Crew Energy Inc. Announces Fourth Quarter and Full Year 2016 Financial and Operating Results

March 2, 2017

CALGARY, ALBERTA--(Marketwired - March 2, 2017) - Crew Energy Inc. (TSX:CR) ("Crew" or the "Company") is pleased to announce our operating and financial results for the three and twelve month periods ended December 31, 2016. Crew's full audited consolidated Financial Statements and Notes, as well as Management's Discussion and Analysis ("MD&A") for the three and twelve month periods ended December 31, 2016 are available on our website and filed on SEDAR.

2016 FULL YEAR AND Q4 HIGHLIGHTS

- Annual production averaged 22,844 boe per day, an increase of 23% over 2015, reflecting ongoing growth in Montney production with capital spending that was 30% lower than the prior year.

- Success at Septimus and West Septimus ("Greater Septimus") continued through 2016 with area production increasing 59% year over year to 17,797 boe per day, and increasing 21% to 17,307 boe per day in the fourth quarter of 2016 over the same period in 2015.

- Fourth quarter 2016 funds from operations were $27.9 million ($0.19 per diluted share), 42% higher than the same quarter in 2015 primarily attributable to materially lower costs and improved natural gas pricing.

- Fourth quarter corporate operating netbacks were $17.03 per boe, 23% higher than the same period in 2015 and 21% higher than the previous quarter, as a result of lower operating costs combined with higher realized pricing in the quarter.

- Operating costs per boe were reduced by 29% in 2016 compared to 2015 and averaged $5.88 per boe, compared to $8.31 per boe in 2015. Operating costs in the fourth quarter averaged $5.35 per boe, a reduction of 22% compared to the same period in 2015 and a further five percent reduction from the prior quarter.

- Operating costs per boe at Greater Septimus averaged $3.34 per boe in the fourth quarter, a further 7% reduction from the previous quarter and 31% lower than the same period in 2015, contributing to Greater Septimus fourth quarter operating netbacks of $18.22 per boe.

- Balance sheet strength and ongoing financial flexibility were maintained in 2016 as year-end net debt totaled $245.4 million, including working capital deficiency, representing a 2.2 times net debt to annualized fourth quarter 2016 funds from operations ratio, and a draw of 38% on our credit facility.

- On February 24, 2017, we announced the refinancing of our existing high yield term debt, replacing it with $300 million of new high yield term debt bearing interest at 6.5% and maturing in 2024. This transaction is scheduled to close on or about March 14, 2017.

- As announced on February 9, 2017, Crew reported strong Montney reserves growth in the Company's 2016 year end independent reserves evaluation (the "Reserves Report") with attractive capital efficiencies. Net of production, proved plus probable ("2P") reserves increased by 24%, total proved ("1P") reserves by 26%, and proved developed producing ("PDP") reserves by 11% resulting in reserves per share increases of 19% on 2P, 21% on 1P and 7% on PDP.

- On a 2P basis, finding and development ("F&D") costs were $5.65 per boe generating a recycle ratio of 3.0 times while 1P F&D costs were $6.30 per boe, resulting in a recycle ratio of 2.7 times, all including changes in future development capital ("FDC").

FINANCIAL & OPERATING HIGHLIGHTS:

FINANCIAL ($ thousands, except per share amounts)	**Three months ended Dec. 31, 2016**	Three months ended Dec. 31, 2015	**Year ended Dec. 31, 2016**	Year ended Dec. 31, 2015

Petroleum and natural gas sales		**55,051**	34,532	**174,719**	153,934
Funds from operations[(1)]		**27,879**	19,601	**78,674**	82,363
Per share	- basic	**0.19**	0.14	**0.55**	0.60
	- diluted	**0.19**	0.14	**0.54**	0.60
Net loss		**(40,030)**	(8,167)	**(64,926)**	(55,355)
Per share	- basic	**(0.28)**	(0.06)	**(0.45)**	(0.40)
	- diluted	**(0.28)**	(0.06)	**(0.45)**	(0.40)
Exploration and Development expenditures		**37,612**	42,067	**108,202**	246,418
Property acquisitions (net of dispositions)		**3,099**	(36,644)	**3,973**	(85,441)
Net capital expenditures		**40,711**	5,423	**112,175**	160,977

Capital Structure ($ thousands)	**As at Dec. 31, 2016**	As at Dec. 31, 2015
Working capital deficiency[(2)]	**10,006**	10,737
Bank loan	**88,036**	80,980
	98,042	91,717
Senior Unsecured Notes	**147,329**	146,679
Total Net Debt	**245,371**	238,396
Debt Capacity[(3)]	**385,000**	400,000
Common Shares Outstanding (thousands)	**146,812**	141,067

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) Debt Capacity reflects the bank facility of $235 million plus $150 million in senior unsecured notes outstanding.

Operations	**Three months ended Dec. 31, 2016**	Three months ended Dec. 31, 2015	**Year ended Dec. 31, 2016**	Year ended Dec. 31, 2015
Daily production				
Light crude oil (bbl/d)	**540**	340	**335**	441
Heavy crude oil (bbl/d)	**2,188**	2,849	**2,459**	3,834
Natural gas liquids (bbl/d)	**3,402**	3,437	**3,349**	2,521
Natural gas (mcf/d)	**97,501**	84,479	**100,203**	70,474
Total (boe/d @ 6:1)	**22,380**	20,706	**22,844**	18,542
Average prices [(1)]				
Light crude oil ($/bbl)	**57.49**	48.75	**49.89**	53.10
Heavy crude oil ($/bbl)	**41.44**	31.92	**33.39**	40.40
Natural gas liquids ($/bbl)	**38.83**	27.87	**31.83**	30.28
Natural gas ($/mcf)	**3.53**	2.04	**2.71**	2.37
Oil equivalent ($/boe)	**26.74**	18.13	**20.90**	22.74

Notes:

(1) Average prices do not include gains and losses on financial instruments.

	Three months ended Dec. 31, 2016	Three months ended Dec. 31, 2015	**Year ended Dec. 31, 2016**	Year ended Dec. 31, 2015
Netback ($/boe)				
Revenue	**26.74**	18.13	**20.90**	22.74
Royalties	**(1.92)**	(1.23)	**(1.27)**	(2.01)
Realized commodity hedging (loss)/gain	**(0.35)**	5.82	**1.42**	6.05
Operating costs	**(5.35)**	(6.89)	**(5.88)**	(8.31)
Transportation costs	**(2.09)**	(1.96)	**(2.25)**	(1.90)

Operating netback [1]	**17.03**	13.87	**12.92**	16.57
G&A	**(1.33)**	(1.42)	**(1.41)**	(1.95)
Interest on long-term debt	**(2.15)**	(2.16)	**(2.10)**	(2.45)
Funds from operations	**13.55**	10.29	**9.41**	12.17
Drilling Activity				
Gross wells	**8**	6	**21**	33
Working interest wells	**7.7**	6.0	**19.7**	31.4
Success rate, net wells (%)	**91**	83	**96**	97

Notes:

(1) 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

Throughout 2016, Crew continued to demonstrate the success of our Montney-focused strategy with positive growth across our core Greater Septimus area and advancement of our future development plans at Groundbirch. While commodity prices remained very weak through the first half of the year, we benefitted from lower costs and improved operational efficiencies and had access to our required drilling and completions services. With foresight into the potential for ramp-up in industry activity and given our development plans for the next three years, Crew took the opportunity to lock-in major service costs through the end of 2017 and remains well positioned to advance our long-range growth plan.

Given the commodity price environment that prevailed through 2016, we are very pleased with both our financial and operating results for the year. In addition to generating exciting results from wells drilled in our ultra condensate-rich area at Greater Septimus, we also expanded our future potential development with our first wells into new zones including the Lower Montney and the Lower "B" Interval of the Upper Montney. We will continue to drill and develop these zones, and potentially others, while we build-out our infrastructure to accommodate additional production growth.

The success of our 2016 operational activities was reflected in positive reserves increases - on an absolute and per share basis - which we achieved at attractive capital efficiency metrics. We posted meaningful improvements in our three year average F&D costs, which improved 17% and 12%, respectively, on a 1P and 2P basis compared to 2015, and were 37% and 25% lower, respectively, than in 2014. This demonstrates the continued efficiency gains we have realized through the implementation of pad drilling, reductions in drilling days, and overall efficiency improvements. Our conservative capital program in 2016 was responsive to commodity price changes and during the year we increased the program from $70 million to $112 million in light of strengthening commodity prices, lower service costs and to further support the phased development of our multi-year plan to achieve 60,000 boe per day by the end of 2019. Under this plan, Crew will schedule our drilling and completions activities to coincide with both processing capacity as well as our firm transportation arrangements, while ensuring our balance sheet remains strong with ample liquidity.

While a sale of our Lloydminster heavy oil asset did not conclude by the end of 2016, we are continuing with this process and remain confident that we will be able to transact and ensure optimal value for shareholders.

FINANCIAL

A challenging first half commodity price environment resulted in the 2016 Canadian dollar WTI benchmark average crude price ending the year 8% lower than in 2015, while AECO natural gas prices in 2016 averaged 20% lower than in 2015. However, as the year progressed, limited first half drilling, supportive summer weather and the announcement of a 2017 Organization of Petroleum Exporting Countries ("OPEC") production curtailment agreement all provided pricing support for oil and natural gas. During the fourth quarter, crude oil prices improved with the Canadian dollar WTI benchmark price increasing 17% over the same period in 2015. Natural gas prices also strengthened in the fourth quarter, with the AECO daily natural gas benchmark price increasing 33% compared to the third quarter of 2016 and 26% over the same quarter in 2015.

Crew's natural gas prices were positively impacted through the year as a result of our marketing team's active natural gas marketing program, the diversification in our transportation and sales points, and the approximately 19% higher heat content of our Montney natural gas relative to the AECO benchmark. In the fourth quarter, our realized natural gas price increased by 73% over the same period in 2015 to $3.53 per mcf. Our overall per boe realized price improved 47% to $26.74 per boe in the fourth quarter compared to the same period in 2015, while our 2016 realized price per boe was $20.90 per boe, a decline of 8% year over year.

With improved commodity pricing and a favorable service cost environment, Crew moved forward with an expanded capital program in the second half of 2016 which included net capital expenditures totaling $78.3 million or 70% of the total 2016 net capital expenditures of $112.2 million. Expenditures were largely directed to drilling and completing wells in the Greater Septimus area, the completion of wells at Tower that had been previously drilled but uncompleted and initiating the expansion of the West Septimus facility from the current 60 mmcf per day to 120 mmcf per day.

Despite the increased capital program, the Company remained focused on maintaining its strong financial position exiting the year with net debt of $245.4 million or 2.2 times annualized fourth quarter funds from operations, a 27% improvement from the 3.0 times multiple at the end of 2015. The Company's strong financial position is enhanced by the financial liquidity provided by the Company's 62% undrawn bank facility at year-end. The facility's total $235 million borrowing base capacity was well supported by the 11% increase in the Company's 2016 PDP reserves, which had a net present value discounted at 10% of $459 million. Additionally, subsequent to the end of 2016, we announced the refinancing of our 2020 maturing, $150 million senior unsecured 8.375% notes. These notes will be redeemed and replaced by a new senior unsecured note offering totaling $300 million, bearing interest at 6.5% maturing in 2024. Closing of this transaction is expected to occur on or about March 14, 2017, subject to satisfaction of customary closing conditions. The excess proceeds from the refinancing transaction will be directed to repayment of outstanding indebtedness under our bank facility and for general corporate purposes, including the ongoing development of our high quality Montney asset base. This refinancing transaction is expected to further enhance Crew's financial flexibility, and supports our Montney development and infrastructure build-out that underpins the Company's long-range growth plan.

The improved commodity price environment and Crew's continued focus on reducing costs contributed to fourth quarter funds from operations of $27.9 million or $0.19 per diluted share, an increase of 42% over the fourth quarter of 2015. Even with positive cost impacts, lower average commodity prices through most of 2016 resulted in a 4% reduction in annual funds from operations to $78.7 million or $0.54 per diluted share. Crew's fourth quarter and full year 2016 earnings were impacted by unrealized losses incurred on the Company's risk management program and a non-cash impairment charge against the Company's heavy oil property.

Crew continued to reduce operating costs per boe through 2016, which averaged $5.88 per boe or 29% lower than in 2015, which helped to support our netback in a low price environment. In the fourth quarter of 2016, operating costs averaged $5.35 per boe or 22% lower than the same period the prior year. The quarterly and annual reductions are a result of overall industry cost improvements, enhanced operational efficiencies, and the impact of increased volumes from our lower-cost Greater Septimus area.

TRANSPORTATION, MARKETING & HEDGING

Through 2016, Crew's strategy to further diversify our natural gas transportation and sales points coupled with the higher heat content of our gas has resulted in our realized sales price outperforming industry benchmarks. Crew will continue to seek out opportunities to enhance our diversification as we continue to grow. One of the many advantages of our Montney land base is that we are situated with access to all three major export pipeline systems which affords substantial optionality to access markets across North America. We successfully renewed contracts that will provide continued exposure to the Chicago City Gate, AECO, Alliance ATP and Station 2 markets through 2017. In April of 2017, our transportation on the Spectra pipeline system increases from 13 mmcf per day to 30 mmcf per day, providing the ability to move additional natural gas into the Station 2 and Sumas, Washington markets. In early 2018, we have also secured 60 mmcf per day of capacity on the TransCanada pipeline system ("TCPL"), affording improved market diversity for natural gas from our Greater Septimus and Groundbirch areas. As well, in mid-2019, we have an additional 60 mmcf per day of firm capacity on the TCPL system.

With an improved outlook for longer-dated natural gas futures prices, Crew continued to systematically add 2017 natural gas hedges throughout the fourth quarter and the early part of 2017 to help mitigate price volatility. For 2017, Crew's total natural gas hedged position is approximately 48% of our forecast 2017 gas sales at a transportation-adjusted equivalent price of $2.92 per gj, which when adjusting for the higher heat content of Crew's gas, equates to $3.62 per mcf. For liquids, we have approximately 43% of our 2017 light oil and natural gas liquids sales hedged at an average price of CDN$68.17 per bbl.

OPERATIONS

NE BC Montney - Greater Septimus Overview

Our Greater Septimus activities are supported by improving well results, continued cost reductions and enhanced pricing through our diversified market portfolio. Crew's fourth quarter and full year 2016 average production at Greater Septimus totaled 17,307 boe per day and 17,797 boe per day, respectively. Production volumes were 59% higher than in 2015 and 21% higher than the fourth quarter of 2015 due to continued drilling and completions activities focused in the ultra condensate-rich region, where Crew is able to generate very attractive returns in the current commodity price environment. These production volumes were achieved despite an eight day full system shut-down of the Alliance Pipeline which resulted in all of our Montney operations being shut-in, reducing production for the quarter by approximately 1,750 boe per day. Crew has continued to realize increases in condensate production in proportion to other liquids production, as total natural gas liquids ("NGL") volumes in 2016 were 33% higher than in 2015. Operating costs per boe at Greater Septimus declined 7% from the third quarter to $3.34 per boe as a result of improved economies of scale and continued cost reduction initiatives. Project economics at Greater Septimus remain compelling, particularly within the ultra condensate-rich area at West Septimus which was a focal area for Crew during the last half of 2016.

Greater Septimus

Production & Drilling	**Q4 2016**	Q3 2016	Q2 2016	Q1 2016
Average Daily Production (boe/d)	**17,307**	18,592	17,131	18,149
Wells drilled (gross / net)	**8 / 7.7**	8 / 7.0	-	4 / 4.0
Wells completed	**5**	7	7	3

Operating Netback ($ per boe)	**Q4 2016**	Q3 2016	Q2 2016	Q1 2016
Revenue	**25.10**	20.56	16.06	16.69
Royalties	**(1.47)**	(0.94)	(0.69)	(0.79)
Realized commodity hedge (loss)/gain	**(0.39)**	1.11	3.24	1.34
Operating costs	**(3.34)**	(3.61)	(4.02)	(4.43)
Transportation costs	**(1.68)**	(1.59)	(1.97)	(2.21)
Operating netback	**18.22**	15.53	12.62	10.60

During 2016, Crew's primary focus was on the continued development of our liquids-rich West Septimus area, where we realized 1P and 2P reserves increases of 66% to 81.0 mmboe and 53% to 154.8 mmboe, respectively, compared to year end 2015.

The ongoing delineation of Crew's significant Montney land base continued in 2016 with successful results from new stratigraphic intervals of the Montney, and confirmation of an ultra condensate-rich window that is approximately six times the condensate level Crew had previously encountered. Combined with the improved efficiency in our operations during 2016, the Company was able to progress our completion technology while achieving record low all-in well costs.

Crew has two Upper Montney Lower "B" wells in the Greater Septimus area, one of which has been on production for 250 days and produced at an average rate of 1,000 boe per day. The second Lower "B" well has been on production for 60 days and produced at an average rate of 1,475 boe per day. The two wells were assigned an average 2P estimated ultimate recovery ("EUR") of 1.2 million boe per well by Crew's independent reserves evaluator in the Reserves Report, 16% higher than our current Septimus undeveloped EUR assignments. The improved performance that we have experienced at West Septimus illustrates the prospectivity of the multiple zones within the Montney, the importance of geo-steering which allows for targeted zonal drilling and the benefits of higher intensity fracture treatments. With continued exploitation of the Lower "B" interval and the Company's ongoing focus on technology enhancements and implementation, we expect continued strong well performance from our legacy Septimus asset.

Crew's original Lower Montney well at Septimus continues to perform well, producing ahead of the 5.6 bcf type curve for booked undeveloped locations used in the Reserves Report. We believe the largely unbooked Lower Montney resource will be a significant focus within our multi-year growth plan and are continuing to explore optimal completion designs for the Lower Montney to be applied to our future pad developments.

At West Septimus our new ultra condensate-rich wells continue to exceed expectations with our initial two wells producing a total of 30,500 bbls and 52,000 bbls of condensate in 90 and 145 days, respectively, at an average condensate gas ratio of 153 and 192 bbls per mmcf, respectively. These results contributed to an initial reserve booking in the Reserves Report of 41 undeveloped locations with an average 2P EUR of 3.7 bcf of natural gas and 239 mbbls of condensate. The total capital cost for each of these wells was $4.3 million including a 40-stage open hole completion with an increased two tonnes per metre sand loading. Crew is excited about further delineation of this liquids-rich resource with two six-well pads planned for the second and third quarters of 2017. Subject to further delineation of the local reservoir quality and productivity, our internal assessment would indicate up to 165 potential drilling opportunities within this ultra condensate-rich window.

Through the end of 2016, the design basis for the West Septimus facility expansion to 120 mmcf per day was finalized. The plant's front end liquids design specifications were increased to incorporate significantly higher condensate and NGL loading from our newly discovered ultra condensate-rich region. During the fourth quarter, we placed orders for the longest lead items to ensure a delivery schedule in time for a projected start-up scheduled for the fourth quarter of 2017. The net cost to the Company for the expansion is expected to be between $12 and $15 million based on Crew's current 28% working interest in our Greater Septimus natural gas processing complex. Crew also began to survey the right of way for a 43 kilometre pipeline system from Crew's existing West Septimus infrastructure through our future 120 mmcf per day Groundbirch facility site and down to the existing TransCanada Saturn meter station. With completion of this pipeline system in early 2018, Crew will have achieved a major milestone in our diverse transportation and marketing strategy by having physical access to all three major pipeline systems out of the Western Canadian Sedimentary Basin.

NE BC Montney - Tower Overview

In 2014, Crew drilled four wells in our Tower light oil play, and in 2016, proceeded with completing two of the four drilled and uncompleted wells utilizing a plug and perf completion system and two tonnes per metre sand loading. To date the wells have produced 30,500 and 11,000 bbls of light oil in 90 and 60 days, respectively, at average oil to gas ratios of 243 and 150 bbls per mmcf, respectively. Crew is currently in the process of completing the remaining two wells and is continuing to optimize our completion techniques in the ultra condensate-rich gas and oil hydrocarbon windows to determine the most economic technique to be applied to full-scale field development.

Lloydminster, AB/SK Overview

In light of the ongoing sales process at Lloydminster through the fourth quarter of 2016, Crew was directing minimal capital toward the area and production volumes declined during the last half of 2016, averaging 2,191 boe per day in the fourth quarter and 2,486 boe per day during 2016. The Lloydminster area provides significant leverage to improving oil prices while continuing to have a low and competitive cost structure.

OUTLOOK

In 2017, we will continue to build upon Crew's existing core developments and delineate additional acreage in the liquids-rich window at West Septimus and at Groundbirch. Our 300,000 acre land position and over 110 TCFE of Total Petroleum Initially In Place Montney resource comprised of 8 billion barrels of oil and 60 Tcf of natural gas affords Crew access to oil and liquids-rich natural gas and the optionality to optimize commodity type, transportation systems and sales markets. We have been successful in steadily improving our netback by reducing operating costs and targeting greater condensate and oil in our production mix. Given the current outlook for natural gas, we will concentrate on the development of oil and condensate-rich natural gas assets in our portfolio. Crew currently has three rigs running in the Montney and has 13 wells drilled and awaiting completion. In addition, we have five wells currently flowing back after being completed.

From this strong base, we continue to advance our multi-year growth plan, staged with access to processing and transportation infrastructure that will allow Crew to have the capacity to meet its targeted growth of over 60,000 boe per day over the next three years. With larger size and scale, Crew anticipates being able to fund our growth with a combination of funds from operations, our new senior unsecured notes, draws on the bank facility as it expands, other financing alternatives or potential future asset sales. We are committed to executing our growth plan with a priority of maintaining a strong balance sheet through this period as we have done in the past.

Our $200 million capital budget for 2017 anticipates drilling 28 new Montney wells, completing 39 wells, and finalizing the West Septimus facility expansion in the fourth quarter. Our Greater Septimus gas processing complex has incremental processing capacity to manage our near term production additions, and the planned expansion later in 2017 is expected to support growth to over 35,000 boe per day. Based on current forecast commodity price assumptions, 2017 annual production is anticipated to range between 25,000 and 27,000 boe per day, while exit production is expected to be greater than 30,000 boe per day. We are commencing work on the engineering design for the planned 120 mmcf per day greenfield Groundbirch processing facility, expected to be commissioned in the fourth quarter of 2018, as well as the interconnecting pipeline system from West Septimus through Groundbirch to our new TCPL sales point at Saturn. By 2019, Crew anticipates being in a strong position with a total of 300 mmcf per day of total processing capacity paired with 275 mmcf per day of firm and priority interruptible transportation capacity. Post 2019, Crew is actively working to secure additional processing and takeaway capacity to continue to grow our Montney production base.

We thank our employees and directors for their commitment and dedication through these challenging market conditions, and we thank all of our shareholders for their continued investment in Crew.

Cautionary Statements

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

Information presented herein in respect of reserves and related information is based on our independent reserves evaluation for the year ended December 31, 2016 prepared by Sproule Associates Limited, details of which were provided in our press release issued on February 9, 2017. Our oil and gas reserves statement for the year ended December 31, 2016, which will include complete disclosure of our oil and gas reserves and other oil and gas information in accordance with NI 51-101, will be contained within our Annual Information Form which will be available on our SEDAR profile at www.sedar.com. The recovery and reserve estimates contained herein are estimates only and there is no guarantee that the estimated reserves will be recovered. In relation to the disclosure of estimates for individual properties, such estimates may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation. The Company's belief that it will establish additional reserves over time with conversion of probable undeveloped 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".

This press release contains metrics commonly used in the oil and natural gas industry, such as "finding and development costs" and "operating netbacks". The term "EUR" is the estimated raw quantity of gas or oil that is potentially recoverable or has already been recovered from a well. Reference is made to Crew's press release dated February 9, 2017 for definitions and details of the calculation of such metrics used herein. These terms do not have standardized meanings or standardized methods of calculation and therefore may not be comparable to similar measures presented by other companies, and therefore should not be used to make such comparisons. Such metrics have been included herein to provide readers with additional information to evaluate the Company's performance, however such metrics should not be unduly relied upon.

F&D costs take into account reserves revisions during the year on a per boe basis. The aggregate of the costs incurred in the financial year and changes during that year in estimated FDC may not reflect total F&D costs related to reserves additions for that year. Finding and development costs both including and excluding acquisitions and dispositions have been presented in this press release because acquisitions and dispositions can have a significant impact on our ongoing reserves replacement costs and excluding these amounts could result in an inaccurate portrayal of our cost structure. Management uses oil and gas metrics for its own performance measurements and to provide shareholders with measures to compare Crew's operations over time. Readers are cautioned that the information provided by these metrics, or that can be derived from the metrics presented in this press release, should not be relied upon for investment or other purposes.

*This news release contains references to estimates of oil and gas classified as Total Petroleum Initially In Place ("**TPIIP**") in Crew's Montney region in northeast 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, 2015, prepared for Crew in accordance with the Canadian Oil & Gas Evaluation Handbook, complete details of which evaluation were set forth in Crew's previously disseminated press release dated May 5, 2016 (the "**Resource Report Press Release**"). Such resource estimates are broken into the requisite categories and are subject to a number of cautionary statements, assumptions, risks, positive and negative factors relative to the estimates and contingencies, all of which details are set forth in the Resource Report Press Release, all of which is incorporated by reference herein.*

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 estimated volumes and product mix of Crew's oil and gas production; the potential opportunity for expanded drilling in the Lower Montney; future oil and natural gas prices and Crew's commodity risk management programs; marketing and transportation plans; future liquidity and financial capacity; future results from operations and operating metrics including potential rates of return; potential for lower costs and efficiencies going forward; future development, exploration, acquisition and disposition activities (including drilling, completion and infrastructure plans and associated timing and cost estimates); estimated drilling locations at Greater Septimus and potential impact thereof; the amount and timing of capital projects including the planned expansion of our West Septimus facility and the timing and estimated cost thereof; the potential sale of our heavy oil assets in Saskatchewan and Alberta; long-term growth strategy including drilling, completion and infrastructure plans and associated timing and costs; methods of funding our capital program including possible non-core asset divestitures and asset swaps; the anticipated completion of the senior unsecured note refinancing transaction, the timing thereof, and the anticipated use of proceeds including the redemption of the Company's currently outstanding notes; and Crew's 2017 budget and production estimates including 2017 annual year-end and exit rates and three year production targets.

In this press release, reference is made to the Company's long range potential Montney growth scenario. Such information reflects internal projections used by management for the purposes of making capital investment decisions and for internal long range planning and budget preparation. This information is based upon a variety of assumptions that may prove to be incorrect and, accordingly, long range targets are not intended to reflect estimates or forecasts of metrics that may actually be achieved. Accordingly, undue reliance should not be placed on the same.

The recovery and reserve estimates of Crew's reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. In addition, 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: that Crew will continue to conduct its operations in a manner consistent with past operations; results from drilling and development activities consistent with past operations; the quality of the reservoirs in which Crew operates and continued performance from existing wells; the continued and timely development of infrastructure in areas of new production; the accuracy of the estimates of Crew's reserve volumes; certain commodity price and other cost assumptions; continued availability of debt and equity financing and cash flow to fund Crew's current and future plans and expenditures; the impact of increasing competition; the general stability of the economic and political environment in which Crew operates; the general continuance of current industry conditions; 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; 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; and the ability of Crew to successfully market its oil and natural gas products.

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; changes in the demand for or supply of Crew's products, the early stage of development of some of the evaluated areas and zones the potential for variation in the quality of the Montney formation; 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 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 the 6:1 conversion ratio 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 twelve month periods ended December 31, 2016 and 2015 are filed on SEDAR at www.sedar.com and are available on the Company's website at www.crewenergy.com.