Crew Energy Inc. Announces Third Quarter 2015 Financial and Operating Results

November 5, 2015

CALGARY, ALBERTA--(Marketwired - Nov. 5, 2015) - Crew Energy Inc. (TSX:CR) of Calgary, Alberta ("Crew" or the "Company") is pleased to provide our operating and financial results for the three and nine month periods ended September 30, 2015. Our Financial Statements and Notes, as well as Management's Discussion and Analysis ("MD&A") for the three and nine month periods ended September 30, 2015 are available on Crew's website and filed on SEDAR.

Q3 HIGHLIGHTS

- Produced an average 16,773 boe per day for the quarter, 5% lower than the second quarter of 2015 resulting from Crew's decision to preserve value by shutting in approximately 8,000 boe per day for most of the quarter due to extremely weak natural gas pricing in Northeast British Columbia ("NE BC") caused by multiple planned and unplanned pipeline service restrictions and curtailments;
- Generated funds from operations of $17.3 million or $0.12 per share, which reflects the curtailed production volumes and reduced commodity prices, supported by hedging gains of $6.17 per boe and significantly lower cash costs;
- Reduced cash costs in the third quarter by 35% compared to the same period in 2014, highlighted by a 76% reduction in royalties, a 23% reduction in operating costs per boe, and a 12% reduction in G&A per boe. Costs on a per boe basis also declined compared to the second quarter of 2015, as royalties were down 12%, operating costs declined 4% and G&A declined by 7%;
- Continued to outperform operationally at West Septimus with natural gas productivity and condensate rates tracking materially higher than forecasted in our 2014 reserve report. Substantial incremental production volumes are waiting to be brought on line, over and above shut in production at Septimus, as the Company has an estimated 20,000 boe per day of deliverability from 21 Montney wells drilled and completed plus 11 Montney wells drilled and uncompleted;
- Completed and production tested Crew's first Lower Montney exploratory well early in the fourth quarter which at the end of an eight day flow and clean-up period was flowing at a rate of 7.4 mmcf per day with 147 bbls per day of wellhead condensate at a flowing casing pressure of 1,120 psi;
- Completed and production tested three new Montney wells at West Septimus with average per well production rates of 6.0 mmcf per day and 270 bbls per day of wellhead condensate and completed and tested two additional wells at Septimus with average per well production rates of 8.3 mmcf per day and 120 bbls per day of wellhead condensate over a four to eight day period;
- Successfully brought the new 60 mmcf per day West Septimus facility on stream in early August at a planned 30 mmcf per day, with the plant seamlessly processing volumes from six producing wells. Facility throughput is planned to increase to 40 mmcf per day to meet our forecast exit production guidance of over 26,000 boe per day when Crew's natural gas sales market diversification occurs on December 1, 2015;
- Closed an innovative petroleum and natural gas rights exchange with the Province of BC which brought Crew's total Montney acreage position to approximately 474 net sections, and increased our Montney Economic Contingent Resource estimate by approximately 12% to 8.3 Tcfe;
- Sold a non-core heavy oil asset package in Lloydminster for proceeds of $50.1 million, which further bolstered the Company's balance sheet and financial flexibility;
- Achieved 5% improvement in net debt at the end of the third quarter over the second quarter which totaled $216 million and was 15% lower than the year-end 2014 net debt; and
- Confirmed with the Company's lenders a borrowing base of $250 million and forecast a year end draw on the facility of less than 25%, inclusive of working capital deficit.

FINANCIAL HIGHLIGHTS:

($ thousands, except per share amounts)	**Three months ended Sept. 30, 2015**	Three months ended Sept. 30, 2014	**Nine months ended Sept. 30, 2015**	Nine months ended Sept. 30, 2014
Petroleum and natural gas sales	**34,784**	96,879	**119,402**	353,129
Funds from operations(1)	**17,273**	39,023	**62,762**	138,557

Per share				
- basic	**0.12**	0.32	**0.46**	1.14
- diluted	**0.12**	0.31	**0.46**	1.12
Net income (loss)	**(18,179)**	(195,389)	**(47,188)**	(321,290)
Per share				
- basic	**(0.13)**	(1.60)	**(0.34)**	(2.63)
- diluted	**(0.13)**	(1.60)	**(0.34)**	(2.63)
Exploration and Development expenditures	**58,565**	106,405	**204,351**	225,328
Property acquisitions (net of dispositions)	**(50,281)**	(141,796)	**(48,797)**	(254,379)
Net capital expenditures	**8,284**	(35,391)	**155,554**	(29,051)

Capital Structure ($ thousands)	**As at Sept. 30, 2015**	As at Dec. 31, 2014
Working capital deficiency[2]	**38,236**	57,722
Net assets held for sale[3]	**(36,873)**	-
Bank loan	**67,731**	49,904
	69,094	107,626
Senior Unsecured Notes	**146,564**	146,110
Total Net Debt	**215,658**	253,736
Current Debt Capacity[4]	**400,000**	430,000
Common Shares Outstanding (thousands)	**141,052**	123,429

Notes:

(1) Funds from operations is calculated as cash provided by operating activities, adding the change in operating non-cash working capital, decommissioning obligations settled 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 accounts receivable less accounts payable and accrued liabilities.

(3) Net assets held for sale reflects the amounts reclassified from property, plant and equipment and decommissioning obligations for the assets less liabilities associated with the West Septimus facility disposition.

(4) Current Debt Capacity reflects the bank facility of $250 million plus $150 million in senior unsecured notes outstanding.

OPERATING HIGHLIGHTS:

	Three months ended Sept. 30, 2015	Three months ended Sept. 30, 2014	**Nine months ended Sept. 30, 2015**	Nine months ended Sept. 30, 2014
Daily production				
Light oil (bbl/d)	**336**	262	**475**	154
Heavy oil (bbl/d)	**3,741**	5,642	**4,167**	5,907
Natural gas liquids (bbl/d)	**2,233**	1,377	**2,212**	1,532
Natural gas (mcf/d)	**62,778**	61,556	**65,755**	60,903
Subtotal (boe/d @ 6:1)	**16,773**	17,540	**17,813**	17,743
Properties Sold (boe/d)[1]	**-**	3,306	**-**	7,586
Total (boe/d)	**16,773**	20,846	**17,813**	25,329
Average prices[2]				
Light oil ($/bbl)	**51.29**	87.58	**54.14**	90.48
Heavy oil ($/bbl)	**38.49**	79.78	**42.35**	76.37
Natural gas liquids ($/bbl)	**30.62**	55.45	**31.54**	61.59
Natural gas ($/mcf)	**2.37**	4.35	**2.52**	5.22
Oil equivalent ($/boe)	**22.54**	50.51	**24.55**	51.07
Netback ($/boe)[3]				
Revenue	**22.54**	50.51	**24.55**	51.07
Royalties	**(2.32)**	(9.54)	**(2.32)**	(10.15)
Realized commodity hedging gain/(loss)	**6.17**	(3.13)	**6.14**	(3.87)

Operating costs	**(8.47)**	(11.04)	**(8.86)**	(11.04)
Transportation costs	**(1.91)**	(1.64)	**(1.88)**	(1.44)
Operating netback(4)	**16.01**	25.16	**17.63**	24.57
G&A	**(2.06)**	(2.35)	**(2.16)**	(2.12)
Interest on long-term debt	**(2.77)**	(2.46)	**(2.57)**	(2.40)
Funds from operations	**11.18**	20.35	**12.90**	20.05
Drilling Activity				
Gross wells	**15**	23	**27**	53
Working interest wells	**13.7**	22.1	**25.4**	49.4
Success rate, net wells (%)	**100%**	96%	**100%**	98%

Notes:

(1) Third quarter 2014 amounts are net of 3,306 boe/d of production volumes sold during Q3 2014, including 2,609 bbls/d of oil, 73 bbls/d of natural gas liquids and 3,744 mcf/d of natural gas. Amounts for the nine months ended September 30, 2014 are net of 7,585 boe/d of production sold in the second and third quarters of 2014 including 3,028 bbls/d of oil, 958 bbls/d of natural gas liquids and 21,596 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.

(3) Netback figures for the three and nine months ended September 30, 2014 are as previously reported and have not been adjusted for Properties Sold.

(4) 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

During the third quarter, Crew continued to deliver very positive operational and strategic results which included better than expected drilling results from West Septimus, the commissioning of our new West Septimus gas facility, the ongoing delineation of our core assets, and the successful completion of asset swaps and sales which directly support our Montney-focused strategy. This was achieved despite continued challenges for the energy industry, with ongoing negative macro factors impacting the sector.

Through our continued drilling and development in Septimus and West Septimus, Crew has built an extensive inventory of 21 completed and 11 uncompleted wellbores which will significantly increase overall production volumes when brought on line. Our recent West Septimus wells have exceeded area type wells yielding higher liquids content and gas rates, and we are encouraged by the test results from Crew's first Lower Montney well. This available productive capacity when combined with over 120 mmcf per day of gas processing capacity positions Crew favorably to manage transportation and processing commitments, meet production expectations, while reducing operating costs and controlling capital expenditures in a low price environment.

Crew's average production for the third quarter was 16,773 boe per day which was the result of the successful execution of our plan affected by regional pricing dynamics and transportation outages. An accidental third party downstream contamination of the Alliance pipeline forced a shut-in of natural gas totaling 61 mmcf per day at Crew's Septimus gas plant and 30 mmcf per day at the Company's West Septimus gas plant for six days. This disruption in combination with ongoing restrictions on other regional pipeline systems caused a bottleneck of production resulting in a significant deterioration of pricing for spot gas shipped on the Alliance and Spectra pipeline systems. The Company successfully commissioned and started-up our new West Septimus facility in August, which was brought on at half capacity with production from only six wells. We have continued to run the plant at its minimum operating capacity of 25 to 30 mmcf per day due to the weak regional pricing. As a further measure to preserve value, Crew restricted production volumes through our Septimus facility during the last two months of the quarter taking approximately 8,000 boe per day off line. Crew has taken out firm transportation commitment contracts that come into effect on December 1, 2015 which will allow shut-in and restricted production to be brought on line at that time or sooner should the CREC and Station 2 pricing differential narrow relative to AECO.

Crew's strategy involves proactively taking steps to mitigate the impact of commodity price volatility and ensuring the Company can generate funds from operations under a variety of scenarios. With the strategic and operational actions we undertook in the third quarter, Crew has demonstrated our commitment to value creation and that we are prepared to make short-term sacrifices to preserve long-term shareholder value.

FINANCIAL

Crew's third quarter funds from operations of $17.3 million ($0.12 per share) was 30% lower than the previous quarter, which directly relates to lower production volumes and weak realized pricing. Third quarter operating netbacks of $16.01 per boe were 21% lower than the previous quarter due to lower prices, which was partially offset by higher realized hedging gains and lower cash costs per boe.

North American oil prices weakened through the third quarter relative to the second quarter with the benchmark Canadian dollar denominated West Texas Intermediate ("WTI") price averaging $60.75 per barrel, a decrease of 15% over the previous quarter and 43% over the same quarter in 2014. The benchmark price for Canadian heavy oil, Western Canadian Select ("WCS"), was also significantly lower at $43.37 per barrel, a decrease of 24% quarter over quarter and 48% compared to the third quarter of 2014. Natural gas pricing at the Company's two sales points in NE BC, Alliance CREC and Spectra Station 2, continued to experience significant weakness. However, the Company's term sales on Alliance for 45,000 gj per day and our ability to actively move gas between the two markets contributed to Crew's realized price outperforming the benchmarks.

Efforts continued through the quarter to work with our service providers to achieve further cost improvements across the business. Operating costs and royalties per boe dropped by 4% and 12%, respectively compared to the second quarter and 23% and 76%, respectively compared to the same quarter in 2014. In the third quarter, we realized a gain on hedging of $9.5 million ($6.17 per boe), which compared to a loss of $6.0 million ($3.13 per boe) in the third quarter of 2014 and a gain of $9.0 million ($5.60 per boe) in the prior quarter. Crew has supported our ongoing financial stability by protecting a portion of our funds from operations for the balance of 2015 and into 2016 with additional hedging contracts outlined under 'Transportation and Marketing'.

The Company incurred a net loss of $18 million during the quarter as a result of reduced production and weak commodity prices. This loss included a non-cash impairment write-down of approximately $55 million recognized on the Company's Lloydminster heavy oil asset. This impairment was directly related to the decrease in the Company's reserve engineer's future commodity price estimate and had no impact on the Company's cash flow or credit facilities. Offsetting a large portion of the impairment was a $34 million gain recognized on the sale of certain non-core Lloydminster heavy oil properties.

Capital spending during the quarter totaled $58.6 million and was focused on continued drilling, completions and infrastructure build out in West Septimus, Septimus and Lloydminster. This amount included $27.2 million directed to drilling and completions and $28.9 million on facilities, equipment and pipelines, which was primarily related to the West Septimus facility and other area infrastructure development. Our debt levels further improved during the quarter due to the sale of a non-core Lloydminster heavy oil asset for $50.1 million. Net debt of $216 million was comprised of $150 million ($146.6 million net of deferred costs) of senior notes that mature in 2020 and $69 million of bank debt and working capital deficiency against a $250 million bank facility. The bank debt and working capital deficiency at September 30, 2015 included $37 million of assets held for sale reflecting the planned disposition of a 50% interest in the new West Septimus facility to one of our infrastructure partners, which closed after the quarter end in early October.

Subsequent to the end of the quarter, Crew's syndicate of lending banks performed a review of the Company's borrowing base which resulted in a nominal 4% change to the credit facility from $260 million to $250 million. Crew's ability to add a significant volume of proved developed producing reserves with the commissioning of our West Septimus facility while reducing capital and operating costs offset the reduction in the bank's commodity price forecast.

TRANSPORTATION AND MARKETING

Natural gas prices in the NE BC and Northwest Alberta regions suffered significant deterioration through the third quarter. Supply in this region continued to be strong at a time when multiple overlapping restrictions on regional pipelines negatively impacted pricing. In addition, scheduled and unscheduled maintenance issues at regional processing plants exacerbated the pipeline restrictions, significantly weakening Spectra Station 2 pricing and widening the Alliance CREC differential during the quarter.

Crew has taken steps over the past few quarters to position the Company to manage and mitigate the negative pricing environment. We have dual connectivity through our Septimus facility onto Spectra as well as Alliance, which in the third quarter of 2015 enabled Crew to ship natural gas from the extremely weak pricing environment on the Alliance system (which had periods of negative pricing) to the Spectra system where pricing was more favorable.

Effective December 1, 2015 Crew will be in a much stronger position, with 113 mmcf per day of firm transportation to move natural gas into alternate markets. Once these contracts take effect, approximately 40% of our natural gas will be priced off of Chicago Citygate, while 35% will be priced at AECO equivalent. Longer term, Crew has committed to expansions of takeaway capacity on both the Spectra and TCPL systems, positioning the Company for future growth and to continue actively managing our market price diversification.

Our risk management program has further provided protection against price volatility and helped to support our cash flows, as clearly evidenced in the third quarter as we recorded a hedging gain of $6.17 per boe. For the balance of 2015, we have currently hedged 37,500 gj per day of natural gas volumes at an average price of $3.68 per gj ($3.88 per mcf), 1,750 bbls per day of liquids volumes hedged at an average price of CDN$102.62 per bbl, and 2,250 bbls per day of WCS differentials locked in at CDN$21.36 per bbl. For 2016, Crew's total natural gas hedged position is 33,876 gj per day at a transportation adjusted AECO equivalent price of $2.93 per gj ($3.09 per mcf). For liquids, we have 251 bbls per day of liquids volumes hedged at an average price of CDN$78.25 per bbl, and on 249 bbls per day of WCS we have locked in differentials at US$14.95 per bbl.

OPERATIONS UPDATE

Septimus / West Septimus - Montney, NE BC

Crew's operational focus in the third quarter continued to be at Septimus / West Septimus with the successful commissioning of our new 60 mmcf per day West Septimus processing facility as well as continued drilling and completion operations on an expanding inventory of Montney liquids-rich natural gas wells. Crew drilled nine (7.7 net) and completed two (2.0 net) Montney liquids rich gas wells during the quarter with drilling and completions costs further declining to the $4.0 million per well level, a result of a sustainable 22% reduction in drilling days per well, plus additional service cost reductions. Crew has drilled 22 and completed 25 Montney wells to date in 2015 with an additional 11 wells uncompleted. Based on the encouraging initial well data, the Company currently anticipates these wells would have a combined initial 30 day production rate exceeding 20,000 boe per day and when combined with our existing production will allow Crew to manage production levels into the third quarter of 2016 with minimal additional capital requirement. Crew routinely stress tests the economics of our West Septimus and Septimus wells to reflect the current economic environment. Based on Crew's internal economic analysis, our most recent well data would generate half cycle internal rates of return ("IRR") at West Septimus and Septimus of 97% and 40%, respectively.

Early in the fourth quarter, Crew completed five Upper Montney wells, including two at Septimus and three at West Septimus. At Septimus, the two Upper Montney wells were production tested over four days and flowed at an average per well rate of 8.3 mmcf per day with an average per well rate of 120 bbls per day of wellhead condensate. The three wells at West Septimus were production tested over eight days and flowed at an average per well rate of 6.0 mmcf per day with an average per well rate of 270 bbls per day of wellhead condensate. Given that the average West Septimus Montney well assignment from our 2014 independent reserve evaluation had an average booking per well of 2.5 mmcf per day initial 30 day production rate, 2.8 Bcf per well of proved plus probable reserves and 49 mbbls of condensate (17.5 bbls per mmcf of condensate or 59% of total proved plus probable liquids), these recent wells are expected to materially exceed the assumptions upon which our year end West Septimus reserves assignment was based. With the continued success and outperformance of our drilling program at West Septimus, Crew is evaluating the investment decision to expand the West Septimus gas processing facility from 60 to 120 mmcf per day at an expected cost of approximately $15 million net to the Company.

Lower Montney Exploration, NE BC

Crew drilled the Company's first Lower Montney exploratory horizontal well in the quarter which was subsequently completed in the fourth quarter.

After eight days of flow and clean up, the well production tested at a rate of 7.4 mmcf per day with 147 bbls per day of wellhead condensate at a flowing casing pressure of 1,120 psi. This result is on par with our Upper Montney tests in the area and supports the productivity of a new 400 foot thick stratigraphic interval which Crew will continue to exploit with additional Lower Montney wells in 2016. We are very encouraged with this exploration test and the potential this well has to materially increase our well inventory.

Tower Oil - Montney, NE BC

Crew's focus in our light oil and condensate rich Tower area remained on the pursuit of infrastructure solutions designed to maximize returns from the area, particularly at lower commodity prices. With four wells currently drilled and cased, the Company is seeking to implement more cost effective water handling solutions to reduce both capital and operating costs. Crew continues to monitor developments in drilling and completions practices in the area, and plans to increase our activity levels as economics improve and water handling logistics are put into place. We value the optionality Tower provides Crew for its exposure to oil and condensate.

Groundbirch / Attachie - Montney, NE BC

In the third quarter 2015, Crew completed an unique petroleum and natural gas rights exchange with the Province of British Columbia adding approximately 53 net sections of Montney acreage in Groundbirch, and increasing our NE BC Montney Economic Contingent Resource estimate by approximately 12% to 8.3 Tcfe. Operationally, we also tied in two Montney exploratory wells that were drilled and completed at Groundbirch during 2014. The wells were on production at restricted rates through third party facilities to the Spectra McMahon gas plant at a combined rate of 4.1 mmcf per day with liquids of 30 bbls per mmcf (67% condensate). Although the gas rates have been restricted, the liquid rates are much higher than initially tested and confirm the liquids-rich nature of this area.

Groundbirch is expected to be a future focal development area for Crew with the TransCanada North Montney pipeline proposed to pass through our expanded Groundbirch land position. This proposed pipeline would be proximal to the location of Crew's planned future Groundbirch gas plant which would be built in 2017 to 2018 depending on the direction of the Company's future capital allocation.

Lloydminster Heavy Oil - Alberta / Saskatchewan

We increased activity in our Lloydminster heavy oil area and undertook our most economic opportunities to help stem area production declines as prices recovered into the second and early third quarter. The Company completed one (1.0 net) well, recompleted ten (8.8 net) wells and drilled six (6.0 net) wells. The area's current production is approximately 3,200 boe per day with approximately 500 boe per day shut in awaiting improved pricing.

Operating costs at Lloydminster continued to decline from $19.57 per boe in third quarter 2014 to $16.17 per boe in the third quarter of 2015 representing a 17% decrease. Our Lloydminster assets are very well leveraged to an oil price recovery as illustrated by the third quarter 2014 benchmark price of $83.78 per boe and an area operating netback of $41.12 per boe compared to third quarter 2015 benchmark price of $43.37 per boe and area operating netback of $16.17 per boe.

On September 9th, 2015 we announced the disposition of 225 boe per day of production, 1.0 million boe of proved and probable reserves and 18.2 net sections of land for net proceeds of $50.1 million.

OUTLOOK

Crew is focused on the development of our world-class NE BC Montney assets. We have taken decisive action to reduce debt while expanding our area infrastructure, doubling our Montney production over the year, and building upon the significant optionality of our assets during a weak commodity price environment. Our Montney position is unique in that it accesses all three hydrocarbon windows of dry gas, liquids-rich gas and oil / condensate. Based on our analysis and geological interpretation, the Company's acreage includes 138 net sections in the oil / condensate window, 265 net sections in the liquids rich gas window and 71 net sections in the dry gas window. We have over 110 Tcfe of total petroleum initially in place of which 8.3 Tcfe have been assigned best estimate economic contingent resource by our independent evaluator. Our 474 net sections of land represent the 4th largest Montney position in NE BC, is over-pressured and is up to 1,000 feet in thickness, all key elements underpinning our belief that Crew is ideally situated in this world-class play.

Crew is uniquely positioned with a variety of hydrocarbon windows to pursue, coupled with adequate processing and takeaway capacity and over 20,000 boe per day of estimated incremental productive capacity waiting to be brought on stream. We have paced the development of our assets and our production growth in concert with preserving balance sheet strength. We remain strongly focused on cost control, including the implementation of operational efficiencies such as pad and batch surface hole drilling, and continue to benefit from service and supply costs that have fallen by more than 20% on average this year. With costs realigning to the reality of lower prices for longer, we are able to do more with our capital, specifically targeting efficiencies in drilling and completions that can be sustained through the cycles.

Crew is well positioned to manage through price volatility given our dual connectivity to the Alliance and Spectra pipeline systems, our firm transportation and sales price commitments, our active marketing and hedging program, and our strong balance sheet. We will also continue to make strategic capital investment decisions and appropriately allocate capital depending upon project economics, market, land tenure and geological factors. This will allow Crew to be nimble in the current environment and better able to effectively balance our objectives of economic growth with preservation of balance sheet strength into 2016 and beyond.

With natural gas prices at Station 2 and Alliance CREC remaining under pressure into the fourth quarter, we have responded by continuing the curtailment of production volumes until December 1, 2015 which will likely result in average production guidance for the year closer to the low end of guidance at 19,000 boe per day. Average production in the fourth quarter is expected to be 21,500 to 22,500 boe per day, the midpoint at which represents a 31% increase over the third quarter of 2015. With greater transportation and gas market diversification taking effect on December 1, and the significant volume of production awaiting start up, Crew expects to meet our exit guidance of greater than 26,000 boe per day while optimizing throughput at our West Septimus facility and continuing to reduce area operating costs. We expect to exit 2015 with a strong financial position, net debt of approximately $210 million and less than 25% drawn on our credit facility inclusive of working capital, positioning Crew for a strong 2016. Our 2016 annual capital budget and forecasts are expected to be approved by our Board of Directors in early January with our budget anticipated to focus on organic drilling and maximizing the capacity of our production facilities.

We wish to thank all of our employees and Board of Directors for their continued commitment to Crew, and our shareholders for their support of our strategy through these very challenging times.

Cautionary Statements and Advisories

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 initial thirty day rates, an 2015 forecast average and exit productions; estimates of 2015 year end net debt; 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; estimates of internal rates of return, anticipated reductions in operating costs and G&A expenditures and potential to improve ultimate recoveries, and outperform the assumptions used in our 2014 independent reserve evaluations;; 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 the potential expansion of our 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 Crew's lands 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.

Resource Estimates

This news release contains references to estimates of oil and gas classified as Total Petroleum Initially In Place ("TPIIP") and Economic Contingent Resource ("ECR") in the Montney region in Northeastern British Columbia which are not, and should not be confused with, oil and gas reserves. Such estimates are based upon an independent resource evaluation effective as at December 31, 2014, prepared in accordance with the Canadian Oil and Gas Evaluation Handbook (the "2014 Resource Evaluation"). Complete details of the 2014 Resource Evaluation were set forth in Crew's previously disseminated press release dated May 7, 2015. In conjunction with the recent completion of Crew's Montney Exchange transaction with the Province of British Columbia, Sproule updated the 2014 Resource Evaluation to reflect the impact of this transaction and, in particular, the resulting increase in Crew's ECR estimate as disclosed in the August 6, 2015 press release. Such estimates are subject to a number of cautionary statements, assumptions, risk-s, positive and negative factors relevant to the estimates and contingencies, the details of which were set forth in Crew's May 7, 2015 press release. Accordingly, readers are referred to and encouraged to review the sections entitled "Northeast British Columbia Montney Resource Evaluation", "Definitions of Oil and Gas Resources and Reserves" and "Information Regarding Disclosure on Oil and Gas Reserves, Resources and Operational Information" in the May 7, 2015 press release for applicable definitions, cautionary language, explanations and discussion of resource estimates, all of which is incorporated by reference herein. Complete details of the Updated 2014 Resource Evaluation are also available within Crew's updated corporate presentation available on our website at www.crewenergy.com.

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.

Internal Rates of Return

Internal Rates of Return ("IRR") used herein have been prepared by management in conjunction with economic stress tests performed on its wells for the purposes of making investment decisions and allocating capital resources. As such, they are not to be construed as estimates, nor guarantees of future performance and should not be unduly relied upon. The IRR disclosed herein is based upon a number of assumptions including without limitation the following: flat prices of $2.25 per gj natural gas, US$45 WTI per bbl oil, foreign exchange of CDN$0.76, and per well costs of $4.3 million. Such information constitutes forward looking information and involves known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those disclosed. See "Forward Looking Information and Statements" above for risks and uncertainties associated with forward looking information.

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 and nine month period ended September 30, 2015 and 2014 will be filed on SEDAR at www.sedar.com and are available on the Company's website at www.crewenergy.com.