



**Crew Gold Corporation**  
**Interim Consolidated Financial Statements**

**Quarter and Nine Months Ended 30 September 2007**  
(Unaudited)

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

	As at, September 30, 2007	As at, December 31, 2006 (restated - Note 2 (c))
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	44,502	131,937
Restricted cash	6,363	5,665
Accounts receivable	40,270	4,363
Prepaid expenses and deposits	1,697	1,445
Inventories and stockpiled ore (Note 4)	43,905	23,243
Investment in Golden Star Resources Limited	-	1,056
	<b>136,737</b>	167,709
INVESTMENT IN CREW MINERALS ASA (Note 5)	13,883	-
MINING INTERESTS (Note 6(a))	422,280	396,775
PROPERTY, PLANT AND EQUIPMENT (Note 6(b))	310,028	244,190
GOODWILL (Note 6(c))	104,592	104,592
OTHER MINERAL PROPERTY INTERESTS	817	1,889
OTHER ASSETS	2,346	2,907
	<b>990,683</b>	918,062
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 14)	70,638	38,791
RECLAMATION AND CLOSURE COST OBLIGATIONS	3,196	3,196
CONVERTIBLE BONDS (Note 7)	225,636	191,509
OTHER LONG-TERM DEBT (Note 8)	140,465	128,011
FUTURE INCOME TAXES	96,033	96,462
NON-CONTROLLING INTERESTS	-	40,734
	<b>535,968</b>	498,703
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (Note 9)	573,199	508,106
Equity component of convertible bonds (Note 7)	15,607	15,607
Contributed surplus	10,049	4,275
Accumulated other comprehensive income (Note 10)	538	761
Deficit	(144,678)	(109,390)
	<b>454,715</b>	419,359
	<b>990,683</b>	918,062

CONTINUING OPERATIONS (Note 1)

SUBSEQUENT EVENTS (Note 13)

ON BEHALF OF THE BOARD:

*"Simon J. Russell"*

Simon J. Russell, Director

*"Jan A. Vestrum"*

Jan A. Vestrum, Director

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

	Three months ended		Nine months ended	
	September 30 2007	September 30 2006	September 30 2007	September 30 2006
MINERAL SALES	14,364	25,901	27,984	48,097
DIRECT COSTS OF MINERAL SALES	(13,317)	(17,085)	(25,115)	(34,348)
MINE SITE ADMINISTRATION COSTS	(1,778)	(3,305)	(3,668)	(8,156)
DEPLETION AND DEPRECIATION	(3,496)	(6,446)	(7,309)	(14,126)
	<b>(4,227)</b>	<b>(935)</b>	<b>(8,108)</b>	<b>(8,533)</b>
EXPENSES				
Administration, office and general	(4,015)	(2,389)	(12,197)	(6,101)
Mobilisation costs	-	(5,561)	-	(5,561)
Professional fees	(369)	(396)	(1,508)	(1,345)
Stock compensation expense	(1,624)	(851)	(5,774)	(2,255)
	<b>(6,008)</b>	<b>(9,197)</b>	<b>(19,479)</b>	<b>(15,262)</b>
OTHER INCOME (EXPENSES)				
Equity gain from investment in Barberton Mines Limited	-	43	-	331
Equity loss from investment in Crew Minerals ASA (Note 5)	210	-	291	-
Gain on disposals of other investments	505	7,177	505	7,712
Gain on disposal of investment in Crew Minerals ASA (Note 5)	-	-	54,051	-
(Loss) gain on future / forward obligation contracts	(4,139)	(21)	(5,389)	193
Interest - Convertible bonds and other long-term loans	(4,040)	(3,735)	(11,713)	(11,003)
Other finance charges - Convertible bonds and other long-term loans	(1,357)	(1,378)	(4,062)	(4,050)
Foreign exchange (loss) gain	(32,051)	8,197	(41,613)	(7,567)
Interest and other (expenses) income	(210)	184	(47)	528
	<b>(41,082)</b>	<b>10,467</b>	<b>(7,977)</b>	<b>(13,856)</b>
(LOSS) PROFIT BEFORE RECOVERY OF INCOME TAXES AND NON-CONTROLLING INTEREST	<b>(51,317)</b>	<b>335</b>	<b>(35,564)</b>	<b>(37,651)</b>
RECOVERY OF INCOME TAXES	-	1,297	-	2,131
(LOSS) PROFIT BEFORE NON-CONTROLLING INTERESTS	<b>(51,317)</b>	<b>1,632</b>	<b>(35,564)</b>	<b>(35,520)</b>
NON-CONTROLLING INTEREST	-	-	276	342
NET (LOSS) PROFIT	<b>(51,317)</b>	<b>1,632</b>	<b>(35,288)</b>	<b>(35,178)</b>
DEFICIT, BEGINNING OF PERIOD, AS PREVIOUSLY STATED	(101,715)	(116,666)	(109,390)	(79,856)
CORRECTION OF ERROR FOR THREE MONTHS ENDED JUNE 30, 2007 (Note 5)	8,354	-	-	-
DEFICIT, BEGINNING OF PERIOD, AS RESTATED	(93,361)	-	-	-
DEFICIT, END OF PERIOD	<b>(144,678)</b>	<b>(115,034)</b>	<b>(144,678)</b>	<b>(115,034)</b>
(LOSS) PROFIT PER SHARE - BASIC	\$ (0.12)	\$ 0.00	\$ (0.08)	\$ (0.10)
(LOSS) PROFIT PER SHARE - DILUTED	\$ (0.12)	\$ 0.00	\$ (0.08)	\$ (0.10)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING - BASIC	426,625,988	366,316,664	423,767,741	348,337,999
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING - DILUTED	426,625,988	498,569,421	423,767,741	348,337,999

See notes to Interim Consolidated Financial Statements

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

	Three months ended		Nine months ended	
	September 30 2007	September 30 2006	September 30 2007	September 30 2006
<b>OPERATING ACTIVITIES</b>				
Net (loss) profit	\$ (51,317)	\$ 1,632	\$ (35,288)	\$ (35,178)
Add (deduct) items not affecting cash:				
Depletion and depreciation	3,496	6,446	7,309	14,126
Other finance charges - amortisation and accretion	1,357	1,378	4,062	4,050
Equity loss from investment in Crew Minerals ASA (Note 5)	(210)	-	(291)	-
Equity gain from investment in Barberton Mines Limited	-	(43)	-	(331)
Gain on disposals of other investments	(505)	(7,177)	(505)	(7,712)
Gain on disposal of investment in Crew Minerals ASA	-	-	(54,051)	-
Loss (gain) on forward / future obligation contracts	4,139	21	5,389	(193)
Unrealized foreign exchange loss (gain) on long term debt	27,326	(8,768)	42,519	(6,422)
Stock compensation expense	1,624	851	5,774	2,255
Non-controlling interest	-	-	(276)	(342)
Change in non-cash operating working capital items	(11,674)	2,315	(24,974)	(4,116)
	<b>(25,764)</b>	<b>(3,345)</b>	<b>(50,332)</b>	<b>(33,863)</b>
<b>FINANCING ACTIVITIES</b>				
Net proceeds on other long-term debt	-	-	-	96,611
Net issuance of common shares for cash	64,992	-	65,093	62,175
Capital lease payments	-	-	-	(343)
	<b>64,992</b>	<b>-</b>	<b>65,093</b>	<b>158,443</b>
<b>INVESTING ACTIVITIES</b>				
Proceeds on disposal of investment in Guinor Gold Corporation	-	-	-	23
Proceeds on disposal of investment in Golden Star Resources	-	2,445	1,338	5,391
Proceeds on disposal of investment in Crew Minerals ASA, net of cash disposed	(295)	-	5,719	-
Proceeds on disposal of investment in Metorex Ltd	-	245	-	245
Acquisition of Guinor Gold Corporation	-	-	-	(20,559)
Acquisition of Apex Mining Company, net of cash acquired	-	-	-	30
Expenditures on Nalunaq mineral property, plant and equipment	(1,170)	(1,701)	(3,382)	(3,484)
Expenditures on Nugget Pond property and equipment	175	-	(2,482)	-
Expenditures on Lefa mineral property, plant and equipment	(19,169)	(46,730)	(65,116)	(111,989)
Expenditures on Maco mineral property, plant and equipment	(14,042)	(15,511)	(29,267)	(26,022)
Expenditures on other mineral property interests	(161)	(14)	(1,446)	(1,272)
(Increase) decrease in restricted cash	4,216	1,966	(698)	(4,228)
Dividends received	-	159	-	994
Other	-	(1,399)	-	(1,157)
	<b>(30,446)</b>	<b>(60,540)</b>	<b>(95,334)</b>	<b>(162,028)</b>
<b>EFFECT OF FOREIGN EXCHANGE TRANSLATION</b>				
ON CASH	(4,372)	1,394	(6,862)	3,542
<b>NET CASH INFLOW (OUTFLOW)</b>	<b>4,410</b>	<b>(62,491)</b>	<b>(87,435)</b>	<b>(33,906)</b>
CASH, BEGINNING OF PERIOD	40,092	82,482	131,937	53,897
CASH, END OF PERIOD	\$ 44,502	\$ 19,991	\$ 44,502	\$ 19,991

See notes to Interim Consolidated Financial Statements

# CREW GOLD CORPORATION

## Consolidated Statements of Comprehensive Loss

(Expressed in thousands of United States dollars - Unaudited)

	Three months ended September 30, 2007	Nine months ended September 30, 2007
Net loss	\$ (51,317)	\$ (35,288)
Realized loss on available-for-sale investment	(625)	(223)
<b>Comprehensive loss</b>	<b>\$ (51,942)</b>	<b>\$ (35,511)</b>

*See notes to Interim Consolidated Financial Statements*

**CREW GOLD CORPORATION**  
**Notes to the Interim Consolidated Financial Statements**  
**For the quarter and nine months ended September 30, 2007**  
(Expressed in thousands of US dollars - Unaudited)

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**1. Description of Business and Continuing Operations**

Crew Gold Corporation (“Crew” or the “Company”) is an international mining company focused on identifying, acquiring and developing gold resource projects world-wide. Crew has gold mining operations and exploration projects in Guinea, the Philippines, Greenland and Canada. The Company’s shares are traded on the Toronto, Oslo and Frankfurt Stock Exchanges and on the over the counter market in the United States.

These financial statements have been prepared on the basis of a going concern which contemplates the realization of assets and satisfaction of liabilities in the normal course of operations. During the three months ended September 30, 2007, the Company made a net loss of \$51,317,000 (three months ended September 30, 2006 – net profit of \$1,632,000) and at September 30, 2007 has net working capital of \$66,100,000 (December 31, 2006 - \$127,862,000). At September 30, 2007, the Company had cash of \$44,502,000.

Ultimately, the Company’s ability to continue as a going concern and to fund its planned capital projects is dependent on the Company achieving profitable commercial operation from its mines and other mineral properties. If the Company were unable to continue as a going concern, then material adjustments would be required to the carrying value of assets and liabilities and the balance sheet classifications used and the reported amount of revenues and expenses.

**2. Adoption of New Accounting Standards and Basis of Presentation**

These interim consolidated financial statements have been prepared by the Company in accordance with Canadian generally accepted accounting principles (“GAAP”) for interim financial statements using the same policies set out in the company’s annual financial statement except as follows:

Effective January 1, 2007, the company adopted the revised CICA Section 1506 “Accounting Changes” which require that: (i) a voluntary change in accounting principles can be made if, and only if, the changes result in more reliable and relevant information, (ii) changes in accounting policies are accompanied with disclosures of prior period amounts and justification for the change, and (iii) for changes in estimates, the nature and amount of the change should be disclosed. The company has not made any voluntary change in accounting principles since the adoption of the revised standard.

Effective January 1, 2007, the company adopted the three new accounting standards and related amendments to other standards on financial instruments issued by the CICA. Prior periods have not been restated.

**(a) Financial Instruments – Recognition and Measurement, Section 3855**

The standard prescribes when a financial asset, financial liability, or non-financial derivative is to be recognized on the balance sheet and whether fair value or cost-based methods are used to measure the recorded amounts. It also specifies how financial instruments gains and losses are to be presented.

Effective January 1, 2007, the company’s cash equivalents, temporary investments and investments in marketable securities have been classified as available-for-sale and are recorded at fair value on the balance sheet. Fair values are determined directly by reference to the published price quotations in an active market. Changes in the fair value of these instruments are reflected in other comprehensive income and included in shareholders’ equity on the balance sheet.

All derivatives are recorded on the balance sheet at fair value. Mark-to-market adjustments on these instruments are included in net income, unless the instruments are designated as part of a cash flow hedge relationship. In accordance with the standard’s transitional provisions, the company recognizes as separate assets and liabilities only embedded derivatives acquired or substantively modified on or after January 1, 2003.

**CREW GOLD CORPORATION**  
**Notes to the Interim Consolidated Financial Statements**  
**For the quarter and nine months ended September 30, 2007**  
(Expressed in thousands of US dollars - Unaudited)

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**2. Adoption of New Accounting Standards and Basis of Presentation (continued)**

All other financial instruments will be recorded at cost or amortized cost, subject to impairment reviews. The criteria for assessing an other-than-temporary impairment remain unchanged. Transaction costs incurred to acquire financial instruments are included in the underlying balance. Sales of financial assets are accounted for on the trade date.

**(b) Hedges, Section 3865**

This standard is applicable when a company chooses to designate a hedging relationship for accounting purposes. It builds on the previous AcG-13 "Hedging Relationships" and Section 1650 "Foreign Currency Translation", by specifying how hedge accounting is applied and what disclosures are necessary when it is applied.

Upon adoption of this standard the company discontinued hedge accounting on all commodity derivative contracts and interest rate swaps. The company may enter into foreign exchange forward contracts in the future to hedge anticipated sales and may designate these contracts as cash flow hedges as they occur.

**(c) Comprehensive Income, Section 1530**

This standard requires the presentation of a statement of comprehensive income and its components. Comprehensive income includes both net earnings and other comprehensive income. Other comprehensive income includes holding gains and losses on available for sale investments, gains and losses on certain derivative instruments and foreign currency gains and losses relating to self-sustaining foreign operations, all of which are not included in the calculation of net earnings until realised. This statement has been included in the consolidated financial statements starting this period.

As at January 1, 2007 the effect on the company's balance sheet of adopting these standards is summarized below. As prescribed by these standards, prior periods have not been restated.

**CREW GOLD CORPORATION**  
**Notes to the Interim Consolidated Financial Statements**  
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(Expressed in thousands of US dollars - Unaudited)

**2. Adoption of New Accounting Standards and Basis of Presentation (continued)**

	<b>January 1, 2007</b>		
	<u>As previously reported</u>	<u>Adjusted on adoption of Financial Instruments standards</u>	<u>Restated opening balances in 2007</u>
<b>Opening Balance Sheet - as restated</b>			
<b>ASSETS</b>			
<b>CURRENT</b>			
Cash	131,937		131,937
Restricted cash	5,665		5,665
Accounts receivable	4,363		4,363
Prepaid expenses and deposits	1,445		1,445
Inventories and stockpiled ore	23,243		23,243
Investment in Golden Star Resources Limited	833	223 (a)	1,056
	167,486	223	167,709
<b>MINING INTERESTS</b>	396,775		396,775
<b>PROPERTY, PLANT AND EQUIPMENT</b>	244,190		244,190
<b>GOODWILL</b>	104,592		104,592
<b>OTHER MINERAL PROPERTY INTERESTS</b>	1,889		1,889
<b>OTHER ASSETS</b>	11,941	(9,034) (b)	2,907
	926,873	(8,811)	918,062
<b>LIABILITIES</b>			
<b>CURRENT</b>			
Accounts payable and accrued liabilities	38,791		38,791
<b>RECLAMATION AND CLOSURE COST OBLIGATIONS</b>	3,196		3,196
<b>CONVERTIBLE BONDS</b>	197,725	(6,216) (b)	191,509
<b>OTHER LONG-TERM DEBT</b>	130,829	(2,818) (b)	128,011
<b>FUTURE INCOME TAXES</b>	96,462		96,462
<b>NON-CONTROLLING INTERESTS</b>	40,734		40,734
	507,737	(9,034)	498,703
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	508,106		508,106
Equity component of convertible bonds	15,607		15,607
Contributed surplus	4,275		4,275
Cumulative translation adjustment	538	(538) (c)	-
Accumulated other comprehensive income	-	761 (a)(c)	761
Deficit	(109,390)		(109,390)
	419,136	223	419,359
	926,873	(8,811)	918,062

**Notes:**

- (a) Investment in Golden Star Resources Ltd previously accounted for at cost is designated as available for sale and measured at fair value  
(b) Deferred financing costs previously included in 'Other Assets' are reclassified to 'Convertible bonds' and 'Other long term debt'  
(c) The cumulative translation adjustment is reclassified to accumulated other comprehensive income

**CREW GOLD CORPORATION**  
**Notes to the Interim Consolidated Financial Statements**  
**For the quarter and nine months ended September 30, 2007**  
(Expressed in thousands of US dollars - Unaudited)

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**3. Changes in Estimates – Mineral Resources and Reserves**

Estimates of mineral resources and reserves at each mineral property are updated annually at the end of each year. Following the update of these estimates on December 31, 2006, calculations of depreciation and amortization of property, plant and equipment and of future income tax recoveries were prospectively revised.

**4. Materials and stockpiled ore**

Materials and stockpiled ore as at September 30, 2007 are as follows;

	<u>September 30, 2007</u>	<u>December 31, 2006</u>
Stockpiled ore	\$ 13,367	\$ 9,489
Materials and consumable supplies	30,538	13,754
	<u>\$ 43,905</u>	<u>\$ 23,243</u>

**5. Investment in Crew Minerals ASA**

On April 12, 2007, the Company sold 12 million shares in Crew Minerals ASA (“CMASA”) at NOK18.50 per CMASA share for aggregate gross proceeds of \$36.8 million. On June 26, 2007, the Company sold 8.1 million shares in CMASA at NOK17.80 for aggregate gross proceeds of \$23.8 million. Also, on June 26, 2007, the Company sold a further 4.5 million shares for NOK17.80 per CMASA share, with an obligation to repurchase them on or before December 28, 2007 at NOK18.47 per share. The gross proceeds from this sale were \$13.4 million.

Of the gross proceeds of \$13.4 million from the sale, \$5.2 million were retained on deposit by the broker to cover future margin calls under the repurchase obligation. The Company revalued the repurchase obligation on a mark-to-market basis at June 30, 2007 and recorded a loss of \$1,250,000. The Company revalued the repurchase obligation on a mark-to-market basis at September 30, 2007 and recorded a further loss of \$4,139,000.

As a result of the above sales transactions, the Company recorded a gain on the sale of the CMASA shares of \$54.1 million, before income taxes, in the nine month period ended September 30, 2007.

The Company’s interest in CMASA decreased to 41.5% on April 12, 2007 and accordingly the equity method has been applied to account for the Company’s investment in CMASA from that date. Following the further sales of CMASA shares during the quarter ended June 30, 2007, as at September 30, 2007, the Company holds 25.4 million shares in CMASA, representing 27.7% of the total issued share capital.

During the preparation of the accounts for the quarter ended September 30, 2007, a mathematical error was discovered in the calculation of the gain on sale of the CMASA shares that occurred in the quarter ended June 30, 2007. Consequently, the net profit for the quarter ended June 30, 2007 and the value of the investment have been increased by \$8.4 million and the amount of the deficit as at June 30, 2007 has decreased by \$8.4 million. The market value of the investment at September 30, 2007 is \$54.4 million. See also Note 13(a).

**CREW GOLD CORPORATION**  
**Notes to the Interim Consolidated Financial Statements**  
**For the quarter and nine months ended September 30, 2007**  
(Expressed in thousands of US dollars - Unaudited)

**6. Mining Interests, Property, Plant and Equipment**

(a) *Mining Interests*

	<b>September 30, 2007</b>		
	<b>Cost</b>	<b>Accumulated depletion</b>	<b>Net book value</b>
Lefa			
- Producing mineral property	\$ 350,577	\$ 10,318	\$ 340,259
Maco			
- Mineral property in development	46,802	-	46,802
Nalunaq			
- Producing mineral property	44,971	9,752	35,219
	<b>\$ 442,350</b>	<b>\$ 20,070</b>	<b>\$ 422,280</b>
	<b>December 31, 2006</b>		
	<b>Cost</b>	<b>Accumulated depletion</b>	<b>Net book value</b>
Lefa			
- Producing mineral property	\$ 334,431	\$ 5,932	\$ 328,499
Maco			
- Mineral property in development	31,529	-	31,529
Nalunaq			
- Producing mineral property	43,956	7,209	36,747
	<b>\$ 409,916</b>	<b>\$ 13,141</b>	<b>\$ 396,775</b>

**CREW GOLD CORPORATION**  
**Notes to the Interim Consolidated Financial Statements**  
**For the quarter and nine months ended September 30, 2007**  
(Expressed in thousands of US dollars - Unaudited)

**6. Mining Interests, Property, Plant and Equipment (continued)**

*(b) Property, Plant and Equipment*

	<b>September 30, 2007</b>		
	<b>Cost</b>	<b>Accumulated depreciation</b>	<b>Net book value</b>
Lefa			
- Plant under construction	\$ 240,817	\$ -	\$ 240,817
Maco			
- Plant and equipment under construction	43,267	54	43,213
Nalunaq			
- Producing equipment	28,138	13,061	15,077
Nugget Pond			
- Processing facility	11,848	927	10,921
	<b>\$ 324,070</b>	<b>\$ 14,042</b>	<b>\$ 310,028</b>
	<b>December 31, 2006</b>		
	<b>Cost</b>	<b>Accumulated depreciation</b>	<b>Net book value</b>
Lefa			
- Plant under construction	\$ 188,689	\$ -	\$ 188,689
Maco			
- Plant and equipment under construction	29,273	54	29,219
Nalunaq			
- Producing equipment	25,771	8,855	16,916
Nugget Pond			
- Processing facility under construction	9,366	-	9,366
	<b>\$ 253,099</b>	<b>\$ 8,909</b>	<b>\$ 244,190</b>

The Company operates the Lefa Project through ownership of its subsidiary Société Minière de Dinguiraye (“SMD”). SMD holds a mining lease covering an area of 1,500 square kilometres located in the north-eastern administrative region of Siguiri in the Republic of Guinea, West Africa. The lease expires in 2019 and is renewable for an additional five years. The Company’s operations in Guinea are governed by the Convention de Base agreement with the Government of Guinea.

The Company’s principal gold asset in the Philippines is the Maco Gold Mine (“Maco”), formerly referred to as Masara, in the south of Mindanao Island. The Company acquired its interest in Maco through its acquisition of Apex Mining Company.

Nalunaq Gold Mine (“Nalunaq”) is located in the Kirkespiralden valley in Southern Greenland.

**CREW GOLD CORPORATION**  
**Notes to the Interim Consolidated Financial Statements**  
**For the quarter and nine months ended September 30, 2007**  
(Expressed in thousands of US dollars - Unaudited)

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**6. Mining Interests, Property, Plant and Equipment (continued)**

(c) *Goodwill*

The goodwill allocated to the Lefa Project reporting unit and included in the operating segment asset is \$104.6 million at September 30, 2007 (December 31, 2006 - \$104.6 million).

**7. Convertible Bonds**

The bonds bear a 6% coupon, payable annually in arrears. The principal portion of the bonds is convertible, at the option of the holder and subject to request for conversion pursuant to the conditions of the agreement, into common shares of the Company at a conversion price of NOK 11.00 per share. The maximum number of shares that may be issued on conversion is 120 million. If the bonds are not converted, the principal portion is fully repayable in NOK on December 15, 2010.

The convertible bonds at September 30, 2007 have been segregated into their debt and equity components as follows:

	<u>September 30, 2007</u>	<u>December 31, 2006</u>
Equity component	\$ 15,607	\$ 15,607
Debt component	<u>225,636</u>	<u>191,509</u>

Over the term of the debt obligation, the equity component is accreted to the face value of the instrument by recording an additional interest expense. The Company estimates that the fair value of the debt component of the 6% convertible bonds is \$212.1 million at September 30, 2007 (December 31, 2006 - \$183.3 million).

**CREW GOLD CORPORATION**  
**Notes to the Interim Consolidated Financial Statements**  
**For the quarter and nine months ended September 30, 2007**  
(Expressed in thousands of US dollars - Unaudited)

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**8. Other Long Term Debt**

Other long term debt comprises:

	<u>September 30, 2007</u>	<u>December 31, 2006</u>
9.5% Bonds (a)	\$ 27,422	\$ 23,579
March 2006 Bonds (b)	108,297	99,686
Other long term obligations	4,746	4,746
	<u>\$ 140,465</u>	<u>\$ 128,011</u>

*(a) 9.5% Bonds*

The bonds have a fixed interest rate of 9.5% with interest payable annually in arrears. The loan matures on October 27, 2009. The Company may redeem the loan in October 2007 at a price of 103.0% and in October 2008 at a price of 101.5%.

*(b) March 2006 Bonds Issuance*

On March 30, 2006 the Company received subscriptions for a new issue of collateralized bonds in the aggregate principal amount of approximately \$101.6 million, comprising a USD tranche of \$50 million and a NOK tranche of NOK325 million, approximately \$51.6 million. After deducting financing costs of \$2.8 million, net proceeds were \$98.8 million.

The USD tranche of the bonds has a floating interest rate of 3 month LIBOR + 5.0% per annum, whereas the NOK tranche has a floating interest of 3 month NIBOR + 5.0% per annum. Interest on these bonds is payable quarterly, they have a 5 year term, and Crew may redeem the bonds (wholly or in part) at the third anniversary of the issuance at a price of 105.0% and at the fourth anniversary of issuance at a price of 102.5%.

Interest on the bonds totalling \$7.8 million (nine months period ending September 30, 2006 - \$4.6 million) has been capitalised to the Lefa project for the nine months period ending September 30, 2007. Interest payments of \$14.7 million have been made from March 30, 2006 to September 30, 2007.

The finance costs associated with the issue of the bonds are held as deferred financing costs and are being amortized over the period of the liability. As at Sept 30, 2007, deferred financing costs amounted to \$2.0 million and have been included within the value of the bonds. The Company estimates that the fair value of the March 2006 bonds approximates their carrying value at September 30, 2007.

The bonds are collateralized by a pledge over all the shares of Crew's wholly owned subsidiary Guinor Gold Corporation. Crew has undertaken not to raise any new debt which results in the Company exceeding certain specified financial ratios, nor raise any new debt in Guinor. In addition, Crew also agreed not to make any dividend payments or other distributions to its shareholders that would constitute more than, on a consolidated basis, 50% of Crew's net profit after taxes for the previous financial year (other than in respect of certain qualified divestitures of non-gold assets).

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**9. Share Capital**

(a) *Details of changes in the issued share capital since December 31, 2006 are as follows:*

<b>SHARE CAPITAL</b>	<b>Number of Shares</b>	<b>Amount</b>
Balance at December 31, 2006	<b>422,224,875</b>	\$ 508,106
Issued for cash on exercise of share options	<b>300,000</b>	101
Issued for cash through private placement	<b>41,922,487</b>	64,992
<b>Balance at September 30, 2007</b>	<b>464,447,362</b>	\$ 573,199

On September 21, 2007, the Company concluded a private placement of 41,922,487 common shares at NOK\$9.00 per share (approximately US \$1.62 per share) for aggregate net proceeds of \$65.0 million after issue expenses of \$2.9 million.

(b) *Share options*

Share options outstanding at September 30, 2007 are as follows:

<u>Options outstanding</u>	<u>Options exercisable</u>	<u>Expiry date</u>	<u>Weighted average exercise price (CDN\$)</u>	<u>Remaining contractual life (years)</u>
500,000	500,000	November 2, 2007	\$ 0.33	0.08
500,000	500,000	July 22, 2008	0.42	0.75
200,000	200,000	August 12, 2008	0.55	0.83
275,000	275,000	October 23, 2008	0.84	1.08
250,000	250,000	March 10, 2009	1.20	1.42
680,000	680,000	June 26, 2008	1.33	0.75
250,000	250,000	October 6, 2009	1.28	2.00
250,000	250,000	February 10, 2010	1.35	2.33
1,440,000	1,440,000	August 2, 2010	1.85	2.83
400,000	400,000	December 9, 2010	1.50	3.17
3,495,000	3,495,000	March 9, 2011	1.74	3.42
600,000	400,000	June 29, 2011	1.74	3.75
250,000	166,667	September 20, 2011	2.05	4.00
550,000	-	June 7, 2012	2.20	4.67
11,279,167	1,868,056	December 12, 2011	2.42	4.25
350,000	-	May 1, 2012	2.65	4.58
<b>21,269,167</b>	<b>10,674,723</b>		<b>\$ 2.02</b>	<b>3.55</b>

No share purchase options were granted during the quarter ended September 30, 2007.

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**10. Accumulated Other Comprehensive Income**

<b>Opening balances on adoption of new accounting standards on January 1, 2007</b>	
Accumulated other comprehensive income at beginning of period	
Currency translation adjustment	\$ 538
Unrealized gains on investments	223
Opening balances on adoption of new accounting standards	\$ 761
<b>Other comprehensive loss for the period</b>	<b>(223)</b>
<b>Accumulated other comprehensive income at September 30, 2007</b>	<b>\$ 538</b>
<b>Components of accumulated other comprehensive income at September 30, 2007</b>	
Currency translation adjustment	538
<b>Accumulated other comprehensive income at September 30, 2007</b>	<b>\$ 538</b>

**11. Accounting for Financial Instruments**

*(a) Sales and purchase contracts*

All of the company's gold sales are made at spot prices prevailing at the time of sale. Revenues are therefore recorded at the time of sale based on spot prices obtained on the date of sales.

*(b) Accounts receivable and prepaid expenses and deposits, cash, and accounts payable and accrued liabilities*

The carrying amounts approximate fair values because of the short-term duration of these instruments.

*(c) Investments*

The company's equity investment in Crew Minerals ASA has a carrying value of \$13.9 million at September 30, 2007. The fair value of this investment, based on quoted market prices, at September 30, 2007 is \$54.4 million.

The company's investment in Golden Star Resources was sold for gross proceeds of \$1.4 million during July 2007.

*(d) Convertible Bonds and Other Long-term debt*

The convertible bonds and other long term debt are designated as held to maturity financial instruments and changes in fair values are not included in regular earnings or other comprehensive income. They are accounted for at amortized costs.

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**12. Segmented Information**

The Company manages its operations by geographical location. Following the commencement of commercial mining operations at Nalunaq during July 2004, the acquisitions of Guinor and Apex during the year ended June 30, 2006 and the acquisition of the Nugget Pond processing facility in the six month period ended December 31, 2006, management considers the Company to be operating in geographical segments. These reportable operating segments are summarised in the tables below;

	<b>Three months ended September 30, 2007</b>				
	<b>Guinea</b>	<b>Greenland</b>	<b>Philippines</b>	<b>Corporate, other and eliminations</b>	<b>Total</b>
Mineral sales	\$ -	\$ 14,364	\$ -	\$ -	\$ 14,364
Depletion and depreciation	-	(3,496)	-	-	(3,496)
Interest (expense) income	(150)	(210)	(133)	283	(210)
Interest and finance costs	-	-	-	(5,397)	(5,397)
Loss from operations	(881)	(8,817)	(1,974)	(39,645)	(51,317)
Inter-segment charges	-	(1,312)	-	1,312	-
Additions to capital assets	19,169	995	14,042	161	34,367
Total assets	714,921	81,121	101,701	92,940	990,683

  

	<b>Three months ended September 30, 2006</b>				
	<b>Guinea</b>	<b>Greenland</b>	<b>Philippines</b>	<b>Corporate, other and eliminations</b>	<b>Total</b>
Mineral sales	\$ 13,737	\$ 12,164	\$ -	\$ -	\$ 25,901
Depletion and depreciation	(4,529)	(1,917)	-	-	(6,446)
Interest income (expense)	58	(134)	-	260	184
Interest and finance costs	-	-	-	(5,113)	(5,113)
Earnings (loss) from operations	103	(2,778)	(278)	4,585	1,632
Inter-segment charges	-	(590)	-	590	-
Additions to capital assets	46,730	1,701	15,511	14	63,956
Total assets	644,760	69,328	49,041	38,097	801,226

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**12. Segmented Information (continued)**

	Nine months ended September 30, 2007				
	Guinea	Greenland	Philippines	Corporate, other and eliminations	Total
Mineral sales	\$ 128	\$ 27,856	\$ -	\$ -	\$ 27,984
Depletion and depreciation	-	(7,309)	-	-	(7,309)
Interest (expense) income	(316)	(356)	(242)	867	(47)
Interest and finance costs	-	-	-	(15,775)	(15,775)
Loss from operations	(1,099)	(12,630)	(1,974)	(19,585)	(35,288)
Inter-segment charges	-	(3,982)	-	3,982	-
Additions to capital assets	65,116	5,864	29,267	1,446	101,693
Total assets	714,921	81,121	101,701	92,940	990,683

  

	Nine months ended September 30, 2006				
	Guinea	Greenland	Philippines	Corporate, other and eliminations	Total
Mineral sales	\$ 24,512	\$ 23,585	\$ -	\$ -	\$ 48,097
Depletion and depreciation	(7,311)	(6,815)	-	-	(14,126)
Interest income	144	(86)	65	405	528
Interest and finance costs	-	-	-	(15,053)	(15,053)
Loss from operations	(624)	(11,599)	(791)	(22,164)	(35,178)
Inter-segment charges	-	(2,440)	-	2,440	-
Additions to capital assets	111,989	3,484	26,022	1,272	142,767
Total assets	644,760	69,328	49,041	38,097	801,226

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**13. Subsequent Events**

*(a) Disposal of Crew Minerals ASA shares*

On November 1, 2007, the Company sold 15 million shares in CMASA at NOK12.00 for aggregate gross proceeds of \$33.6 million. Following this transaction, Crew Gold Corporation holds 14.9 million shares (16.3%) of CMASA including 4.5 million shares subject to the repurchase obligation.

*(b) Acquisition of minority interest in Nalunaq Gold Mine A/S*

On November 1, 2007, the Company, through its wholly owned subsidiary, Crew Nalunaq Denmark ApS, concluded an agreement with NunaMinerals A/S ("Nuna") to purchase Nuna's 17.5% interest in the Nalunaq Gold Mine. The consideration includes CAD \$2.5 million for Nuna's shares, repayment of all loans accrued interest between Nuna and Nalunaq Gold Mine of approximately CAD \$2.5 million and a Net Smelter Royalty of 1.5% on production in excess of 992,000 cumulative ounces. The transaction is expected to be concluded on or before November 15, 2007, whereupon the Company will hold 100% of the equity in the Nalunaq Gold Mine.

*(c) Option Exercise*

On November 1, 2007, an ex-employee exercised options to purchase 500,000 common shares at an exercise price of \$0.33 per share. The options were originally granted on November 1, 2002 and were set to expire on November 1, 2007.

**14. Related Parties**

Included in accounts payable and accrued liabilities at September 30, 2007 is an amount of \$10.4 million (December 31, 2006 - \$nil) owing to CMASA.