Crew Energy Inc. Announces First Quarter 2015 Financial and Operating Results and Updated Montney Resource Evaluation

May 7, 2015

CALGARY, ALBERTA--(Marketwired - May 7, 2015) - Crew Energy Inc. (TSX:CR) of Calgary, Alberta ("Crew" or the "Company") is pleased to announce our operating and financial results for the three month period ended March 31, 2015. Our Financial Statements and Notes, as well as Management's Discussion and Analysis ("MD&A") for the three month period ended March 31, 2015 are available on Crew's website and will be filed on SEDAR.

Q1 HIGHLIGHTS

- Updated our independent Montney Resource Evaluation, with the Best Estimate Economic Contingent Resource estimate increasing 48% year over year to 7.4 TCFE, which demonstrates the success of Crew's ongoing Montney-focused strategy;
- Realized production of 19,035 boe per day, which reflects higher Northeast British Columbia ("NE BC") volumes compared to the first quarter of 2014, the impact of over 11,200 boe per day production sold during 2014, and the curtailment of 800 boe per day of heavy oil production;
- Grew production from our NE BC areas to 14,260 boe per day or 75% of Crew's total production for the quarter, representing a 34% increase over the same period in 2014, primarily attributable to strong Montney drilling results. Production from Saskatchewan averaged 2,805 boe per day, representing 15% of the total, while Alberta averaged 1,970 boe per day, or 10% of total production;
- Generated funds from operations of $20.7 million ($0.16 per diluted share), impacted by significantly weakened commodity prices, and partially offset by a meaningful reduction in overall cash costs and hedging gains of $11.3 million;
- Achieved a 36% reduction in total cash costs per boe (including royalties, operating, transportation, general and administrative and interest) compared to the first quarter of 2014, and a 20% reduction relative to the previous quarter;
- Invested $91.4 million in capital expenditures, with $41.0 million (45%) directed to drilling and completions activities, and $41.8 million (46%) to facilities, equipment and pipelines. The majority of our infrastructure capital investment relates to continued construction of our new West Septimus facility, on schedule for commissioning in the third quarter, that will give us the processing capacity to double the production from our Montney assets;
- Drilled four (4.0 net) gas wells and two (2.0) net oil wells with 100% success, and focused on lower-cost, higher capital efficiency projects including completing nine (9.0 net) natural gas wells in Septimus / West Septimus, and one (1.0 net) heavy oil well in Lloydminster. Crew now has 25 Montney wells behind pipe either awaiting completion or tie-in;
- On restricted initial flow-back, five of our West Septimus wells yielded levels of sales condensate which are four times greater than our average historical Septimus wells and 3.7 times greater than the condensate ratios used in our year end 2014 independent reserve evaluation for West Septimus; and
- Successfully closed a $100 million bought deal equity financing in March 2015 which strengthened the balance sheet, and reduced Crew's net debt position to $230 million at the end of the quarter, on total current debt capacity of $410 million.

FINANCIAL & OPERATING HIGHLIGHTS:

FINANCIAL ($ thousands, except per share amounts)	**Three months ended March 31, 2015**	Three months ended March 31, 2014
Petroleum and natural gas sales	**39,940**	130,368

Funds from operations[1]		**20,720**	51,810
Per share	- basic	**0.16**	0.43
	- diluted	**0.16**	0.42
Net income (loss)		**(15,770)**	(129,693)
Per share	- basic	**(0.12)**	(1.07)
	- diluted	**(0.12)**	(1.07)

Exploration and Development expenditures	**91,092**	66,140
Property acquisitions (net of dispositions)	**258**	102,532
Net capital expenditures	**91,350**	168,672

Capital Structure ($ thousands)	**As at March 31, 2015**	As at Dec. 31, 2014
Working capital deficiency[2]	**49,195**	57,722
Bank loan	**34,581**	49,904
	83,776	107,626
Senior Unsecured Notes	**146,279**	146,110
Total Net Debt	**230,055**	253,736
Current Debt Capacity[3]	**410,000**	430,000
Common Shares Outstanding (thousands)	**140,101**	123,429

Notes:

(1) Funds from operations is calculated as cash provided by operating activities, adding the change in non-cash working capital, decommissioning obligation expenditures and accretion of deferred financing costs. Funds from operations is used to analyze the Company's operating performance and leverage. Funds from operations does not have a standardized measure prescribed by International Financial Reporting Standards and therefore may not be comparable with the calculations of similar measures for other companies.

(2) Working capital deficiency includes cash and cash equivalents plus accounts receivable less accounts payable and accrued liabilities.

(3) Current Debt Capacity reflects the bank facility of $260 million as at May 7, 2015 plus $150 million in senior unsecured notes outstanding.

Operations	**Three months ended March 31, 2015**	Three months ended March 31, 2014
Daily production		
Light oil (bbl/d)	**657**	81
Heavy oil (bbl/d)	**4,735**	6,128
Natural gas liquids (bbl/d)	**2,060**	1,655
Natural gas (mcf/d)	**69,498**	53,715
Subtotal (boe/d @ 6:1)	**19,035**	16,817
Properties Sold (boe/d)	**-**	11,204(1)
Total (boe/d)	**19,035**	28,021
Average prices [2]		
Light oil ($/bbl)	**49.28**	90.78
Heavy oil ($/bbl)	**36.63**	69.50
Natural gas liquids ($/bbl)	**27.17**	63.78
Natural gas ($/mcf)	**2.62**	6.32
Oil equivalent ($/boe)	**23.31**	51.69

Notes:

(1) First quarter 2014 amounts are net of 11,204 boe/d of production volumes sold during Q2 and Q3 2014, including 3,217 bbl/d of oil, 1,780 bbl/d of natural gas liquids and 37,244 mcf/d of natural gas.

(2) Average prices are before deduction of transportation costs and do not include gains and losses on financial instruments. Average prices for light oil, natural gas liquids and natural gas have been adjusted to reflect the impact of the production volumes sold as shown in Note 1.

	Three months ended March 31, 2015	Three months ended March 31, 2014
Netback ($/boe)[1]		

Revenue	**23.31**	51.69
Realized commodity hedging gain / (loss)	**6.61**	(3.47)
Royalties	**(2.00)**	(10.63)
Operating costs	**(9.28)**	(11.35)
Transportation costs	**(1.96)**	(1.22)
Operating netback (2)	**16.68**	25.02
G&A	**(2.18)**	(2.13)
Interest on long-term debt	**(2.40)**	(2.36)
Funds from operations	**12.10**	20.53
Drilling Activity		
Gross wells	**6**	21
Working interest wells	**6.0**	19.0
Success rate, net wells (%)	**100 %**	100 %

Notes:

(1) Netback figures for March 31, 2014 are as previously reported and have not been adjusted for Properties Sold.

(2) Operating netback equals petroleum and natural gas sales including realized hedging gains and losses on commodity contracts less royalties, operating costs and transportation costs calculated on a boe basis. Operating netback and funds from operations netback do not have a standardized measure prescribed by International Financial Reporting Standards and therefore may not be comparable with the calculations of similar measures for other companies.

OVERVIEW

Through the first quarter of 2015 Crew continued to advance our Montney focused strategy, while facing one of the weakest commodity price environments to impact the oil and gas industry in recent years. As prices have remained low in 2015, the importance of asset quality, balance sheet strength and prudent management has become increasingly apparent. Crew's world-class Montney assets, recently enhanced financial position and experienced management team puts Crew in a superior position to excel in this environment.

Over the past 18 months, we have directed our attention and our resources towards building and developing our Montney asset base, and our approach to development continues to be successfully demonstrated. As reflected in our updated resource evaluation completed by our independent resource engineers effective as at December 31, 2014, we have made strides in advancing Prospective Resource into the Contingent Resource category, while continuing the successful reclassification of Contingent Resource into probable reserves assigned at year end 2014. Crew is still in the early stages of development of this exciting resource with significant long term potential ahead of us. We have designed our development plan to optimize economics and strategically time drilling with the availability of infrastructure. In light of the broader environment, we have taken a responsive and prudent approach to our 2015 budget which provides flexibility and allows Crew to continue progressing through a variety of commodity price scenarios.

Our first quarter capital expenditures totaled $91.4 million, focused on projects that offer higher capital efficiencies and support the construction and commissioning of our new West Septimus facility. At 19,035 boe per day, our first quarter production volumes reflect minimal new production additions as planned and the curtailment of 800 boe per day of heavy oil production. Despite this, we grew our NE BC production by 34% compared to the first quarter of 2014, a demonstration of the strength and benefit of our focused strategy. With the completion of our West Septimus facility in the third quarter, we will have the processing capacity to double the production from our Montney assets.

With the closing of a $100 million bought deal equity financing in March 2015, our balance sheet was strengthened, positioning Crew to manage through uncertain and volatile periods in the commodity markets.

MONTNEY RESOURCE EVALUATION UPDATE

Crew is very pleased to report significant increases in our Economic Contingent Resource ("ECR") estimates following an updated independent Montney resource evaluation conducted by Sproule Associates Ltd. ("Sproule") on our NE BC acreage, effective December 31, 2014. Sproule performed detailed mapping across the areas which included section by section estimates of reservoir parameters, such as pressure, temperature, porosity, and water saturation, which make up the Total Petroleum Initially In Place ("TPIIP") determination. At 110 TCFE, Crew's TPIIP estimate provides the Company with significant opportunities to continue increasing the current ECR, plus add reserves with further drilling.

We have seen the magnitude and potential of the Montney continuously expand over time as ongoing drilling results by Crew and other Montney operators further delineate and de-risk this massive resource. Crew's best estimate ECR on natural gas increased 58% to 6.3 Tcf, natural gas liquids increased 4% to 166.6 million bbls, and oil increased 116% to 23.5 million bbls.

FINANCIAL

Crew's first quarter funds from operations of $20.7 million was lower than the previous quarter and the first quarter of 2014 by 37% and 60%, respectively, reflecting the significant decline in realized commodity prices and the sale of production volumes during 2014.

Our realized product pricing declined commensurate with decreases in benchmark prices, including a 46% decrease in realized light oil pricing that was consistent with the Cdn$ West Texas Intermediate ("WTI") benchmark price decrease of 45%. Although Crew typically realizes a heat premium on our natural gas price relative to the AECO benchmark, in the first quarter of 2015 this premium was impacted by weaker regional gas prices caused by temporarily constrained take-away capacity on the major pipelines servicing the greater Montney areas of NE BC and northwest Alberta. The primary pricing mechanism for Crew's Septimus natural gas production is the AECO 4A less CREC differential benchmark, which declined 64% in the quarter while Crew's realized natural gas price declined 59%. As a result of Crew's access to infrastructure, we have the ability to shift the majority of our NE

BC natural gas production between the Alliance pipeline and the Spectra pipeline, which enables the Company to actively manage delivery points and obtain the best possible price in these markets on a daily basis. Due to this ability, we were able to mitigate some of the impact of regional natural gas price declines experienced in the first quarter.

Although the lower realized prices negatively impacted netbacks during the quarter, Crew successfully reduced our per boe cash costs by 36% compared to the first quarter of 2014, and 20% compared to the previous quarter. In addition, our per boe netback and funds from operations were supported by a realized gain on hedging of $11.3 million ($6.61 per boe) in the first quarter, compared to a loss of $3.47 per boe in the first quarter of 2014 and a gain of $1.83 per boe in the prior quarter. For the balance of 2015, we have protected a portion of our funds from operations and supported our ongoing financial stability with additional hedging contracts, outlined below under 'Transportation and Marketing'.

On March 3, 2015, Crew closed a $100 million bought deal financing that greatly enhanced our liquidity and financial flexibility, placing the Company in a position of relative strength to manage through a weakened commodity price environment. At the end of the first quarter, Crew had $230.1 million of net debt including working capital deficiency, comprised of $146.3 million in long-term senior unsecured notes (due for repayment in 2020), and $83.8 million in bank debt and working capital deficiency. Consistent with our ongoing efforts to maintain financial flexibility and balance sheet strength, the Company recently completed its annual bank facility review. The facility was successfully renewed with the same terms, conditions and fees as last year. Crew has elected to reduce the facility's maximum borrowing base by 7% to $260 million, facilitating lower overall borrowing costs while providing ample borrowing flexibility to execute our capital program. Further, since Crew is currently carrying the full cost of the West Septimus facility on our balance sheet, our quarter end debt levels are higher by approximately $26 million as it does not reflect the recovery of half of the facility cost (approximately $33 million) from our partner that will be recognized when the facility is complete.

In response to the weaker commodity price environment, Crew continues to work with all of our service providers to achieve cost reductions across many areas of our business and we have been pleased with the reductions in field costs secured to date. In addition, we have been active in reducing general & administrative ("G&A") costs, particularly around cash compensation, which is expected to contribute to a 22% (approximately $6.5 million) projected reduction in year-over-year G&A expenditures.

TRANSPORTATION AND MARKETING

During the latter part of 2014 and ongoing into 2015, natural gas pricing in NE BC and Northwest Alberta has been significantly impacted as a result of increased supply coupled with multiple, overlapping interruptible pipeline outages and transportation bottlenecks which have negatively affected realized pricing in the region. However, Crew is able to partially mitigate the impact of such market conditions by diverting natural gas production processed through our Septimus facility between the Alliance and the Spectra pipelines, which enables the Company to actively manage delivery points in order to achieve the optimal daily pricing available between these two markets. As such, we successfully reduced the impact of the price weakness in these two markets in the first quarter. In addition, in late 2014 Crew entered into forward physical contracts on 62% of our Septimus natural gas sales at fixed monthly CREC differentials which have been very favorable as compared to the actual settled monthly average differential. From the commencement of the contract in November 2014 through April 2015, Crew has realized a revenue gain of approximately $4.3 million. These contracts will remain in place through the end of November, 2015.

As part of our marketing strategy and planning, Crew has taken steps to enhance our market and operational diversification for our natural gas production. Effective December 1, 2015 Crew committed to 100 mmcf per day of firm receipt transportation service on the Alliance system. In conjunction with this we entered into natural gas sales contracts on 45 mmcf per day priced off of Chicago citygate indices, affording us improved market diversity and downstream takeaway capacity for a three year term. In addition, we have sold 28 mmcf per day priced directly off of the AECO index for a one year term. Longer term, Crew has committed to expansions of takeaway capacity on both the Spectra and TCPL systems. These efforts are critical in positioning Crew for future growth and to manage market price diversification.

As part of our marketing and transportation strategies, we also utilize financial risk management contracts to protect against price volatility. For the balance of 2015, we have currently hedged 33,800 gj per day of natural gas volumes at an average price of $3.71 per gj ($3.92 per mcf), 2,122 bbl per day of liquids volumes hedged at an average price of CDN$102.82 per bbl, and 2,065 bbl per day of WCS differentials locked in at CDN$21.48 per bbl. Subsequent to the end of the quarter, we further added to our hedge position with 500 bbl/d of incremental contracts through mid-2016 that lock-in WCS differentials at US$14.95 per bbl.

Lastly, a critical component in the development plan for our Montney assets is managing infrastructure planning and implementation. During the first quarter we began designing the necessary surface equipment and pipeline tie-in to eliminate the trucking of condensate from our Septimus facility. This project will reduce condensate transportation costs by up to $4.00 per barrel in the area following its expected completion in the second quarter. Crew is also pursuing opportunities to more efficiently manage water sourcing and disposal at all three of our operating areas. The Company currently has two operating disposal wells and three tested wells awaiting regulatory approval.

OPERATIONS UPDATE

Septimus / West Septimus - Montney, NE BC

Crew continues to be very pleased with the progression and development of our Septimus / West Septimus properties, with the ongoing construction of our new West Septimus facility and the drilling of inventory wells to supply both our new West Septimus facility as well as our existing Septimus facility.

At Septimus, the Company finished the drilling of a four well pad which is anticipated to be completed in the third quarter. At West Septimus, Crew completed nine of twelve natural gas wells that had been pre-drilled in 2014, which are expected to be brought on production in conjunction with the completion of the West Septimus facility. The drilling results we have observed to date in the West Septimus area are proving to be superior to our initial development in Septimus, due to improved completion techniques and hydrocarbon composition. Our West Septimus wells were assigned average proved plus probable reserves in our year end 2014 independent reserves report of 2.8 Bcf of natural gas and 83 mboe of natural gas liquids (59% condensate) based on historical well results at Septimus. Given the most recent well results at West Septimus, we believe there is significant upside potential as the area continues to be developed.

Crew's extensive infrastructure in the area has allowed five of the new wells to be flow tested through an existing six inch pipeline running 23 kilometers from West Septimus back to our Septimus plant. Over a five day test period the wells produced at condensate rates of 65 bbls/mmcf (sales) resulting in a restricted raw gas flow rate of 10 mmcf per day given the high liquids rates and flowing pressures. We are very encouraged by these condensate rates which are approximately four times the content of our average historical Septimus wells at 17 bbls/mmcf and are 3.7 times greater than ratios used in our year end 2014 independent reserve evaluation for West Septimus. Under normal operating conditions, we would expect a gas production profile that is equal to or greater than the booked production profile of wells at West Septimus. Using the assigned gas reserves of 2.8 bcf per well and the observed liquids rates, at constant AECO natural gas pricing of $2.50 per gj and a WTI price of US$60 per bbl, the West Septimus Montney generates an impressive IRR of approximately 39%.

We continue to reduce our cost structure through modified completion and flow back techniques as well as reduced pricing from our service providers. With the enhanced efficiencies and cost reductions we have achieved to date, Crew has elected to complete the drilling of a six well pad at West Septimus (three of which were drilled in 2014), which will bring the total inventory of wells in this area up to 15, with the remaining six wells to be completed in the second quarter. We remain on budget and on schedule to commission the new West Septimus facility during the third quarter of 2015, provided commodity prices are supportive. During the first quarter, we invested $34.7 million to further advance facility construction as per plan and upon commissioning, Crew will recover one-half of the overall cost of the facility from our partner, which is currently estimated at approximately $33 million.

Tower Oil - Montney, NE BC

During the first quarter of 2015, we completed the drilling of the last two wells of a four well pad at Tower which we plan to complete as commodity prices and project economics warrant. In addition, we continue to pursue more cost-effective water handling solutions at Tower targeting reduced capital and operating costs in the area. When the cost reductions can be implemented, and coupled with the continued evolution of drilling and completions practices at Tower, we are very well positioned to increase our exposure to light oil and condensate going forward.

Groundbirch / Attachie - Montney, NE BC

In 2014, we drilled and completed two wells at Groundbirch which are anticipated to be tied-in during the third quarter of 2015. At Attachie, we drilled and completed one exploration well and have plans to tie-in one well in 2015.

Lloydminster Oil - Alberta/Saskatchewan

Production at our Lloydminster heavy oil property averaged 4,775 boe per day in the first quarter of 2015, reflecting over 800 boe per day of production that was curtailed due to low commodity prices. New drilling will continue to be deferred until commodity prices recover sufficiently to provide more attractive rates of return. Recently, heavy oil differentials have narrowed significantly which may allow Crew to re-activate a small number of shut-in wells.

OUTLOOK

Crew continues to focus on the prudent and measured development of our Montney resource, an approach that is critical during periods where returns are muted by weak commodity prices. Our high-quality asset base with 110 TCFE of Total Petroleum Initially in Place ("TPIIP"), includes 487 net sections of Montney lands with exposure to all three hydrocarbon windows and is ideally situated near infrastructure to allow access to existing and new potential markets.

We now have 25 Montney wells drilled and behind pipe with 12 wells in various stages of completion and equipping. We plan to continue drilling at West Septimus in preparation for the start-up of our new West Septimus facility, which is currently on-schedule to be completed and commissioned in the third quarter as planned. Upon initial commissioning, the West Septimus facility is expected to be operating at approximately half of the full 60 mmcf per day capacity, allowing for a second phase of production growth once the facility reaches capacity, which would add an additional approximately 6,000 boe per day. Further, at our election, the Company can double the facility to 120 mmcf per day for a net cost to Crew of approximately $10 million, which would result in significant production additions.

We are maintaining annual production guidance of 20,000 to 22,000 boe per day, and our year-end exit forecast of 24,000 to 25,000 boe per day. Crew continues to monitor regional natural gas prices which have been impacted by temporary service restrictions on the major pipelines that service the Alberta and NE BC Montney areas. We believe that these restrictions may extend throughout the second quarter and potentially into the third quarter. If these conditions continue to impact regional transportation and prices, the Company may elect to delay start-up of the facility until these restrictions abate.

Building on the strength of our focused asset base and our continued operational success in the Montney, Crew has evolved to be a leading operator in the area. We have and will continue to deploy our capital responsibly as we convert Prospective Resource to Contingent Resource and move along the spectrum to reclassify Contingent Resource as reserves and ultimately production. Our priorities are focused on executing an effective capital spending program while sustaining a responsible debt level and further driving down our cost structure. With the significant cost savings realized in the first quarter, Crew's forecast cash flow using forward strip pricing combined with our budgeted net capital program of $185 million is currently expected to result in a year end net debt level below $255 million. Our strong balance sheet and ongoing hedging program have allowed Crew to secure financial flexibility through 2015 and into 2016.

We are excited about the near and longer term prospects inherent in our asset base and believe in the strength of our team to realize success. We would like to thank our employees and Board of Directors for their commitment to Crew, and our shareholders for their ongoing support through a challenging market environment.

NORTHEAST BRITISH COLUMBIA MONTNEY RESOURCE EVALUATION

The following discussion in "Northeast British Columbia Montney Resource Evaluation" is subject to a number of cautionary statements, assumptions and risks as set forth therein. See "Information Regarding Disclosure on Oil and Gas Reserves, Resources and Operational Information" at the end of this release for additional cautionary language, explanations and discussion and "Forward Looking Information and Statements" for a statement of principal assumptions and risks that may apply. See also "Definitions of Oil and Gas Resources and Reserves" in this news release. The discussion includes reference to TPIIP, DPIIP, UPIIP and ECR per the Sproule Associates Ltd. ("Sproule") Resources Evaluation effective as at December 31, 2014, prepared in accordance with the Canadian Oil and Gas Evaluation Handbook ("COGE Handbook"). Unless indicated otherwise in this news release, all references to Contingent and Prospective Resource volumes are Best Estimate Contingent and Prospective Resource volumes.

Sproule was engaged to conduct an updated independent Montney resource evaluation of all of Crew's lands in the NE BC Montney region totaling

487 net sections, and including Septimus, West Septimus, Groundbirch/Monias, Attachie and Tower (the "Evaluated Areas") effective as of December 31, 2014, (the "Resource Evaluation"). The Resource Evaluation confirms the development and resource potential on the Company's land base providing us with significant opportunities to add reserves above the current booked reserves and to increase the current ECR. The commodity diversity of Crew's NE BC Montney assets allow us to navigate through commodity price cycles given the range of Crew's Montney landholdings with exposure to liquids rich gas, crude oil and dry natural gas (gas containing greater than 95% methane). The Resource Evaluation reaffirms Crew's belief in the considerable potential that exists to further increase our current reserve base, highlighting the world class potential of the NE BC Montney.

TPIIP in the Montney "gas window" increased to 64.3 TCF from 60.6 TCF due to additional acquisitions completed in 2014. The Resource Evaluation also included recognition of Crew's lands in the Montney "oil window", where TPIIP decreased slightly from 8.1 billion barrels of oil to 7.6 billion barrels of oil primarily due to divestitures completed in 2014. The tight Montney oil potential is in the early stages of development and requires additional data to realize the recoverable potential of these lands. The continued improvement of technology and the early results are very encouraging to the recovery of this vast resource.

The Resource Evaluation summarized below and the operational results to date within our Evaluated Areas highlight the quality of the lands that Crew has successfully acquired over the past seven years. With the improved economics of this play and the visibility of continued development of infrastructure in the Septimus corridor in particular we are committed to continue to pursue opportunities in this region and it is our intent to aggressively exploit the 64.3 TCF and 7.6 billion barrels of TPIIP on our acreage in order to grow production, reserves and cash flow into the future.

The following tables summarize the results of the Resource Evaluation along with comparatives to the prior year evaluation using the resource categories set out in the COGE Handbook:

	Dec. 31, 2014	April 30, 2014		
Natural Gas Resource Categories (1)(2)(3)(4)	**Tcf**	Tcf	**% Change**	
Total Petroleum Initially In Place (TPIIP)	**64.3**	60.6	**6**	**%**
Discovered Petroleum Initially In Place (DPIIP)	**30.5**	26.1	**17**	**%**
Undiscovered Petroleum Initially In Place (UPIIP)	**33.8**	34.5	**(2**	**%)**

(1) TPIIP, DPIIP and UPIIP have been estimated using a one percent and zero percent porosity cut-off in the December 2014 and April 2014 reports, respectively, which means that essentially all gas bearing rock has been incorporated into the calculations.

(2) All volumes in table are Company gross and raw gas volumes.

(3) Sproule's analysis identified four intervals in the Montney consisting of one interval in the Upper Montney and three intervals in the Lower Montney.

(4) Crew's acreage was divided into five (5) areas in the "gas window".

	Dec. 31, 2014	April 30, 2014		
Oil Resource Categories (1)(2)(3)(4)(5)	**Mmbbls**	Mmbbls	**% Change**	
Total Petroleum Initially In Place (TPIIP)	**7,640**	8,052	**(5**	**%)**
Discovered Petroleum Initially In Place (DPIIP)	**1,501**	1,363	**10**	**%**
Undiscovered Petroleum Initially In Place (UPIIP)	**6,139**	6,689	**(8**	**%)**

(1) TPIIP, DPIIP and UPIIP have been estimated using a one percent and zero percent porosity cut-off in the December 2014 and April 2014 reports, respectively, which means that essentially all gas bearing rock has been incorporated into the calculations.

(2) All volumes in table are Company gross.

(3) The oil volumes are quoted as Stock Tank Barrels ("STB").

(4) Sproule's analysis identified four intervals in the Montney consisting of one interval in the Upper Montney and three intervals in the Lower Montney.

(5) Crew's acreage was divided into five (5) areas in the "oil window".

	Dec. 31, 2014	April 30, 2014		
Reserves and Economic Contingent Resource (1)(2)(3)(6)(7)(8)	**Best Estimate**	Best Estimate	**% Change**	
Natural gas (Tcf)				
Reserves (3)	**1.0**	0.5	**100**	**%**
Economic Contingent Resource	**6.3**	4.0	**58**	**%**
Natural gas liquids (Mmbbls) (4)(5)				
Reserves (3)	**33.1**	14.7	**125**	**%**
Economic Contingent Resource	**166.6**	160.7	**4**	**%**

Oil (Mmbbls)				
Reserves [3]	**5.9**	0.4	**1,375**	**%**
Economic Contingent Resource	**23.5**	10.9	**116**	**%**

(1) All DPIIP other than cumulative production, reserves, and ECR has been categorized as unrecoverable at this time. A portion of the Unrecoverable DPIIP may in the future be determined to be recoverable and reclassified as Contingent Resources or reserves as additional technical studies are performed, commercial circumstances change or technological developments occur; the remaining portion may never be recovered due to the physical/chemical constraints represented by subsurface interaction of fluids and reservoir rocks.

(2) All volumes in table are company gross and sales volumes.

(3) For reserves, the volume under the headings 'Best Estimate' are proved plus probable reserves as at December 31, 2014 and 2013, respectively.

(4) The liquid yields are based on average yield over the producing life of the property.

(5) Liquid yields are unique to each area. They are estimated based on gas composition of gas samples in the area and expected plant recoveries.

(6) There is no certainty that it will be commercially viable to produce any of the resources.

(7) ECR are risked for the chance of development.

(8) Approximately 90% of the ECR volumes assigned were categorized in the 'development pending' project maturity sub-class, with the balance as 'project on hold'; as such terms are defined in the COGE Handbook.

Prospective Resources [1][2][5][6]	**Dec. 31, 2014 Best Estimate**	April 30, 2014 Best Estimate	**% Change**	
Natural gas (Tcf)	**6.9**	6.3	**10**	**%**
Natural gas liquids (Mmbbls)[3][4]	**220.3**	254.4	**(13**	**%)**
Oil (Mmbbls)[7]	**95.0**	14.4	**560**	**%**

(1) All UPIIP other than Prospective Resources has been categorized as unrecoverable at this time.

(2) All volumes in table are company gross and sales volumes.

(3) The liquid yields are based on average yield over the producing life of the property.

(4) Liquid yields are unique to each area. They are estimated based on gas composition of gas samples in the area and expected plant recoveries.

(5) There is no certainty that it will be commercially viable to produce any of the resources.

(6) Prospective Resources are risked for the chance of discovery and the chance of development.

(7) Oil in the Lower Montney was classified as "unrecoverable" in the April 30, 2014 report. In the December 31, 2014 report, oil in the Lower Montney is classified as Prospective Resources.

Based upon the foregoing analysis and Crew's expertise in the Montney formation in NEBC, it is expected that significant additional reserves will be developed in the future with continued drilling success on currently undeveloped Montney acreage together with further development, completion refinements and improved economic conditions. Continuous development through multi-year exploration and development programs coupled with significant levels of future capital expenditures will be required in order for additional resources to be recovered in the future. Additional drilling, completion, and test results will be required before Crew can commit to development, which is needed for these Contingent Resources to be converted to reserves and a larger component of Prospective Resources to be converted to Contingent Resource.

Volumes of resources are estimated using volumetric calculations of the in-place quantities, combined with performance from analog reservoirs. The currently producing assets of Crew and other industry parties in the Montney area of NE B.C. are used as performance analogs for ECR within Crew's areas of operations. The evaluation of ECR is based on an independent third party evaluation that assumes that the all of Crew's ECR will be recovered using horizontal multi-stage hydraulic fracturing using multi-well pad drilling, which is an established technology.

Crew's ability to recover additional resources is subject to numerous principal risks, that include factors such as minimal well data from the Montney formation; access to capital that would enable us to continue development; low commodity prices which could impact economics; the future performance of wells; regulatory approvals; access to required services; overall industry cost structures; and the continued efficacy of fracture stimulation technologies. In order for ECR to be converted into reserves, Crew's management and technical teams must continue to assess commercial production rates, devise firm development plans that incorporate timing, infrastructure and capital commitments. With continued development and delineation, some resources currently classified as ECR are expected to be reclassified as Reserves.

A key contingency that prevents the classification of ECR as Reserves is the additional drilling, completions and testing required to confirm viable commercial rates. Sproule assigned ECR beyond those areas which were assigned Reserves but which were within three miles of existing wells. Further, a lack of infrastructure in the Evaluated Areas which is required to develop the Resources, such as gas gathering and processing, and natural gas liquids separation facilities, further impedes the reclassification of ECR to Reserves. In addition to these factors, and the general operational risks facing the oil and gas industry, there are several non-technical contingencies that need to be overcome in order to reclassify ECR to Reserves. These include lack of markets, legal, environmental and political concerns, which include but are not limited to the potential banning of hydraulic fracturing, a technique required to develop the ECR.

There is no certainty that any portion of the Prospective Resources will be discovered. There is no certainty that it will be commercially viable to produce any portion of the Prospective (if discovered) or Contingent Resources.

Definitions of Oil and Gas Resources and Reserves

Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on the analysis of drilling, geological, geophysical and engineering data; the use of established technology; and specified economic conditions, which are generally accepted as being reasonable. Reserves are classified according to the degree of certainty associated with the estimates as follows:

Proved Reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

Probable Reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

Possible Reserves are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves.

Cumulative Production is the cumulative quantity of petroleum that has been recovered at a given date.

Resources encompasses all petroleum quantities that originally existed on or within the earth's crust in naturally occurring accumulations, including Discovered and Undiscovered (recoverable and unrecoverable) plus quantities already produced. "Total resources" is equivalent to "Total Petroleum Initially-In-Place". Resources are classified in the following categories:

Total Petroleum Initially-In-Place ("TPIIP") is that quantity of petroleum that is estimated to exist originally in naturally occurring accumulations. It includes that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations, prior to production, plus those estimated quantities in accumulations yet to be discovered.

Discovered Petroleum Initially-In-Place ("DPIIP") is that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations prior to production. The recoverable portion of discovered petroleum initially in place includes production, reserves, and contingent resources; the remainder is unrecoverable.

Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingencies may include such factors as economic, legal, environmental, political and regulatory matters or a lack of markets. It is also appropriate to classify as Contingent Resources the estimated discovered recoverable quantities associated with a project in the early evaluation stage.

Economic Contingent Resources ("ECR") are those Contingent Resources which are currently economically recoverable.

Undiscovered Petroleum Initially-In-Place ("UPIIP") is that quantity of petroleum that is estimated, on a given date, to be contained in accumulations yet to be discovered. The recoverable portion of undiscovered petroleum initially in place is referred to as "prospective resources" and the remainder as "unrecoverable."

Prospective Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated chance of discovery and a chance of development.

Unrecoverable is that portion of DPIIP and UPIIP quantities which is estimated, as of a given date, not to be recoverable by future development projects. A portion of these quantities may become recoverable in the future as commercial circumstances change or technological developments occur; the remaining portion may never be recovered due to the physical/chemical constraints represented by subsurface interaction of fluids and reservoir rocks.

Uncertainty Ranges are described by the Canadian Oil and Gas Evaluation Handbook as low, best, and high estimates for reserves and resources. The **Best Estimate** is considered to be the best estimate of the quantity that will actually be recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the best estimate. If probabilistic methods are used, there should be at least a 50 percent probability (P50) that the quantities actually recovered will equal or exceed the best estimate.

Information Regarding Disclosure on Oil and Gas Reserves, Resources and Operational Information

All amounts in this news release are stated in Canadian dollars unless otherwise specified. Throughout this press release, the terms Boe (barrels of oil equivalent), Mmboe (millions of barrels of oil equivalent), and Tcfe (trillion cubic feet of gas equivalent) are used. Such terms when used in isolation, may be misleading. Where applicable, natural gas has been converted to barrels of oil equivalent ("BOE") based on 6 Mcf:1 BOE and oil and liquids have been converted to natural gas equivalent on the basis of 1 bbl:6 mcfe. The BOE rate is based on an energy equivalent conversion method primarily applicable at the burner tip, and given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different than the energy equivalency of the 6:1 conversion ratio, utilizing the 6:1 conversion ratio may be misleading as an indication of value. The BOE rate is based on an energy equivalent conversion method primarily applicable at the burner tip and does not represent a value equivalent at the wellhead. In accordance with Canadian practice, production volumes and revenues are reported on a company gross basis, before deduction of Crown and other royalties, unless otherwise stated. Unless otherwise specified, all reserves volumes in this news release (and all information derived therefrom) are based on "company gross reserves" using forecast prices and costs. Our oil and gas reserves statement for the year-ended December 31, 2014 includes complete disclosure of our oil and gas reserves and other oil and gas information in accordance with NI 51-101, and is contained within our Annual Information Form which is available on our SEDAR profile at www.sedar.com.

This news release contains references to estimates of oil and gas classified as TPIIP, DPIIP, UPIIP and ECR in the Montney region in NE BC which are not, and should not be confused with, oil and gas reserves. See "Definitions of Oil and Gas Resources and Reserves". TPIIP, DPIIP and UPIIP have been estimated in 2015 using a one percent porosity cutoff.

Projects have not been defined to develop the resources in the Evaluated Areas as at the evaluation date. Such projects, in the case of the Montney resource development, have historically been developed sequentially over a number of drilling seasons and are subject to annual budget constraints, Crew's policy of orderly development on a staged basis, the timing of the growth of third party infrastructure, the short and long-term view of Crew on *oil and gas prices, the results of exploration and development activities of Crew and others in the area and possible infrastructure capacity constraints. As with any resource estimates, the evaluation will change over time as new information becomes available.*

Crew's belief that it will establish significant additional reserves over time with the conversion of Prospective Resource into Contingent Resource, Contingent Resource into probable reserves and probable reserves into proved reserves is a forward looking statement and is based on certain assumptions and is subject to certain risks, as discussed below under the heading "Forward Looking Information and Statements".

Cautionary Statements

Forward-Looking Information and Statements

This news release contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "project", "should", "believe", "plans", "intends" "forecast" and similar expressions are intended to identify forward-looking information or statements. In particular, but without limiting the foregoing, this news release contains forward-looking information and statements pertaining to the following: the volume and product mix of Crew's oil and gas production; production estimates including 2015 forecast average and exit productions; estimates of 2015 year end bank debt; the recognition of significant resources under the heading "Northeast British Columbia Montney Resource Evaluation"; future oil and natural gas prices and Crew's commodity risk management programs; future liquidity and financial capacity; future results from operations and operating metrics; anticipated reductions in operating costs and G&A expenditures and potential to improve ultimate recoveries and initial production rates; future costs, expenses and royalty rates; future interest costs; the exchange rate between the $US and $Cdn; future development, exploration, acquisition and development activities and related capital expenditures and the timing thereof; the number of wells to be drilled, completed and tied-in and the timing thereof; the amount and timing of capital projects including anticipated timing of the commissioning of the new West Septimus facility; the total future capital associated with development of reserves and resources; and methods of funding our capital program, including possible non-core asset divestitures and asset swaps.

Forward-looking statements or information are based on a number of material factors, expectations or assumptions of Crew which have been used to develop such statements and information but which may prove to be incorrect. Although Crew believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because Crew can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified herein, assumptions have been made regarding, among other things: the impact of increasing competition; the general stability of the economic and political environment in which Crew operates; the timely receipt of any required regulatory approvals; the ability of Crew to obtain qualified staff, equipment and services in a timely and cost efficient manner; drilling results; the ability of the operator of the projects in which Crew has an interest in to operate the field in a safe, efficient and effective manner; the ability of Crew to obtain financing on acceptable terms and the adequacy of cash flow to fund its planned expenditures; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development and exploration; the timing and cost of pipeline, storage and facility construction and expansion and the ability of Crew to secure adequate product transportation; future commodity prices; currency, exchange and interest rates; regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which Crew operates; the ability of Crew to successfully market its oil and natural gas products. There are a number of assumptions associated with the potential of resource volumes and development of the Evaluated Areas including the quality of the Montney reservoir, future drilling programs and the funding thereof, continued performance from existing wells and performance of new wells, the growth of infrastructure, well density per section, and recovery factors and development necessarily involves known and unknown risks and uncertainties, including those identified in this press release.

The forward-looking information and statements included in this news release are not guarantees of future performance and should not be unduly relied upon. Such information and statements, including the assumptions made in respect thereof, involve known and unknown risks, uncertainties and other factors that may cause actual results or events to defer materially from those anticipated in such forward-looking information or statements including, without limitation: changes in commodity prices; the potential for variation in the quality of the Montney formation; changes in the demand for or supply of Crew's products; unanticipated operating results or production declines; changes in tax or environmental laws, royalty rates or other regulatory matters; changes in development plans of Crew or by third party operators of Crew's properties, increased debt levels or debt service requirements; inaccurate estimation of Crew's oil and gas reserve and resource volumes; limited, unfavourable or a lack of access to capital markets; increased costs; a lack of adequate insurance coverage; the impact of competitors; and certain other risks detailed from time-to-time in Crew's public disclosure documents (including, without limitation, those risks identified in this news release and Crew's Annual Information Form).

The forward-looking information and statements contained in this news release speak only as of the date of this news release, and Crew does not assume any obligation to publicly update or revise any of the included forward-looking statements or information, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

Test Results and Initial Production Rates

A pressure transient analysis or well-test interpretation has not been carried out and thus certain of the test results provided herein should be considered to be preliminary until such analysis or interpretation has been completed. Test results and initial production rates disclosed herein may not necessarily be indicative of long term performance or of ultimate recovery.

BOE equivalent

Barrel of oil equivalents or BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different than the energy equivalency of 6:1, utilizing a 6:1 conversion basis may be misleading as an indication of value.

Crew Energy Inc. is a dynamic, growth-oriented exploration and production company, focused on increasing long-term production, reserves and cash flow per share through the development of our world-class Montney resource. Crew is based in Calgary, Alberta and our shares are traded on The Toronto Stock Exchange under the trading symbol "CR".

Financial statements and Management's Discussion and Analysis for the three month period ended March 31, 2015 and 2014 will be filed on SEDAR at www.sedar.com and are available on the Company's website at www.crewenergy.com.

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