CREW GOLD CORPORATION
Management's Discussion and Analysis of Financial Condition and Results of Operations
For the quarter and six months ended June 30, 2010
(Expressed in US dollars)

INTRODUCTION

This management's discussion and analysis ("MD&A"), prepared effective August 14, 2010, provides detailed analysis of the financial condition and results of operations of Crew Gold Corporation ("Crew", "the Corporation", "the Company", "we" or "our") for the quarter and six months ended June 30, 2010 ("Q2 2010" and "YTD 2010") with comparison to the respective periods ended June 30, 2009 ("Q2 2009" and "YTD 2009"). The MD&A should be read in conjunction with the Company's Unaudited Interim Consolidated Financial Statements for the quarter and six months ended June 30, 2010 and the Audited Financial Statements for the year ended December 31, 2009 and the related notes thereto which have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). As a result of the debt-to-equity restructuring completed on December 11, 2009, and the Canadian accounting implications surrounding it, the quarter and six months ended June 30, 2010 reflects the unaudited results of operations and cash flows of the post-reorganization Company and the quarter and six months ended June 30, 2009 reflects the results of operations and cash flows of the pre-reorganization Company. Prior period financial information has not been restated to reflect the impact of the financial reorganization and accordingly certain amounts in the pre-reorganization Company are not directly comparable. Unless the context otherwise requires, all references to yearly and quarterly periods are to calendar years and quarters and all amounts are in US dollars unless otherwise stated. Additional information relating to the Company is available in the Company's Annual Information Form dated March 31, 2010 which is filed on SEDAR at www.sedar.com.

HIGHLIGHTS

- LEFA
  - Gold production in Q2 2010 of 47,340 oz, up 16% from 40,743 oz produced in Q1 2009
  - Major repairs were completed on ball mill 2 alleviating risk of failure of the equipment.
  - Process plant throughput rates averaged 14,500 tonnes per day ("tpd") in the quarter (Q2 2009 – average of 10,800 tpd)
  - YTD gold production of 105,270 oz, up 23% from 85,349 oz achieved for YTD 2009
  - YTD process plant throughput rates averaged 16,000 tonnes per day ("tpd"), up 45% on YTD 2009 average of 11,000 tpd

- Financial Results
  - EBITDA (excluding discontinued operations) for the quarter ended June 30, 2010 of $17.6 million (quarter ended June 30, 2009 – $7.0 million)
  - EBITDA (excluding discontinued operations) for the six months ended June 30, 2010 of $34.7 million (six months ended June 30, 2009 – $16.9 million)
  - Net profit (including discontinued operations) of $11.8 million for the quarter ended June 30, 2010 (quarter ended June 30, 2009 – $4.1 million)
  - Net profit (including discontinued operations) of $21.6 million for the six months ended June 30, 2010 (six months ended June 30, 2009 – net loss of $7.8 million)

- Outlook
  - All mills at LEFA are expected to be operational during 2010. An average process plant throughput rate of 15,000 tpd has been budgeted to take into account the last of the planned major shutdowns
  - Work will continue on improving plant availability, reliability and efficiency through the $75 million capital program which includes the purchase of insurance spares, progressive refurbishment and debottlenecking projects with the goal of improved throughput and reduced operating costs per oz. The $75 million capital program also includes expenditures to refurbish the mining fleet, the purchase of additional mobile equipment and an exploration program and is planned to be completed prior to the end of 2012.

OVERVIEW

Crew is a mining company currently focused on maximizing the performance of its gold mining operations and exploration projects in Guinea.

Results

Following the sales of the assets of Nalunaq, Nugget Pond and the Maco property in 2009, these operations were reclassified as discontinued operations and the results of the continuing operations of the Company reflect LEFA and corporate overheads. The comparative profit and loss statement, cash flow statement and balance sheet amounts have been reclassified where applicable.

For the quarter ended June 30, 2010, EBITDA (excluding discontinued operations) was $17.6 million (quarter ended June 30, 2009 – $7.0 million) with mineral sales of $55.9 million partly offset by direct mining and mine site administration costs of $35.2 million and general corporate expenditures of $3.0 million.

Loss from discontinued operations (Nalunaq/Nugget Pond and Maco) totalled $0.4 million in the quarter ended June 30, 2010 (quarter ended June 30, 2009 – profit of $7.0 million).

Net profit (including discontinued operations) for the quarter ended June 30, 2010 was $11.8 million (quarter ended June 30, 2009 – $4.1 million). This net profit arises from the EBITDA of $17.6 million and foreign exchange gains of $2.1 million, partly offset by depletion and depreciation charges of $5.1 million and interest and finance costs of $2.5 million.

LEFA produced 47,340 oz of gold in the quarter ended June 30, 2010 (quarter ended June 30, 2009 – 40,743 oz). Gold sold in the quarter ended June 30, 2010 was 47,070 oz at an average price of $1,187/oz (quarter ended June 30, 2009 – 38,665 oz at an average price of $928/oz).

For the six months to June 30, 2010, EBITDA (excluding discontinued operations) was $34.7 million (six months ended June 30, 2009 – $16.9 million) with mineral sales of $113.4 million and a gain of $1.1 million from the disposal of Maco, partly offset by direct mining and mine site administration costs of $73.9 million and general corporate expenditures of $5.7 million.

Loss from discontinued operations (Nalunaq/Nugget Pond and Maco) totalled $0.4 million in the six months ended June 30, 2010 (six months ended June 30, 2009 – profit of $10.2 million).

Net profit (including discontinued operations) for the six months ended June 30, 2010 was $21.6 million (six months ended June 30, 2009 – net loss of $7.8 million). This net profit arises from the EBITDA of $34.7 million and foreign exchange gains of $2.8 million, partly offset by depletion and depreciation charges of $10.7 million and interest and finance costs of $4.9 million.

LEFA produced 105,270 oz of gold in the six months ended June 30, 2010 (six months ended June 30, 2009 – 85,349 oz). Gold sold in the six months ended June 30, 2010 was 99,118 oz at an average price of $1,144/oz (six months ended June 30, 2009 – 94,175 oz at an average price of $908/oz).

(Expressed in US dollars)

OPERATIONS REVIEW

LEFA Gold Production - Quarter ended June 30, 2010	Quarter ended June 30, 2010	Quarter ended June 30, 2009
Tonnes mined	1,789,830	1,108,028
Mined Grade (g/t)	1.0	1.6
Tonnes milled	1,318,842	984,566
Milled Grade (g/t)	1.3	1.4
Recovery (%)	88.1	90.8
Gold produced (ounces)	47,340	40,743
Gold sold (ounces)	47,070	38,665
Sale price realized ($/oz)[1]	1,187	928
Cash cost per ounce ($/oz)[1]	761	704

LEFA Gold Production - Six Months ended June 30, 2010	Six Months ended June 30, 2010	Six Months ended June 30, 2009
Tonnes mined	3,640,649	2,351,428
Mined Grade (g/t)	1.2	1.5
Tonnes milled	2,898,308	1,983,035
Milled Grade (g/t)	1.3	1.5
Recovery (%)	88.8	90.7
Gold produced (ounces)	105,270	85,349
Gold sold (ounces)	99,118	94,175
Sale price realized ($/oz)[1]	1,144	908
Cash cost per ounce ($/oz)[1]	713	690

[1] **Sales price realized and cash cost per ounce are "Non-GAAP" measures which are 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.**

Plant and Infrastructure

In May 2010 both SAG mills were taken offline for scheduled mill relining and machining work was also completed on the shell of SAG Mill 1. During this downtime Ball Mill 2 ("Ball #2") was taken offline for machining of the mill faces and trunnion faces. This repair was successfully completed in 36 days. The plant has one more major mill repair scheduled in 2010; during Q4, SAG Mill 1 will have both feed and discharge end trunnions replaced.

The de-bottlenecking projects continued with ongoing work to upgrade the gold room and electrowinning circuits. The elution circuit upgrade was completed in May. The reagent handling upgrade work is nearing completion and minimises any potential environmental or safety issues. In Q1 2010 a metallurgical audit was conducted on the processing plant, the results of which are expected in early Q3. The results of the audit will allow a targeted optimization of the plant.

Plant maintenance continues to normalize and higher availabilities are being achieved, however there remains some risk of partial interruptions to production into 2010, until all of the ordered insurance spares are on site. It is estimated that approximately $75 million will be spent to complete the purchase of insurance spares, the rectification and upgrade of the process plant, the planned full-life rebuild of the mining fleet, the acquisition of additional mining equipment and to restart the exploration program. With the exception of the cost of the mining fleet rebuild, these expenditures were budgeted for in prior years but were not incurred because of cash flow constraints. The mining fleet rebuild has been prioritized for 2010 and 2011.

The timing of all the expenditures continues to be dependent on an assessment of risk and the availability of funds.

Operating Results

Production was interrupted in Q2 2010 due to the SAG mill relines and Ball #2 repair. Mill throughput averaged 14,493 tpd in the quarter to June 30, 2010.

Overall production equipment availability has continued to be an issue due to the delays in acquiring the necessary spares and mining activities in the year have been impacted by low mining fleet availability. The purchase of five additional haulage trucks has assisted in maintaining mine production until critical major components arrive onsite and are installed. The size of the ancillary equipment fleet has been increased to help reduce the negative impact on the mine production of the wet season. Mill operations for the month of May were adversely affected by scheduled maintenance on the SAG mills and Ball #2. The lower than expected head grades in 2010 were directly related to changes in the mine plan due to mining equipment availability and the utilisation of lower grade stockpiles when required.

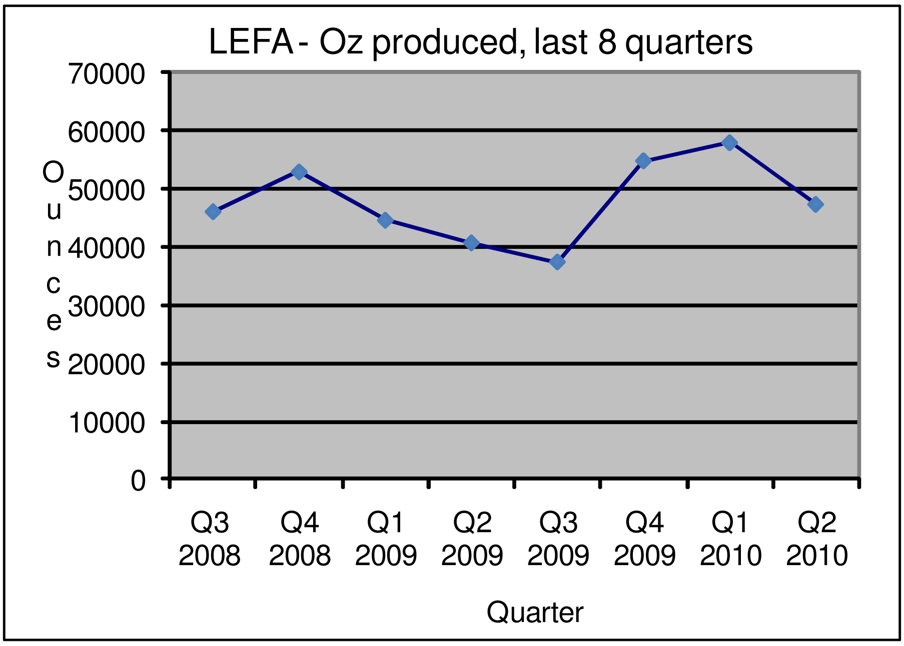
Ore mined in the quarter ended June 30, 2010 was 1,789,830 tonnes at an average grade of 1.0 g/t (quarter ended June 30, 2009 – 1,108,028 tonnes at grade of 1.6 g/t). Total ore mined for the six months ended June 30, 2010 was 3,640,649 tonnes at an average grade of 1.2 g/t (six months ended June 30, 2009 – 2,351,428 tonnes at an average grade of 1.5 g/t).

Ore milled during the quarter ended June 30, 2010 was 1,318,842 tonnes at an average grade of 1.3 g/t (quarter ended June 30, 2009 – 984,566 tonnes at an average grade of 1.4 g/t). Year-to-date plant throughput for the six months ended June 30, 2010 totalled 2,898,308 tonnes at a head grade of 1.3 g/t (six months ended June 30, 2010 – 1,983,035 tonnes at a head grade of 1.5 g/t).

(Expressed in US dollars)

Gold produced in the quarter ended June 30, 2010 was 47,340 oz (quarter ended June 30, 2009 – 40,743 oz) and for the six months ended June 30, 2010 was 105,270 oz (six months ended June 30, 2009 – 85,349 oz).

Gold produced during the last eight quarters was as follows:



Quarter	Q3 2008	Q4 2008	Q1 2009	Q2 2009	Q3 2009	Q4 2009	Q1 2010	Q2 2010
Ounces Produced	46,078	52,904	44,606	40,743	37,458	54,816	57,930	47,340

Gold sold in the quarter ended June 30, 2010 was 47,070 oz at an average gold price of $1,187/oz (quarter ended June 30, 2009 – 38,665 oz at an average gold price of $928/oz). Total gold sold in the six months ended June 30, 2010 was 99,118 oz at an average gold price of $1,144/oz (six months ended June 30, 2009 – 94,175 oz at an average gold price of $908/oz).

Cash costs for the quarter ended June 30, 2010 were $761/oz (quarter ended June 30, 2009 – $704/oz) and for the six months ended June 30, 2010 was $713/oz (six months ended June 30, 2009 – $690/oz). Cash costs in the quarter and year-to-date were higher than the comparative periods due to higher tonnage milled but at lower throughput grades, increases in fuel prices and necessary equipment hire costs (such as loaders and dozers) to allow mining operations to proceed.

Reserves and Resources

In January 2010, the Company announced updated mineral resources and reserves at LEFA, effective as at August 31, 2009. Total resources at August 31, 2009 stood at 5.22 million oz, comprising Measured and Indicated resources of 4.63 million oz and Inferred resources of 0.59 million oz. Total Proven and Probable reserves were 3.0 million oz as at August 31, 2009.

The detailed technical reports are available on SEDAR www.sedar.com and also on the Company's website www.crewgold.com

Government Issues

Since the change in the Government in December 2008, a new level of political uncertainty has existed in Guinea. However, in early 2010, a new interim government which incorporated members of opposition parties was sworn in and brought about an increased level of political stability.

The first democratic vote in Guinea since the country gained independence was held on June 27th. The election did not produce a majority winner; the second round has been scheduled for September 2010. There have been not been any significant disruptions in the country during the election process.

The previously established interim Government from December 2008 shut the mine down briefly on various occasions as they underwent a process of increasing their understanding of the operations and the related agreements. LEFA has been subject to the following reviews by the Government since 2009:

1. Environmental closure liabilities – while the project's foundation document, the Convention de Base, calls for the closure process to be funded by the Company at the end of the mine's life, the Government requested a cash deposit to cover the expected liability. The amount of the deposit agreed to in respect of LEFA was $5 million which was deposited in equal instalments of $2.5 million in June and July 2009;

2. Import duties – the Guinea Customs department has completed its review of import duties and the Company is currently in discussions with the department to agree on the effective dates for the application of rates stipulated in the Convention de Base;

3. Value Added Tax ("VAT") / Royalty payments – the Government owes the Company $21.1 million of VAT. While the Convention de Base states that VAT owing would be refunded, the Government is not up to date with the repayments. Royalty payments have previously been offset against VAT, but are now required to be paid without any such offset.

FINANCIAL REVIEW

Selected Quarterly Financial Information – Unaudited

Expressed in thousands of United States dollars (except for per share information)	June 30,		March 31,		December 31,		September 30,	
	2010	2009	**2010**	2009	**2009**	2008	**2009**	2008
Mineral Sales - continuing operations	**55,876**	35,891	**57,516**	49,613	**64,876**	35,501	**34,216**	45,075
Net profit (loss)								
- continuing operations	**12,161**	(2,882)	**9,790**	(15,144)	**(30,853)**	14,100	**(20,293)**	(45,509)
- discontinued operations	**(373)**	6,962	**(28)**	3,234	**12,715**	(32,080)	**(2,821)**	(65,550)
Total net profit (loss)	**11,788**	4,080	**9,762**	(11,910)	**(18,138)**	(17,980)	**(23,114)**	(111,059)
Net profit (loss) per share								
- continuing operations - basic	**0.11**	**(0.54)**	**0.09**	**(2.83)**	**(5.77)**	**4.38**	**(3.80)**	**(15.46)**
- continuing operations - diluted	**0.11**	**(0.54)**	**0.09**	**(2.83)**	**(5.77)**	**4.38**	**(3.80)**	**(15.46)**
- net profit (loss) – basic	**0.11**	**0.76**	**0.09**	**(2.23)**	**(3.39)**	**(5.58)**	**(4.32)**	**(37.73)**
- net profit (loss) - diluted	**0.11**	**0.76**	**0.09**	**(2.23)**	**(3.39)**	**(5.58)**	**(4.32)**	**(37.73)**
Operating cash inflows (outflows)	**6,443**	5,800	**5,029**	(3,675)	**7,817**	(4,517)	**(7,724)**	(16,287)
Cash and cash equivalents	**29,034**	18,528	**28,521**	12,602	**25,177**	17,168	**10,782**	27,915
Total assets	**429,448**	635,747	**423,201**	614,963	**423,746**	636,598	**624,235**	634,822
Long term debt and liabilities	**104,261**	292,305	**105,408**	289,307	**105,474**	284,012	**294,963**	324,600
Shareholders' equity	**259,895**	199,065	**248,107**	194,770	**238,345**	206,436	**176,161**	206,436

EBITDA[1] is calculated as follows:	June 30,	
	2010	2009
Net profit (loss) – continuing operations	**12,161**	(2,882)
Depletion and depreciation	**5,093**	5,941
Interest and finance charges	**2,456**	5,844
Stock compensation expense	**-**	241
Foreign exchange gain	**(2,098)**	(1,405)
Recovery of Income Taxes	**-**	(741)
EBITDA[1]	**17,612**	6,998

[1] The Company defines EBITDA as "earnings before interest and finance charges, taxes, depletion and depreciation, non-cash foreign exchange gain or loss and stock compensation expense and before discontinued operations". It is a non-GAAP measure and is more specifically described in the section entitled "Non-GAAP measures" on the final page of this Management's Discussion and Analysis.

Note – above table updated for restatements required by 2009 implementation of discontinued operations disclosures and 2008 implementation of CICA3064. The above amounts as shown for the quarter ended December 31, 2009 have been obtained through combining the unaudited results of operations for the 72 day period ended December 11, 2009 with those for the 20 day period ended December 31, 2009 as shown in the Consolidated Financial Statements at December 31, 2009 and December 31, 2008. Prior period financial information has not been restated to reflect the impact of the financial reorganization and accordingly certain amounts in the pre-reorganization Company are not directly comparable.

Financial Results for the Quarter ended June 30, 2010 – from continuing operations unless otherwise stated

Mineral sales for the quarter ended June 30, 2010 were $55.9 million (quarter ended June 30, 2009 - $35.9 million). Sales comprised 47,070 oz at an average realised price of $1,187/oz (quarter ended June 30, 2009 – 38,665 oz at an average realised price of $928/oz).

Direct mining costs for the quarter ended June 30, 2010 were $29.1 million (quarter ended June 30, 2009 - $20.5 million). The higher costs in the current quarter compared to 2009 was due mainly to the higher level of production, increased fuel prices and equipment hire costs necessitated by the low mining fleet availability. Mine site administration costs were $6.1 million (quarter ended June 30, 2009 - $6.0 million).

Depletion and depreciation expense, a non-cash charge, for the quarter ended June 30, 2010 was $5.1 million (quarter ended June 30, 2009 – $5.9 million). The lower charge in the quarter, despite higher production, was due mainly to the reduction in asset values following the financial reorganisation on December 11, 2009.

For the quarter ended June 30, 2010, general corporate expenditures were $3.0 million (quarter ended June 30, 2009 - $3.9 million).

Interest and finance charges for the quarter ended June 30, 2010 were $2.5 million, compared to $5.8 million in the quarter ended June 30, 2009. The decrease was due mainly to the significant reduction in debt levels following the debt-to-equity restructuring completed in December 2009.

The Company recorded foreign currency translation gains of $2.1 million relating mainly to the translation of the NOK denominated debt into US dollars (quarter ended June 30, 2009 – $1.4 million).

Income tax recovery relating to the unwinding of future income taxes on the LEFA acquisition was nil in the quarter, following the reorganisation in December 2009 (quarter ended June 30, 2009 – $0.7 million). The Company realised gains of $1.9 million in Q2 2009 on the repurchase of a portion of its long-term debt.

Loss from discontinued operations (Nalunaq/Nugget Pond and Maco) totalled $0.4 million in the quarter ended June 30, 2010 (quarter ended June 30, 2009 – net gain of $7.0 million).

Financial Results for the six months ended June 30, 2010 – from continuing operations unless otherwise stated

Mineral sales for six months ended June 30, 2010 were $113.4 million (six months ended June 30, 2009 - $85.5 million). Sales comprised 105,270 oz at an average realised price of $1,144/oz (six months ended June 30, 2009 – 85,349 oz at an average realised price of $908/oz).

Direct mining costs for the six months ended June 30, 2010 were $61.9 million (six months ended June 30, 2009 - $51.9 million). The higher costs in 2010 compared to 2009 was due mainly to the higher level of production, increased fuel prices and equipment hire costs necessitated by the low mining fleet availability. Mine site administration costs were $12.0 million (six months ended June 30, 2009 - $12.3 million).

Depletion and depreciation expense, a non-cash charge, for the six months ended June 30, 2010 was $10.7 million (six months ended June 30, 2009 – $22.1 million). Depletion and depreciation expense was significantly lower in 2010 due to the reduction in asset values following the financial reorganisation on December 11, 2009 and also the higher depreciation charge in the first part of 2009 to accelerate the amortisation of some major components of the open pit mining equipment.

For the six months ended June 30, 2010, general corporate expenditures were $5.7 million (six months ended June 30, 2009 - $6.1 million).

Interest and finance charges for the six months ended June 30, 2010 were $4.9 million, significantly lower than the $12.8 million incurred in the six months to June 30, 2009, due to the reduction in debt levels following the debt-to-equity restructuring completed in December 2009.

The Company recorded a net gain of $1.1 million on the disposal of Maco in the six months ended June 30, 2010 (six months ended June 30, 2009 – $nil). The Company also recognised foreign currency translation gains of $2.8 million relating mainly to the retranslation of the NOK denominated debt into US dollars (six months ended June 30, 2009 – foreign exchange loss of $1.1 million).

Income tax recovery relating to the unwinding of future income taxes on the LEFA acquisition was nil in the six months to June 30, 2010, following the reorganisation in December 2009 (six months ended June 30, 2009 – $1.6 million). The Company realised gains of $1.9 million in the six months ended June 30, 2009 on the repurchase of a portion of its long-term debt.

Loss from discontinued operations (Nalunaq/Nugget Pond and Maco) totalled $0.4 million in the six months ended June 30, 2010 (six months ended June 30, 2009 – net gain of $10.2 million).

LIQUIDITY AND CAPITAL RESOURCES

At June 30, 2010, Crew held unrestricted cash balances (including discontinued operations) of $29.0 million. Of the cash held, $28.9 million was held in US dollars and the balance of $0.1 million was held in Canadian dollars, British pounds sterling, Danish kroner and Norwegian kroner.

At June 30, 2010, the consolidated working capital comprising cash, restricted cash, accounts receivable, prepayments and inventories, less current liabilities was $44.0 million (December 31, 2009: $21.3 million).

The Company believes that the LEFA operation will generate sufficient cash flows to repay its debt obligations as they fall due from 2010 to 2012, however, this cannot be assured as the cash flows are dependent on significant factors outside the control of management such as changes in the gold price, foreign exchange rates, political uncertainty and related risk, operating risk and increasing costs of inputs.

The Company plans to continue its capital expenditure program at LEFA to update the processing plant, rebuild the mining fleet, finalize refurbishment of the mills and acquire insurance spares and mobile equipment to improve production. The Company anticipates that these programs, together with restarting the exploration program, will cost approximately $75 million. The Company anticipates funding the programs from cash flows, but is continually evaluating the timing and funding of the anticipated expenditures.

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

RELATED PARTY TRANSACTIONS

During the six months ended June 30, 2010 a law firm of which a director is a partner received legal fees of $403,000 from the Company (six months ended June 30, 2009 - $218,000). During the six months ended June 30, 2010, Crew paid $75,000 to Endeavour Financial International Corporation ("Endeavour") for financial advisory services (six months ended June 30, 2009 - $nil). An affiliated company of Endeavour owns 43.0% of the issued common shares of the Company. All transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed between the related parties.

OUTLOOK

The Company entered 2010 with a restructured balance sheet, a reduced and manageable debt load and a small but committed management team.

Our primary objectives in 2010 continue to be to operate the LEFA plant at full capacity, complete the rebuild of the mining fleet, finalise the refurbishment of the mill and acquire the spares and equipment to allow the production of 20,000 to 25,000 ounces of gold per month. These programs together with an exploration program are estimated to cost approximately $75 million and the timing and funding of expenditures are being continually evaluated and are dependent on the assessment of risk and the availability of funds, among other things. We expect to launch a significant focussed near mine and regional exploration program later in 2010.

As expected, Q2 2010 production was less than Q1 2010 due to the scheduled plant shutdowns and mining fleet availability. The Company expects the production to stabilise in Q3 2010 as the impact of the rainy season will be minimal.

After a period of political uncertainty in Guinea, a democratic election is now underway and is expected to be completed in September 2010. Crew believes interest from international corporations is increasing. There has been significant market interest in the Company during the first half of 2010 which we believe is positive for all stakeholders.

The Company believes that LEFA has considerable value which will be realised for stakeholders. The Company will continue to explore various strategic alternatives to ensure that the value is realised.

SHARE CAPITAL

The authorized share capital at June 30, 2010 was an unlimited number of common shares without par value. At August 14, 2010, the Company had 106,922,528 shares issued and outstanding.

The common shares are a single class, and are entitled to one vote per share on all matters put to shareholders of the Company, dividends, as and when declared by the Board of Directors of the Company, and participation in assets upon dissolution or winding-up.

The Company maintains a Share Option Plan which authorizes our Board of Directors to grant options to directors, officers and employees of Crew or its subsidiaries, to acquire common shares of the Company at a price which is greater than or equal to the fair market value of each common share on the date the option is granted. Options are generally exercisable for up to five years from the date of grant. As at August 14, 2010, there remained 91,427 options available for grant.

At August 14, 2010, there were 73,526 share options outstanding at a weighted average exercise price of CDN$190.52 each.

The Company considers capital to be long-term debt and shareholders' equity, comprised of issued share capital. It is the Company's objective to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to meet external capital requirements on its debt and credit facilities. The Company manages the capital structure and makes adjustments to it based on changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain and manage its capital structure, the Company may change the timing of its planned capital asset spending, attempt to issue new shares, seek debt financing subject to existing bond holder approval and sell assets.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles in Canada requires companies to establish accounting policies and to make estimates that affect both the amount and timing of the recording of assets, liabilities, revenues and expenses. Some of these estimates require judgments about matters that are inherently uncertain.

All of our significant accounting policies and the estimates derived therefrom are included in Notes 3 and 4 to the Consolidated Financial Statements for the years ended December 31, 2009 and December 31, 2008. While all of the significant accounting policies are important to our Consolidated Financial Statements, the following accounting policies, and the estimates derived there from, have been identified as being critical:

- Fresh start accounting;
- Carrying Values of Mining Property, Plant and Equipment and Other Mineral Property Interests;
- Depletion and Depreciation of Mining Property, Plant and Equipment;
- Reclamation and Remediation Obligations; and;
- Income Taxes.

Fresh start accounting

In accordance with Section 1625 of the CICA Handbook, Comprehensive Revaluation of Assets and Liabilities ("CICA 1625"), we reflected new costs established by the Restructuring on December 11, 2009. This is determined to be a "financial reorganization" per CICA 1625. Prior period financial information has not been restated to reflect the impact of the value adjustments and accordingly certain amounts in the pre-reorganization Company are not directly comparable.

The cost of the mineral property, plant and equipment has been adjusted to reflect the new cost established in the financial reorganization and the long term debt has been restated to estimated fair value in accordance with CICA 1625. VAT receivables of $21.1 million have been reclassified to mineral properties as the precise dates of their repayment cannot be determined at this time.

The actual cash repayments on the long term debt owing by the Company amount to $108.4 million in 2011 and 2012 based on their face value. These repayments were established in December 2009. However, applying the requirements of CICA 1625 to establish an estimated fair value, the long term debt as at June 30, 2010 has been reduced to $102.4 million after applying a discount rate of 10% to the long term debt.

Carrying Values of Mining Property, Plant and Equipment and Other Mineral Property Interests

We review and evaluate our mining properties for impairment when events and changes in circumstances indicate that the related carrying amounts may not be recoverable. Impairment is considered to exist if the total estimated future undiscounted cash flows are less than the carrying amount of the assets. Estimated undiscounted future net cash flows for properties in which a mineral resource has been identified are calculated using estimated future production, commodity prices, operating and capital costs and reclamation and closure costs. Undiscounted future cash flows for exploration stage mineral properties are estimated by reference to the timing of exploration and / or development work, work programs proposed, the exploration results achieved to date and the likely proceeds receivable if we sold specific properties to third parties. If it is determined that the future net cash flows from a property are less than the carrying value, then an impairment loss is recorded with a charge to operations, to the extent the carrying value exceeds discounted estimated future cash flows.

The estimates we use are subject to various risks and uncertainties. It is possible that changes in estimates could occur which may affect the expected recoverability of our investments in mining projects and other mineral property interests.

Depletion and Depreciation of Property, Plant and Equipment

Mining property, plant and equipment comprise the largest component of our assets and, as such, the amortization of these assets has a significant effect on our financial statements.

Depletion of each mining property is provided on the unit-of-production basis using estimated proven and probable reserves and measured and indicated resources as the depletion basis. The mining plant and equipment and other capital assets are depreciated, over their expected economic lives using either the unit-of-production method or the straight-line method (over 3 to 20 years), as appropriate.

Capital projects in progress are not depreciated until the capital asset has been put into operation.

The proven and probable reserves and measured and indicated resources are determined based on a professional evaluation using accepted international standards for the assessment of mineral reserves and resources. The assessment involves the study of geological, geophysical and economic data and the reliance on a number of assumptions. The estimates of the reserves and resources may change, based on additional knowledge gained subsequent to the initial assessment. This may include additional data available from continuing exploration, results from the reconciliation of actual mining production data against the original reserve and resources estimates, or the impact of economic factors such as changes in the price of commodities or the cost of components of production. A change in the original estimate of reserves and resources would result in a change in the rate of depletion and depreciation of the related mining assets or could result in impairment resulting in a write-down of the assets.

Reclamation and Remediation Obligations

We have obligations for site restoration and decommissioning related to our mining properties. We use mine closure plans, or other similar studies that outline the requirements planned to be carried out, in order to estimate our future obligations from mine closure activities. Because the obligations are dependent on the laws and regulations of the countries in which the mines operate, the requirements could change resulting from amendments in those laws and regulations relating to environmental protection and other legislation affecting resource companies.

We recognize liabilities for statutory, contractual or legal obligations associated with the retirement of mining property, plant and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. Initially, a liability for an asset retirement obligation is recognized at its fair value in the period in which it is incurred. Upon initial recognition of the liability, the corresponding asset retirement cost is added to the carrying amount of the related asset and the cost is amortized as an expense over the economic life of the asset using either the unit-of- production method or the straight-line method, as appropriate. Following the initial recognition of the asset retirement obligation, the carrying amount of the liability is increased for the passage of time and adjusted for changes to the amount or timing of the underlying cash flows needed to settle the obligation.

As the estimate of obligations is based on future expectations, we make a number of assumptions and judgments in the determination of closure provisions. The closure provisions are more uncertain the further into the future the mine closure activities are to be carried out. Actual costs incurred in future periods related to the disruption to date could differ materially from the discounted future value we estimated at June 30, 2010 as per the unaudited consolidated financial statements.

The Government of Guinea through the Minister of Environment has been reviewing the requirements for reclamation upon ultimate closure for all of the mines in Guinea. While the establishment of a closure fund in Guinea is not required in the LEFA Project governing document, the Convention de Base, it is however, regular practice in the industry. The Government of Guinea demanded a cash deposit to cover the expected liability and in LEFA's case the agreed amount was $5 million, which has been deposited.

Income Taxes

Future income tax assets and liabilities are computed based on differences between the carrying amounts of assets and liabilities on the balance sheet and their corresponding tax values, using the enacted or substantially enacted, as applicable, income tax rates at each balance sheet date. Future income tax assets also result from unused loss carry-forwards and other deductions. The valuation of future income tax assets is reviewed quarterly and adjusted, if necessary, by use of a valuation allowance to reflect the estimated realizable amount.

The determination of our ability to utilize tax losses carried forward to offset future income tax payable requires that we exercise judgment and make assumptions about the future performance of the Company. We are required to assess whether the Company is "more likely than not" to benefit from these tax losses. Changes in economic conditions, metal prices and other factors could result in revisions to the estimates of the benefits to be realized or the timing of utilizing the losses.

While the Company has significant income tax losses, the Company has a limited history of sustained profitability. As a result it is not considered more likely than not that the Company will generate sufficient taxable income to utilise the income tax losses and consequently no future tax asset has been recognised in the consolidated accounts.

RISKS AND UNCERTAINTIES

The Company and projects must be considered in light of the risks, expenses and difficulties frequently encountered by companies engaged in mining operations and the acquisition, exploration and development of mineral properties. These risk factors could materially affect our future operating results and cause actual future events to differ materially from those described in forward-looking statements. The key risk factors are outlined below.

Additional Financing

The completion, development or rectification of LEFA may require additional financing. Failure to generate the financing required could result in the delay or indefinite postponement of exploration, development or production on the LEFA project. There can be no assurance that additional capital or other types of financing will be available or that, if available, the terms of such financing will be favourable.

Liquidity Risk

Liquidity risk measures the risk that we may not be able to meet our liabilities as they fall due. At the end of June 2010, we had no committed credit facilities in place. We may not be able to meet future liabilities should we not internally generate the required cash flow.

Currency Risk

Results of our projects are reported and measured in US dollars, and are therefore affected by exchange rates between the US dollar and local currencies. All of our revenues are recorded and measured in US dollars. A weaker dollar would cause costs incurred in a currency other than US dollars to increase. We do not, at present, undertake any trading activity in financial instruments; however foreign exchange risk is managed by satisfying foreign denominated expenditures or liabilities with cash flows or assets denominated in the same currency. We fund our foreign currency denominated operations on a short-term basis to minimize the level of foreign currency denominated assets held and therefore, mitigate the risk of exposure against the US dollar.

At June 30, 2010, Crew held unrestricted cash balances (including discontinued operations) of $29.0 million. Of the cash held, $28.9 million was held in US dollars and the balance of $0.1 million was held in Canadian dollars, British pounds sterling, Danish kroner and Norwegian kroner. At June 30, 2010, the Company had total long-term debt of $20.7 million denominated in Norwegian kroner and $86.0 million denominated in US dollars. A 10% strengthening in the Norwegian kroner over the US dollar would result in additional interest and debt repayments of $2.1 million.

Interest Rate Risk

Monetary assets and liabilities are subject to the risk of movements in interest rates. The Company has long term bond financing subject to floating interest rates and, as a result, the Company is subject to interest rate risk from fluctuations in interest rates. The Company does not use derivative instruments to manage this risk. At June 30, 2010, the Company had total long-term debt of $20.7 million denominated in Norwegian kroner and $86.0 million denominated in US dollars. These liabilities are held either at fixed interest terms ($57.6 million) or at floating rates ($49.1 million) linked to LIBOR or NIBOR interest rates. A 1% increase in the interest rates pertaining to the floating rate liabilities would result in an additional annualized interest expense of approximately $0.5 million.

The cash deposits are held in the United Kingdom in the multiple local currency accounts at floating interest rates. Interest rates are commercial rates, which are fixed by reference to LIBOR for sterling and dollar assets, or the applicable inter-bank interest rates for financial assets held in other currencies.

Exploration, Development and Operating Risk

Our activities are primarily directed towards mining operations and the development of our mineral deposits. Our activities also include the exploration for and development of mineral deposits.

Mining operations generally involve a high degree of risk. Our operations are subject to all the hazards and risks normally encountered in the exploration, development and production of gold. These include unusual and unexpected geologic formations, rock bursts, cave-ins, adverse weather conditions, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk are and will be taken, operations are subject to risks which may result in environmental pollution and consequent liability.

The exploration for and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs that we plan will result in a profitable commercial mining operation.

Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade, depth and proximity to infrastructure; commodity prices which are highly cyclical; cost of fuel; government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection; and country stability. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in an inadequate return on invested capital.

There is no certainty that our expenditures towards the search and evaluation of mineral deposits will result in discoveries of commercial quantities of ore.

Foreign Operations

Crew's mining activities are exposed to varying degrees of political, economic and other risks and uncertainties.

These risks and uncertainties include, but are not limited to: terrorist activities, hyperinflation, labour unrest, the risks of war or civil unrest, expropriation, national strikes, martial law and nationalization, renegotiation or nullification of existing concessions, licenses, permits and contracts, illegal mining, changes in taxation policies, restrictions on foreign exchange and repatriation, and changing political conditions, currency controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

Changes in mining or investment policies or shifts in political attitude could materially impact our financial results. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, import duties and income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests. The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on profitability.

In various ways, changes in the Government of Guinea have impacted the Company's operations. This has taken the form of operational stoppages and delays in gold shipments as the Government established new controls over gold exports and environmental issues. The review of all mining operations in Guinea is continuing and Crew is in continuous dialogue with the Government and supportive of the Government's review. Gold shipment procedures were demonstrated in detail to Government officials and are completely transparent to the Government of Guinea. The issues related to the strategy for reclamation upon ultimate closure and its funding are being fully communicated to, and reviewed with, the Government. Discussions are also ongoing with respect to Import Duties, Value Added Tax and Royalty payments. See "LEFA Gold Mine – Government Issues".

Insurance and Uninsured Risks

Our business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods, snow falls and avalanches. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in mining, monetary losses and possible legal liability.

Although we maintain insurance to protect against certain risks in such amounts as we consider reasonable, our insurance will not cover all the potential risks associated with a mining company's operations. We also are unable to maintain insurance to cover some of these risks at economically feasible premiums.

Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to companies in the mining industry on acceptable terms.

We may also become liable for pollution or other hazards which may not be insured against or which we may elect not to insure against because of premium costs or other reasons. Losses from these events may result in significant costs that could have a material adverse effect upon our financial performance and results of operations.

Environmental Risks and Hazards

All phases of our operations are subject to environmental regulation in the various jurisdictions where we operate. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which may require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect our operations.

Government approvals and permits are currently, and may in the future be, required in connection with our operations. To the extent such approvals are required and not obtained; we may be curtailed or prohibited from continuing mining operations or from proceeding with planned exploration or development of mineral properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof, could have a material adverse impact on us and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Uncertainty in the Estimation of Ore/Mineral Reserves and Mineral Resources

The figures for ore/mineral reserves and mineral resources contained in this document are estimates only and no assurance can be given that the anticipated tonnages and grades will be achieved, that the indicated level of recovery will be realized or that ore/mineral reserves could be mined or processed profitably.

There are numerous uncertainties inherent in estimating ore/mineral reserves and mineral resources, including many factors beyond our control. Such estimation is a subjective process, and the accuracy of any reserve or resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Short-term operating factors relating to the ore/mineral reserves, such as the need for orderly development of the ore bodies or the processing of new or different ore grades, may cause the mining operation to be unprofitable in any particular accounting period. In addition, there can be no assurance that gold recoveries derived from small-scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.

Fluctuation in commodity prices, results of drilling, metallurgical testing and production and the evaluation of mine plans subsequent to the date of any estimate may require revision of such estimate. The volume and grade of reserves mined and processed and recovery rates may not be the same as currently anticipated. Any material reductions in estimates of ore/mineral reserves and mineral resources, or of our ability to extract these ore/mineral reserves, could have a material adverse effect on our results of operations and financial condition.

Additional Ore and Mineral Reserves

Because mines have limited lives based on proven and probable ore/mineral reserves, we must continually replace and expand our ore/mineral reserves as we produce gold. The life-of-mine estimates for our mine may not be correct. Our ability to maintain or increase our annual production of gold will be dependent on our ability to bring new mines into production and to expand ore/mineral reserves at our existing mine.

Commodity Prices

The market price of our common shares, financial results and exploration, development and mining activities have previously been, and may in the future be, adversely affected by declines in commodity prices, which are subject to significant fluctuation. The factors giving rise to these fluctuations are generally out of our control, being largely driven by external global economic factors.

In particular, the price of gold has fluctuated significantly in recent years. Declines in the price of gold in the future could render our exploration and mining activities uneconomical until such time as the price recovers. These declines could result in a re-calculation of life-of-mine plans and reserve calculations which could have a material adverse affect on measured financial performance.

Government Regulation

Our mining, processing, development and mineral exploration activities are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters. Although we believe our mining operations and exploration and development activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and mining activities or their application could have a substantial adverse impact on our company.

Acquisitions

We could fail to select appropriate acquisition targets, fail to negotiate favourable acquisition or financing terms, or could complete acquisitions or business arrangements which do not ultimately benefit our ongoing business. We also face strong competition from other mining and exploration companies in connection with the acquisition of properties producing, or capable of producing, precious metals, and many of these competing companies have greater financial resources than Crew.

Risks Relating to Acquisitions

There can be no assurance that the benefits anticipated from the Corporation's acquisition of Guinor Gold Corporation will be realized by the Corporation.

The carbon-in-leach gold processing plant (the "CIL Plant") at LEFA may not achieve the production capacity or production cost per ounce expected by Crew. Such failures could have a material adverse affect on the Corporation's future production, profitability, financial performance and results of operations.

Market Price of Stock

Our common shares are listed on the Toronto Stock Exchange and the Oslo Børs.

Securities of mining and exploration companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include global macroeconomic developments and market perceptions of the attractiveness of particular industries. Our share price is also likely to be significantly affected by short-term changes in gold prices or in our financial condition or results of operations as reflected in our quarterly financial statements.

As a result of any of these factors, the market price of our common shares at any given point in time may not accurately reflect our long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. Crew may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Sales of a large number of our common shares in the public markets, or the potential for such sales, could decrease the trading price of our shares, and could impair our ability to raise capital through future share issues.

Dependence on Key Personnel

Our success is dependent on senior management. The experience of these individuals will be a factor contributing to our continued success and growth. The loss of one or more of these individuals could have a material adverse effect on our business prospects.

Financial Instruments

In the previous periods, the Company had repurchase obligations in respect of share investments and certain other marketable securities. These instruments were recorded at their fair value on the Company's balance sheet with unrealized gains and losses in each period included in other comprehensive income or net profit as appropriate.

COMPREHENSIVE INCOME

There were no components of other comprehensive income during the quarter and six months ended June 30, 2010.

INTERNAL CONTROLS OVER FINANCIAL REPORTING AND DISCLOSURE CONTROLS

Management is responsible for the design of internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements in accordance with accounting principles generally accepted in Canada. The Company believes its internal controls and procedures are effective in providing reasonable assurance that financial information is recorded, processed, summarized and reported in a timely manner.

There have been no changes in the Company's internal controls over financial reporting during the quarter ended June 30, 2010 that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

Management is also responsible for the design and effectiveness of disclosure controls and procedures to provide reasonable assurance that material information related to the Company is made known to the Company's certifying officers.

INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five-year transitional period. In February 2008, the AcSB announced that 2011 is the adoption date for publicly listed companies to use IFRS, replacing Canadian GAAP. The effective date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The Company's adoption date of January 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010.

(Expressed in US dollars)

The Company is engaged in an assessment and conversion process which includes consultation with external consulting firms and expects to be ready for the conversion to IFRS in advance of January 1, 2011. As part of the conversion process, the Company will be offering IFRS specific training to finance personnel.

The Company's approach to the conversion to IFRS includes three phases.

- Phase One, an initial general diagnostic of its accounting policies and Canadian GAAP relevant to its financial reporting requirements to determine the key differences and options with respect to acceptable accounting standards under IFRS, was completed in mid 2009;
- Phase Two, an in depth analysis of the impact of those areas identified under phase one, commenced in late 2009 and is expected to be completed in the third quarter of 2010;
- Phase Three, the implementation of the conversion process, through the preparation of the opening balance sheet as at January 1, 2010, will be carried out in the second half of 2010.

The following table provides a more detailed summary of our changeover plan, the key activities involved and the current status of these tasks;

Key Activities	Current Status
Financial Reporting • Analyze and select accounting policies where alternatives are permitted, including IFRS 1 elections • Quantify key differences for opening balance sheet • Identify and quantify impact on taxation • Prepare IFRS consolidated financial statements, including IFRS 1 reconciliations	• Finalized IFRS 1 elections and formulated policy positions for key accounting differences during 2009 • Identification and quantification of taxation impact is in progress • Preparation of draft skeleton consolidated financial statements and IFRS 1 reconciliations are planned for the second half of 2010
Personnel and Training • Develop IFRS expertise and provide technical training to key finance and accounting personnel at relevant locations	• Training will be provided on an as-needed basis during 2010 until full adoption in 2011
Business Activities • Identification of impact on compensation arrangements • Assess impact of conversion on budgeting and forecasts	• Compensation arrangements that rely on indicators from the financial statements are being analyzed during the third quarter of 2010 • Planning is underway

Control Activities • For all accounting policy changes identified, assessment of Internal Controls over Financial Reporting ("ICFR") and Disclosure Controls and Procedures ("DC&P") design and effectiveness implications	• Any issues with respect ICFR and DC&P are being identified and analyzed • Appropriate changes to be implemented during the second half of 2010

At this point, the Company's IT accounting and financial reporting systems are not expected to be significantly impacted.

Based on the review undertaken under Phase One and the work completed to date under Phase Two, the Company is continuing to assess the impact that IFRS will have on its current financial position but believes that it will be limited. At the same time, IFRS will likely require more extensive disclosure and analysis of balances and transactions in the notes to the financial statements. The specific accounting areas that the Company has been focussing its analysis on are outlined below together with the more salient issues under each area;

Key Area	Canadian GAAP (as applied by the Company)	IFRS
Plant and Equipment	Plant and Equipment is recorded at the new cost established in the financial re-organization. Depreciation is based on useful lives after estimation of residual values.	Plant and Equipment can be recorded at cost or at fair value on transition to IFRS. Depreciation must be based on the useful lives of each significant component with Plant and Equipment
Mineral Property	Exploration, evaluation and development costs are capitalized when incurred. They are amortized on the basis of production or written off when the prospect is no longer deemed prospective or is abandoned.	IFRS has limited guidance with respect to these costs and currently allows exploration and evaluation costs to be either capitalized or expensed.
Asset Retirement Obligations	Canadian GAAP limits the definition of AROs to legal obligations. The ARO is calculated using a current credit-adjusted, risk-free rate for upward adjustments, and the original credit-adjusted, risk-free rate for downward	IFRS defines AROs as legal or constructive obligations. The ARO is calculated using a current pre-tax discount rate (which reflects current market assessment of the time value of money and the risk specific to the liability) and is revised

	revisions. The original liability is not adjusted for changes in current discount rates.	every period to reflect changes in assumptions or discount rates.
Impairment of long-lived assets	Impairment tests of long-lived assets are considered annually based on indications of impairment. Impairment tests are performed on the basis of undiscounted future cash flows. Write-downs to net realizable values under an impairment test are permanent changes in the carrying value of assets.	Impairment tests of "cash-generating units" are considered annually in the presence of indications of impairment. Impairment tests are generally carried out using the discounted future cash flow. Write-downs to net realizable values under an impairment test can be reversed if the conditions of impairment cease to exist.
Functional currency	Functional currency can be assessed for the group as a whole. We determined the U.S. dollar to be the functional currency effective July 1, 2005.	Functional currency should be assessed independently for each subsidiary within a consolidated group and introduces the concept of primary and secondary factors.
Stock-based compensation	Stock-based compensation is determined at grant date using fair value models (e.g. Black-Scholes) for option awards. Actual forfeitures are only recorded as they occur.	Stock-based compensation is determined using fair value models for option awards at grant date. A forfeiture rate is also estimated at that date and the compensation expense is adjusted for that rate.

IFRS 1, "First time adoption of International Financial Reporting Standards", generally requires that all IFRS standards and interpretations be accounted for on a retrospective basis. IFRS 1 provides for certain optional exemptions and other mandatory exceptions to this general principal. The most significant IFRS optional exemptions which Crew expects to apply are:

- **Cumulative translation differences** – IFRS 1 provides an exemption that allows the Company to reset its cumulative translation difference to zero at the date of transition;
- **Business combinations** – IFRS 1 provides an exemption that allows the Company not to have to restate business combinations entered into prior to the date of transition;
- **Borrowing costs** – IFRS 1 provides an exemption that allows the Company to apply IAS 23 "Borrowing Costs" from the date of transition to IFRS for all qualifying assets for which the capitalisation start date is on or after that date;
- **Share-based payments** – IFRS 1 provides an exemption that allows the Company to apply IFRS 2 from the date of transition depending on the grant date, vesting terms and settlement of any related liabilities.

The above comments should not be considered as a complete list of changes that will result from the transition to IFRS as the Company's analysis is still in progress and no final determinations have been made where choices of accounting policies are available. In addition, the accounting bodies responsible for issuing Canadian and IFRS accounting standards have significant ongoing projects that could impact the Company's financial statements as at January 1, 2011 and in subsequent years. In addition, there is an extractive industries project currently underway that will lead to more definitive guidance on the accounting for exploration and evaluation expenditures, but this is still in the discussion paper stage and may not be completed for some time. The Company is continuing to monitor the development of these projects and will assess their impact in the course of its transition process to IFRS.

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 a) the continuing availability of the SAG mills at the LEFA gold project ("LEFA") in Guinea, b) the anticipated improvements at LEFA from processing plant and mining fleet upgrades and maintenance, c) the political environment in Guinea, d) future operations at LEFA, e) the expected reduction in corporate costs, f) the effect of discontinued operations on Crew's ongoing operations, g) expected expenditures at LEFA, h) the expected future capacity and success of the LEFA mine and its expansion potential, i) government regulation of mining operations, and j) the price of gold. 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, (8) actual cash flow and capital expenditure requirements being greater than anticipated, and (9) risks and uncertainties existing in world capital markets generally. Although Crew has attempted to identify important factors that could cause actual events or results to differ from those described in forward-looking statements contained herein, there can be no assurance that the forward-looking statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements.

The material factors and assumptions used to develop forward-looking statements which may be incorrect, include, but are not limited to, (1) there being no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, damage to equipment or otherwise, (2) continued development, operation and production at LEFA consistent with our current expectations, (3) foreign exchange rates among the currencies the Crew does business in being approximately consistent with current levels, (4) certain price assumptions for gold, (5) prices for electricity, fuel oil and other key supplies remaining consistent with current levels, (6) production forecasts meeting expectations, (7) the accuracy of our current mineral reserve and mineral resource estimates, (8) materials and labour costs increasing on a basis consistent with Crew's expectations, and (9) the actions of the government of Guinea.

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 and impairment charges, stock compensation charges, fair value losses or gains on forward obligations and non-cash foreign exchange movements and before discontinued operations.

"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.