over the next 3 months with results reported in the fiscal 2008 year end report.

### **Financial Results for the Quarter Ended June 30, 2008**

Sales reported for the quarter ended June 30, 2008 were \$10.8 million (quarter ended June 30, 2007 - \$13.5 million). Gold sales comprised 12,113 oz from Nalunaq/Nugget Pond. Sales from LEFA and Maco during the period continued to be offset against capital costs, in accordance with our accounting policies.

Direct costs for the quarter ended June 30, 2008 were \$10.0 million (quarter ended June 30, 2007 - \$10.5 million) and mine site administration costs were \$1.9 million (quarter ended June 30, 2007 - \$1.6 million). Direct costs for LEFA and Maco were capitalised in both

periods.

Gross margin for the quarter ended June 30, 2008 was negative \$1.0 million (quarter ended June 30, 2007 – \$1.4 million). Depletion and depreciation expense, which is a non-cash measure, was \$2.4 million (quarter ended June 30, 2007 – \$3.3 million).

For the quarter ended June 30, 2008, general corporate expenditures were \$6.4 million (quarter ended June 30, 2007 – \$5.3 million) comprising head office administration costs of \$4.1 million, insurance costs of \$0.8 million and one-time severance costs of \$1.5 million. Interest and finance charges were \$5.8 million (quarter ended June 30, 2007 – \$5.2 million) and the unrealised loss on foreign currency translation was \$3.8 million compared to a loss of \$3.5 million for the same period last year due to the translation of NOK denominated debt into US dollars.

### **Financial Results for the Six Months Ended June 30, 2008**

Mineral sales reported for the six months ended June 30, 2008 were \$22.0 million (six months ended June 30, 2007 - \$13.6 million). Gold sales from LEFA and Maco during the period continued to be offset against capital costs, in accordance with our accounting policies, as the plants had not reached commercial production status for accounting purposes.

Direct costs for the six months ended June 30, 2008 were \$16.8 million (six months ended June 30, 2007 - \$11.8 million) and mine site administration costs were \$3.7 million (six months ended June 30, 2007 - \$1.9 million). Direct costs for LEFA and Maco in the year have been capitalised. In 2007, LEFA and Maco costs were capitalised and the majority of Nalunaq's costs in Q1 were inventoried as the Nugget Pond processing facility was being commissioned.

Gross margin for the six months ended June 30, 2008 was \$1.5 million (six months ended June 30, 2007 – negative \$0.1 million). Depletion and depreciation expense, which is a non-cash measure, was \$4.8 million (six months ended June 30, 2007 – \$3.8 million).

For the six months ended June 30, 2008 general corporate expenditures were \$10.8 million (six months ended June 30, 2007 – \$9.3 million) comprising head office administration costs of \$7.9 million, insurance costs of \$1.4 million and one-time severance costs of \$1.5 million. Interest and finance charges were \$11.6 million (six months ended June 30, 2007 – \$10.4 million) and the unrealised loss on foreign currency translation of NOK denominated debt following a 6.4% appreciation of the NOK against the US dollar in the period was \$22.2 million compared to a loss of \$9.8 million for the same period last year.

### **Liquidity and Capital Resources**

At June 30, 2008 our main source of liquidity was unrestricted consolidated cash of \$57.5 million (December 31, 2007: \$20.1 million). Of the cash held, \$47.4 million was held in Norwegian kroner, \$7.5 million was held in US dollars, \$1.2 million was held in Philippine pesos, \$0.6 million was held in Danish kroner, \$0.3 million was held in British pounds sterling, \$0.4 million was held in Canadian dollars, and the balance of \$0.1 million comprised Australian dollars and South African rand.

At June 30, 2008 our consolidated working capital comprising cash, restricted cash, accounts receivable, prepayments and inventories, less accounts payable was \$58.4 million (December 31, 2007 – \$22.0 million).

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 \$13.3 million.

On June 17, 2008, the Company completed the private placement of 49,932,000 shares at a subscription price of NOK 6.50 per share, raising aggregate net proceeds of \$59.5 million after issue expenses of \$3.4 million. The proceeds of the transaction will be used to finance the Company's investment program at the LEFA gold project in Guinea, and for general working capital requirements.

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

## **OUTLOOK**

Our goals for Q2 were to substantially complete the LEFA rectification program and have the operation reach commercial production status for accounting purposes by the end of the quarter. These goals have been largely achieved but we continue to focus on improving the reliability of the plant and significantly improving throughput.

For the balance of the year our primary objective is to continue to improve the productivity at LEFA and to systematically resolve any remaining production bottlenecks. Q3 and Q4's production will be impacted by planned maintenance, weather conditions and completion of remaining rectification projects, however we anticipate this to be followed by a significant improvement in production by the end of Q4 leading to achieving our goal of an annualized production rate for LEFA of 360,000 oz by the end of Q4.

The LEFA mine and its expansion potential will continue to be the main contributor to Group production in the years to come, particularly as the capacity ramp-up is completed and higher grade satellite deposits, such as Firifirini, are brought into production. The near mine and regional exploration programmes will remain focused on the delineation of reserves primarily to further increase the capacity at the LEFA plant and potentially to justify the building of new mine and plant operations elsewhere within the LEFA concession in the medium term.

The technical review of the mill expansion, mine plan and ore resources at Maco continues to be the focus for that operation in addition to the regional exploration and work on the copper porphyry deposits. However, while the focus is primarily on LEFA, Maco will remain in a holding pattern with no capital expenditures planned in the near future. It is anticipated that Maco will continue to break even during the period until decisions are made regarding its expansion.

Nalunaq has experienced disappointing results and continues to be challenged by falling grades, power issues and low throughput at Nugget Pond due to poor weather conditions. For the balance of Q3, Nalunaq will continue to curtail production and reduce costs and Nugget Pond will process stockpiled and development ore as further investigation is undertaken into Nalunaq's potential. It is anticipated that a review of the ore resources and life of mine will be completed and announced in Q3.

Our corporate costs are also under review. We expect to reduce those costs over the next two quarters.

There are exciting prospects at the exploration projects in Ghana and Newfoundland. The results of this exploration are not expected until Q1 2009. In addition we are reviewing certain prospects in Mali.

The Company is reviewing all of its operations and its strategic plan. The LEFA mine continues to be the major asset and focus of the company. We expect to grow utilising our West African experience and significant presence in the region and increase exploration both on our concession in Guinea, our property in Ghana and in surrounding countries.

## 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 and (13) the timing and possible outcome of pending litigation. 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, conclusions of economic evaluations, (2) changes in project parameters as plans continue to be refined, (3) possible variations in grade and ore densities or recovery rates, (4) failure of plant, equipment or processes to operate as anticipated, (5) accidents, labour disputes and other risks of the mining industry, (6) delays in obtaining government approvals or financing or in completion of development or construction activities. 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.

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, Nalunaq 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, stock compensation charges and non-cash foreign exchange movements.

“Operating 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. Operating cash cost is presented as we believe it represents an industry standard of comparison.

“Operating cash cost per ounce” is a non-GAAP measure derived from the operating 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, operating 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, operating cash cost per ounce and sales price per ounce may not be directly comparable to EBITDA, operating 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 - Unaudited)

	As at, June 30, 2008	As at, December 31, 2007
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and cash equivalents	57,459	20,061
Restricted cash	180	31
Accounts receivable	32,731	28,535
Prepaid expenses and deposits	4,538	2,613
Inventories and stockpiled ore	53,533	40,842
Investment in Intex Resources ASA	-	16,851
	<b>148,441</b>	<b>108,933</b>
<b>MINING INTERESTS</b>	<b>464,348</b>	<b>453,755</b>
<b>PROPERTY, PLANT AND EQUIPMENT</b>	<b>326,185</b>	<b>326,356</b>
<b>GOODWILL</b>	<b>104,592</b>	<b>104,592</b>
<b>OTHER MINERAL PROPERTY INTERESTS</b>	<b>1,028</b>	<b>871</b>
<b>OTHER ASSETS</b>	<b>2,184</b>	<b>1,855</b>
<b>RESTRICTED CASH</b>	<b>5,941</b>	<b>6,014</b>
	<b>1,052,719</b>	<b>1,002,376</b>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	90,058	70,119
	<b>90,058</b>	<b>70,119</b>
<b>RECLAMATION AND CLOSURE COST OBLIGATIONS</b>	<b>3,180</b>	<b>3,180</b>
<b>CONVERTIBLE BONDS</b>	<b>243,423</b>	<b>225,918</b>
<b>OTHER LONG-TERM DEBT</b>	<b>146,052</b>	<b>139,641</b>
<b>FUTURE INCOME TAXES</b>	<b>98,418</b>	<b>98,925</b>
	<b>581,131</b>	<b>537,783</b>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	631,197	571,701
Equity component of convertible bonds	15,607	15,607
Contributed surplus	12,756	11,524
Accumulated other comprehensive income	538	6,412
Deficit	(188,510)	(140,651)
	<b>471,588</b>	<b>464,593</b>
	<b>1,052,719</b>	<b>1,002,376</b>

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

	Three months ended		Six months ended	
	June 30 2008	June 30 2007	June 30 2008	June 30 2007
MINERAL SALES	10,844	13,492	22,049	13,620
DIRECT COSTS OF MINERAL SALES	(9,962)	(10,470)	(16,806)	(11,798)
MINE SITE ADMINISTRATION COSTS	(1,853)	(1,597)	(3,737)	(1,890)
DEPLETION AND DEPRECIATION	(2,413)	(3,329)	(4,834)	(3,813)
	<b>(3,384)</b>	<b>(1,904)</b>	<b>(3,328)</b>	<b>(3,881)</b>
EXPENSES				
Administration, office and general	(5,659)	(4,574)	(9,576)	(8,182)
Professional fees	(761)	(714)	(1,193)	(1,139)
Stock compensation expense	(150)	(1,990)	(1,232)	(4,150)
	<b>(6,570)</b>	<b>(7,278)</b>	<b>(12,001)</b>	<b>(13,471)</b>
OTHER INCOME (EXPENSES)				
Gain on disposal of investment in Intex Resources ASA	-	45,988	2,587	45,988
Loss on future / forward obligation contracts	-	(1,250)	(493)	(1,250)
Interest - Convertible bonds and other long-term loans	(4,484)	(3,861)	(8,860)	(7,673)
Other finance charges - Convertible bonds and other long-term loans	(1,358)	(1,353)	(2,716)	(2,705)
Foreign exchange loss	(3,841)	(3,516)	(22,155)	(9,772)
Interest and other expenses	(714)	(39)	(977)	163
	<b>(10,397)</b>	<b>35,969</b>	<b>(32,614)</b>	<b>24,751</b>
(LOSS) PROFIT BEFORE RECOVERY OF INCOME TAXES AND NON-CONTROLLING INTEREST	(20,351)	26,787	(47,943)	7,399
RECOVERY OF INCOME TAXES	55	-	84	-
(LOSS) PROFIT BEFORE NON-CONTROLLING INTEREST	(20,296)	26,787	(47,859)	7,399
NON-CONTROLLING INTEREST	-	-	-	276
NET (LOSS) PROFIT	(20,296)	26,787	(47,859)	7,675
DEFICIT, BEGINNING OF PERIOD	(168,214)	(128,502)	(140,651)	(109,390)
DEFICIT, END OF PERIOD	<b>(188,510)</b>	<b>(101,715)</b>	<b>(188,510)</b>	<b>(101,715)</b>
(LOSS) PROFIT PER SHARE - BASIC	\$ (0.04)	\$ 0.06	\$ (0.06)	\$ 0.02
(LOSS) PROFIT PER SHARE - DILUTED	\$ (0.04)	\$ 0.05	\$ (0.06)	\$ 0.02
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING - BASIC	470,983,207	422,513,886	467,965,285	422,416,588
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING - DILUTED	470,983,207	546,336,039	467,965,285	426,971,105

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

	Three months ended		Six months ended	
	June 30 2008	June 30 2007	June 30 2008	June 30 2007
<b>OPERATING ACTIVITIES</b>				
Net (loss) profit	\$ (20,296)	\$ 26,787	\$ (47,859)	\$ 7,675
Add (deduct) items not affecting cash:				
Depletion and depreciation	2,413	3,329	4,834	3,813
Other finance charges - amortisation and accretion	1,358	1,353	2,716	2,705
Gain on disposal of investment in Intex Resources ASA	-	(45,988)	(2,587)	(45,988)
Loss on forward / future obligation contracts	-	1,250	493	1,250
Unrealized foreign exchange loss on long term debt	2,472	8,597	21,200	15,403
Stock compensation expense	150	1,990	1,232	4,150
Non-controlling interest	-	-	-	(276)
Change in non-cash operating working capital items	7,512	5,560	(1,127)	(4,132)
	<b>(6,391)</b>	<b>2,878</b>	<b>(21,098)</b>	<b>(15,400)</b>
<b>FINANCING ACTIVITIES</b>				
Net issuance of common shares for cash	59,496	69	59,496	101
	<b>59,496</b>	<b>69</b>	<b>59,496</b>	<b>101</b>
<b>INVESTING ACTIVITIES</b>				
Proceeds on disposal of investment in Intex Resources ASA	-	6,014	13,564	6,014
Expenditures on LEFA mineral property, plant and equipment	(3,250)	(28,566)	(8,096)	(45,947)
Expenditures on Maco mineral property, plant and equipment	(2,072)	(2,513)	(5,680)	(15,225)
Expenditures on Nalunaq mineral property, plant and equipment	(657)	(755)	(1,570)	(2,212)
Expenditures on Nugget Pond property and equipment	-	(580)	-	(2,657)
Expenditures on other mineral property interests	(5)	(833)	(157)	(1,285)
Increase in restricted cash	(76)	(4,648)	(149)	(4,914)
	<b>(6,060)</b>	<b>(31,881)</b>	<b>(2,088)</b>	<b>(66,226)</b>
<b>EFFECT OF FOREIGN EXCHANGE TRANSLATION</b>				
ON CASH AND CASH EQUIVALENTS	1,674	(12,725)	1,088	(10,320)
<b>NET CASH INFLOW (OUTFLOW)</b>	<b>48,719</b>	<b>(41,659)</b>	<b>37,398</b>	<b>(91,845)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD</b>	<b>8,740</b>	<b>81,751</b>	<b>20,061</b>	<b>131,937</b>
<b>CASH AND CASH EQUIVALENTS, END OF PERIOD</b>	<b>\$ 57,459</b>	<b>\$ 40,092</b>	<b>\$ 57,459</b>	<b>\$ 40,092</b>