Crew Energy Inc. Announces First Quarter 2021 Financial and Operating Results Highlighted by a 174% Increase in Adjusted Funds Flow

May 6, 2021

CALGARY, Alberta, May 06, 2021 (GLOBE NEWSWIRE) -- Crew Energy Inc. (TSX: CR) ("Crew" or the "Company") today announced our operating and financial results for the three-month period ended March 31, 2021. Crew's Financial Statements and Notes, as well as Management's Discussion and Analysis ("MD&A") for the three-month period ended March 31, 2021 are available on Crew's website at www.crewenergy.com and filed on SEDAR at www.sedar.com.

"Crew entered 2021 primed to capitalize on structural improvements in crude oil and natural gas pricing with a pivotal two-year plan which is designed to increase the pace of development of our world-class Montney resource while optimizing production and infrastructure utilization. This is expected to enhance margins, improve leverage metrics and generate shareholder value," said Dale Shwed, President and CEO of Crew. "In Q1 2021, we saw the initial benefits of our two-year plan, with meaningful growth across an array of financial and operating metrics both year-over-year and quarter-over-quarter, including a 124% increase in revenue, 174% increase in Adjusted Funds Flow[1] ("AFF") and a 10% increase in production volumes compared to Q1 2020."

Q1 2021 OPERATING & FINANCIAL HIGHLIGHTS

- **26,258 boe per day**[2] (157.5 mmcfe per day) average production in Q1/21, a 10% increase over Q1/20 and a 21% increase from the preceding quarter, reflecting the operational success of Crew's drilling and completions program.
- **$34.0 million of AFF**[1] ($0.22 per fully diluted share) generated in the quarter, a 174% increase over Q1/20 and 118% higher than the preceding quarter, due largely to increased production, lower costs and stronger commodity pricing, particularly for natural gas.
- **$4.65 per boe net operating costs**[1] in Q1/21, representing a 19% reduction compared to Q1/20, and a 12% reduction from the prior quarter, reflecting higher production leading to operational efficiencies. Q1/21 general and administrative ("G&A") costs of $0.93 per boe declined 19% and 28% compared to Q1/20 and Q4/20, respectively.
- **$50.1 million of net capital expenditures**[1] in Q1/21**,** at the low end of the previously announced guidance range of $50 to $53 million, as drilling and completion efficiencies improved in the quarter. The majority of expenditures were directed towards the continued development of our world-class Montney resource play, with $42.3 million invested in drilling and completions activities, $5.6 million directed to equipment and pipelines, and $2.2 million on land, seismic, recompletions and other miscellaneous amounts.
- **11 natural gas wells** were drilled in Q1/21, while six natural gas wells were completed, and seven previously completed natural gas wells were tied in through permanent facilities. In Q1/21, Crew drilled two wells over 6,200 meters in total length, the longest wells drilled in the Company's history.
- **4 ultra-condensate rich wells** were completed on Crew's 3-32 pad with encouraging initial first month average per well sales rates of 497 bbls per day of condensate, 2.2 mmcf per day of conventional natural gas and 99 bbls per day of ngl. These wells had an average condensate to gas ratio of 226 bbls per mmcf over the first month of production.
- **$375.7 million of net debt**[1] at March 31, 2021, with no near-term maturities or repayment requirements on the $300 million of senior notes termed out until 2024, and 38% drawn on our $150 million credit facility.

FINANCIAL & OPERATING HIGHLIGHTS

FINANCIAL ($ thousands, except per share amounts)	**Three months ended** **Mar. 31, 2021**	Three months ended Mar. 31, 2020
Petroleum and natural gas sales	**85,517**	38,094
Adjusted funds flow [1]	**33,995**	12,400
Per share – basic	**0.23**	0.08
– diluted	**0.22**	0.08
Net income / (loss)	**1,353**	(191,909)

Per share – basic	**0.01**	(1.27)
– diluted	**0.01**	(1.27)
Exploration and development expenditures	**50,090**	18,029
Property acquisitions (net of dispositions)	**-**	(34,940)
Net capital expenditures	**50,090**	(16,911)

	As at Mar. 31, 2021	As at Dec. 31, 2020
Working capital deficiency [1]	**21,739**	24,361
Bank loan	**56,851**	35,994
	78,590	60,355
Senior Unsecured Notes	**297,097**	296,851
Total net debt [1]	**375,687**	357,206
Common shares outstanding (thousands)	**156,576**	156,449

Notes:

(1) Non-IFRS measure that does not have any standardized meaning as prescribed by International Financial Reporting Standards, and therefore, may not be comparable with the calculations of similar measures for other entities. See “Advisories - Non-IFRS Measures” contained within this press release.

Operations	**Three months ended Mar. 31, 2021**	Three months ended Mar. 31, 2020
Daily production		
Light crude oil (bbl/d) [1]	**155**	215
Heavy crude oil (bbl/d)	**1,055**	1,527
Natural gas liquids (“ngl”) [2] (bbl/d)	**2,401**	2,288
Condensate (bbl/d)	**2,708**	3,340
Conventional natural gas (mcf/d)	**119,635**	99,144
Total (boe/d @ 6:1)	**26,258**	23,894
Average prices [3]		
Light crude oil ($/bbl)	**63.97**	44.81
Heavy crude oil ($/bbl)	**52.69**	20.06
Natural gas liquids ($/bbl)	**13.56**	4.86
Condensate ($/bbl)	**69.75**	54.83
Conventional natural gas ($/mcf)	**5.54**	1.86
Oil equivalent ($/boe)	**36.19**	17.52

Notes:

(1) The Company does not have any medium crude oil as defined by NI 51-101.
(2) Throughout this news release, natural gas liquids (“ngl”) comprise all natural gas liquids as defined in National Instrument 51-101, Standards of Disclosure for Oil and Gas Activities ("NI 51-101"), other than condensate, which is disclosed separately, and natural gas means conventional natural gas by NI 51-101 product type.
(3) Average prices are before deduction of transportation costs and do not include realized gains and losses on derivative financial instruments.

	Three months ended Mar. 31, 2021	Three months ended Mar. 31, 2020
Netback ($/boe)		
Petroleum and natural gas sales	**36.19**	17.52
Royalties	**(2.21)**	(1.00)
Realized commodity hedging gain	**(7.34)**	1.75
Marketing income [1]	**-**	0.11
Net operating costs [2,3]	**(4.65)**	(5.74)
Transportation costs	**(4.17)**	(3.21)
Operating netback [3]	**17.82**	9.43
G&A	**(0.93)**	(1.15)
Financing costs on long-term debt	**(2.50)**	(2.58)
Adjusted funds flow [3]	**14.39**	5.70

Notes:

(1) Marketing income was recognized from the monetization of forward physical sales contracts offset by the cost of committed natural gas transportation that was not available during the period.

(2) Net operating costs are calculated as gross operating costs less processing revenue.

(3) Non-IFRS measure that does not have any standardized meaning as prescribed by International Financial Reporting Standards, and therefore, may not be comparable with the calculations of similar measures for other entities. See "Advisories - Non-IFRS Measures" contained within this press release.

SUSTAINABILITY AND ESG INITIATIVES

Crew's environmental, social and governance ("ESG") initiatives were a prime focus in Q1/21 as we continued our unwavering commitment to safely and to responsibly operate in the communities in which we work. The Company expects to release our inaugural ESG report to stakeholders in mid-2021, while we continue to advance our sustainability goals:

- The Company continues to reduce its surface footprint by developing its resource through the drilling of longer Extended Reach Horizontal ("ERH") wells. These longer wells ultimately reduce the number of wells needed to deplete a reservoir, reduce future development capital and minimize pipeline requirements. Additionally, by concentrating the placement of wells on drilling pads, surface impact is minimized to one area as exhibited on our Greater Septimus 1-8 pad. Recent wells have exceeded 4,000 meters in lateral length, allowing access to resource that would otherwise have been challenging and costly to access due to difficult terrain and environmental sensitivities.
- Crew has upheld an exemplary safety record, featuring no employee or contractor lost time injuries for over 1,000 consecutive days as of Q1 2021.
- Crew successfully participated in the provincially funded dormant well programs, having abandoned 41 wells and initiated 78 site assessments to date in 2021. Crew expects to abandon approximately 16% of the Company's idle wells in 2021.
- Crew continues to leverage the use of next generation, spoolable surface pipelines for produced water transfer, which removes trucks from the road, reduces CO_2 emissions, and affirms Crew's commitment to improving efficiencies and reducing our environmental impact. In addition to meaningful reductions in emissions, the corresponding removal of vehicles from the road also significantly reduces the risk of accidents and spills, further contributing to improved safety and environmental performance.
- Through Q1/21, Crew's strong regulatory compliance record remained consistent with 2019 and 2020, achieving a 96% compliance rating with 57 regulatory inspections completed across the three provinces in which we operate.

OPERATIONS & AREA OVERVIEW

NE BC Montney

Production & Drilling	**Q1 2021**	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Average daily production (boe/d) [1]	**23,130**	18,089	17,119	18,565	19,894
Wells drilled	**11**	6	6	0	1
Wells completed	**6**	7	0	1	0

Note:

(1) See table in the Advisories for production breakdown by product type as defined in NI 51-101.

Operating Netback ($ per boe)	**Q1 2021**	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Petroleum and natural gas sales	**36.15**	20.41	15.73	11.97	17.61
Royalties	**(2.07)**	(0.89)	(0.42)	(0.36)	(0.86)
Realized commodity hedge (loss) gain	**(7.26)**	1.45	2.18	3.06	1.44
Marketing (loss) income [1]	**-**	(0.05)	(0.33)	(0.31)	0.13
Net operating costs [2,3]	**(3.84)**	(4.33)	(4.71)	(4.81)	(4.52)
Transportation costs	**(4.25)**	(4.33)	(3.86)	(3.37)	(2.99)
Operating netback [3]	**18.73**	12.26	8.59	6.18	10.81

Notes:

(1) Marketing income was recognized from the monetization of forward physical sales contracts offset by the cost of committed natural gas transportation that was not available during the period.

(2) Net operating costs are calculated as gross operating costs less processing revenue.

(3) Non-IFRS measure that does not have any standardized meaning as prescribed by International Financial Reporting Standards, and therefore, may not be comparable with the calculations of similar measures for other entities. See "Advisories - Non-IFRS Measures" contained within this press

release.

- Production at Greater Septimus totaled 23,130 boe per day in Q1/21, a 28% increase compared to the prior quarter and a 16% increase year-over-year.
- Despite extreme cold weather in February, Crew effectively executed our first quarter drilling and completions program, with 11 wells drilled and six Montney wells completed. Four wells were drilled for land tenure extensions with three wells drilled at Groundbirch, which are expected to be completed in the next year, and one well drilled at Attachie, which is not expected to be completed until a development plan for the area has been established. Excluding the Attachie well, the Company now has an inventory of 10 drilled and uncompleted wells and has recently paused its drilling program through spring breakup.
- At Crew's 3-32 pad, four wells were completed in the ultra-condensate rich Upper Montney "B" zone with encouraging initial first month per well average sales rates of 497 bbls per day of condensate, 2.2 mmcf per day of conventional natural gas, and 99 bbls per day of ngl. These wells had an average condensate to gas ratio of 226 bbls per mmcf over the first month of production. The 3-32 pad wells were tied into permanent facilities in mid April.
- At the 3-32 pad, Crew's commitment to improving efficiencies and reducing emissions was reaffirmed through the installation of a licensed temporary surface pipeline for produced water. The pipeline allows for the safe and environmentally responsible transportation of produced water, dramatically reducing the trucking of water in Crew's area of operations while significantly reducing emissions. As a result of this pipeline, 7,333 two-way truckloads were removed from the road during the completion of the 3-32 pad in Q1 2021, which is the approximate equivalent of 329 tCO2e.
- Drilling of the seven-well 1-8 pad began in Q4 and was finished in Q1, incorporating the longest wells drilled in the Company's history. After completing the drilling of the 1-8 pad, the associated drilling rig was moved to our nine well 4-14 pad, targeting gas and condensate at Greater Septimus.

Other NE BC Montney

- Crew continues to evaluate encouraging offset operator activity in the Attachie and Oak/Flatrock areas.
- During Q1/21, Crew completed our land retention program focused in the Groundbirch area to facilitate future growth by drilling three land tenure extension wells. This program allowed the Company to hold 53 sections of Montney mineral rights.

AB / SK Heavy Oil Lloydminster

- Crew's dedication to the optimization of operations has led to an 8% year-over-year decline in Q1/21 operating costs in the heavy oil operating area.
- In Q1/21, Crew successfully executed 35 well abandonments in the area.

BOARD OF DIRECTORS TRANSITION

Crew is pleased to announce that Ms. Gail Hannon will be standing for election to our Board of Directors at the 2021 Annual General and Special Meeting ("AGSM"), which is to be held on May 20th, 2021. Ms. Hannon is currently the Vice President of Corporate and Financial Planning with a private Alberta based oil and gas company. Bringing over 30 years of diverse accounting and reporting experience, Ms. Hannon has worked in various management and executive roles in both private and public companies. She holds a CPA designation, a CMA certification and currently serves on the board of a private company. We are very excited to have Ms. Hannon join our Crew and believe her extensive experience will be an invaluable contribution to the Board.

The Company also announces that Mr. David Smith is not standing for re-election at Crew's 2021 AGSM. On behalf of our Board of Directors and our Crew, we would like to thank David for 12 years of outstanding advice and service on Crew's Board, and we wish him all the best in his retirement.

OUTLOOK

Crew continues to execute on our two-year plan with production and AFF ahead of budget assumptions. Both short-term and long-term fundamentals remain strong for natural gas while oil prices have recently exhibited positive momentum as the world begins to recover from the effects of the COVID-19 pandemic. Crew management anticipates that natural gas will continue to play a long-term and vital role in the global energy transition as the world looks to diversify energy sources and reduce emissions.

Two-Year Plan on Track

Crew's pivotal two-year plan, designed to expand margins and significantly improve leverage metrics by efficiently matching production volumes with infrastructure and transportation commitments, has been successfully initiated.

- **Production Growth** – Q1/21 production averaged 26,258 boe per day[3], representing a 21% increase over Q4/20, as our drilling and completions program progresses. The Q2/21 capital program is expected to range between $15 and $18 million, while production volumes are expected to average between 26,000 and 27,000 boe per day[3].

- **AFF Guidance Increased** – As a result of strong first quarter AFF[4] and an improved commodity price forecast for the remainder of the year, the Company now expects 2021 AFF[4] to range between $105 and $125 million[5], representing an increase of approximately 20% over previous guidance.
- **Optimizing Commitments** – Increasing Q1/21 natural gas production has resulted in Crew enhancing the utilization of our committed transportation by over 30% as compared to Q4/20. Further improvements are anticipated as production increases throughout the year and as committed transportation decreases by over 20% in Q4/21, which is expected to reduce transportation expenses by over $9 million annually.
- **Enhanced Hedging Program** – Crew currently has over 55% of forecast 2021 natural gas production hedged at an average price of $2.48 per Gigajoule ("GJ") (or $3.08 per mcf calculated using Crew's heat content factor), while approximately 35% of targeted natural gas production for 2022 is hedged at an average price of $2.46 per GJ (or $3.05 per mcf using Crew's heat content factor).
- **Reduced Costs** – Crew's plan to reduce unit costs by over 25% is largely based on increasing production volumes into existing infrastructure, as over 50% of the Company's expenses are fixed. As production increases, per unit costs associated with operating, transportation, G&A and interest expenses are targeted to decline from $13.19 per boe in 2020 to approximately $10.00 per boe in 2022. Progress was made in achieving these goals in Q1, as per unit operating, transportation, G&A and interest costs declined by 11% from $13.80 per boe in Q4/20 to $12.25 per boe in Q1/21.
- **Debt Reduction** – Based on projected capital spending, current forward commodity prices and the production assumptions outlined in Crew's most recent Corporate Presentation, we expect that debt metrics will improve to under 2x EBITDA [6] by the end of 2022.
- **Full Year 2021 Guidance** – 2021 capital and production guidance remains unchanged, with plans to invest between $120 and $145 million of capital throughout the year, resulting in average annual production of 26,000 to 28,000 boe per day[7] and an exit rate of over 30,000 boe per day[7].

Our Crew remains enthusiastic and focussed on the efficient execution of the Company's business plan. We have identified actionable opportunities to grow profitably while expanding margins and participating in the energy transition. With a history of low finding and development costs and high recycle ratios, with access to diversified markets, we are uniquely positioned to provide superior returns to our shareholders. Crew retains the financial flexibility and expertise to execute on our plans, with ample liquidity and the optionality to raise funds through asset transactions as needed. We commend the hard work of Crew's employees, contractors and directors whose commitment and dedication are critical to our ongoing success and thank all shareholders and bondholders for your ongoing support.

ADVISORIES

Non-IFRS Measures

Certain financial measures referred to in this press release, such as adjusted funds flow or AFF, EBITDA, operating netback, net capital expenditures, net debt, net operating costs and working capital deficiency and are not prescribed by IFRS. Crew uses these measures to help evaluate its financial and operating performance as well as its liquidity and leverage. These non-IFRS financial measures do not have any standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers.

"Adjusted funds flow" or "AFF", presented herein is equivalent to funds from operations before decommissioning obligations settled. The Company considers this metric as a key measure that demonstrate the ability of the Company's continuing operations to generate the cash flow necessary to maintain production at current levels and fund future growth through capital investment and to service and repay debt. Crew also presents AFF per share in this presentation whereby per share amounts are calculated using fully diluted shares outstanding.

"EBITDA" is calculated as consolidated net income (loss) before interest and financing expenses, income taxes, depletion, depreciation and amortization, adjusted for certain non-cash, extraordinary and non-recurring items primarily relating to unrealized gains and losses on financial instruments and impairment losses. Crew utilizes EBITDA as a measure of operational performance and cash flow generating capability. EBITDA impacts the level and extent of funding for capital projects investments. This measure is consistent with the EBITDA formula prescribed under the Company's Credit Facility and allows Crew and others to assess its ability to fund financing expenses, net debt reductions and other obligations.

"Operating Netbacks" equals petroleum and natural gas sales including realized gains and losses on commodity related derivative financial instruments, marketing income, less royalties, net operating costs and transportation costs calculated on a boe basis. Management considers operating netback an important measure to evaluate its operational performance as it demonstrates its field level profitability relative to current commodity prices. The calculation of Crew's netbacks can be seen under "Operating Netbacks" within the Company's most recently filed MD&A."

"Net Capital Expenditures" equals exploration and development expenditures plus property acquisitions or less property dispositions.

"Net Debt" is defined as bank debt plus working capital deficiency or surplus, excluding the current portion of the fair value of financial instruments.

"Net Operating Costs" equals operating costs net of processing revenue.

"Working Capital Surplus (Deficiency)" equals current assets less current liabilities and derivative financial instruments.

Please refer to Crew's most recently filed MD&A for additional information relating to Non-IFRS measures including a reconciliation of AFF to its most closely related IFRS measure. The MD&A can be accessed either on Crew's website at www.crewenergy.com or under the Company's profile on www.sedar.com.

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 ability to execute on its two-year development plan as described herein; as to our plan to optimize production and infrastructure utilization, enhance margins, increase AFF and improve leverage metrics; our Q2 2021 and 2021 annual capital budget range and associated drilling and completion plans and associated guidance; preliminary capital plans and targets for 2022; production estimates including forecast Q2 and 2021 annual average and exit production volumes; commodity price expectations including Crew's estimates of natural gas pricing exposure; Crew's commodity risk management programs and future hedging opportunities; well abandonment plans; marketing and transportation and processing plans and requirements; estimates of processing capacity and requirements; future liquidity and financial capacity; future results from operations and operating and leverage metrics; anticipated reductions in expenses and associated estimates including forecast unit costs in 2022 and expected reductions in transportation expenses by over $9 million annually; expected debt metric improvements to under 2x EBITDA; strong capital efficiencies and enhanced returns going forward; the potential impact of COVID-19 as well as government programs associated with COVID-19; world supply and demand projections and anticipated reductions in industry spending as a result, and long-term impact on pricing; future development, exploration, acquisition and disposition activities (including drilling and completion plans, anticipated on-stream dates and associated timing and cost estimates); infrastructure investment plans; the successful implementation of our ESG initiatives including the anticipated release of Crew's inaugural ESG report in 2021; the amount and timing of capital projects; and anticipated improvement in our long-term sustainability including the expected positive attributes discussed herein attributable to our two-year development plan.

The internal projections, expectations, or beliefs underlying our Board approved 2021 capital budget and associated guidance, as well as management's preliminary estimates and targets in respect of plans for 2022 and beyond, are subject to change in light of the impact of the COVID-19 pandemic, and any related actions taken by businesses and governments, ongoing results, prevailing economic circumstances, commodity prices, and industry conditions and regulations. Crew's financial outlook and guidance provides shareholders with relevant information on management's expectations for results of operations, excluding any potential acquisitions or dispositions, for such time periods based upon the key assumptions outlined herein. In this press release reference is made to the Company's longer range 2022 and beyond internal plan and associated economic model. Such information reflects internal targets used by management for the purposes of making capital investment decisions and for internal long-range planning and budget preparation. Readers are cautioned that events or circumstances could cause capital plans and associated results to differ materially from those predicted and Crew's guidance for 2021 and beyond may not be appropriate for other purposes. Accordingly, undue reliance should not be placed on same.

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: the continuing and uncertain impact of COVID-19; 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; interruptions, unanticipated operating results or production declines; changes in tax or environmental laws, royalty rates; climate change regulations, 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).

This press release contains future-oriented financial information and financial outlook information (collectively, "FOFI") about Crew's prospective capital expenditures, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the above paragraphs. The actual results of operations of Crew and the resulting financial results will likely vary from the amounts set forth in this press release and such variation may be material. Crew and its management believe that the FOFI has been prepared on a reasonable basis, reflecting management's best estimates and judgments. However, because this information is subjective and subject to numerous risks, it should not be relied on as necessarily indicative of future results. Except as required by applicable securities laws, Crew undertakes no obligation to update such FOFI. FOFI contained in this press release was made as of the date of this press release and was provided for the purpose of providing further information about Crew's anticipated future business operations. Readers are cautioned that the FOFI contained in this press release should not be used for purposes other than for which it is disclosed herein.

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.

Key Budget and Underlying Material Assumptions[1]

	2021 (Updated)[3]
Capital Expenditures ($MM)	120-145
Annual Average Production (boe/d)	26,000 – 28,000
Adjusted Funds Flow ($MM)	105-125
EBITDA ($MM)	130-149
Oil price (WTI)($US per bbl)	$61.00
WCS price ($C per bbl)	$61.00
Natural gas price (AECO 5A) ($C per mcf)	$2.90
Natural gas price (NYMEX) ($US per mmbtu)	$2.80
Natural gas price (Crew est. wellhead) ($C per mcf)	$3.80
Foreign exchange ($US/$CAD)	$0.80
Royalties	4-6%
Net operating costs[2] ($ per boe)	$4.75-$5.25
Transportation ($ per boe)	$3.50-$4.00
G&A ($ per boe)	$0.90-$1.10
Interest rate – bank debt	6.0%
Interest rate – high yield	6.5%

Notes:

[1] The actual results of operations of Crew and the resulting financial results will likely vary from the estimates and material underlying assumptions set forth in this guidance by the Company and such variation may be material. The guidance and material underlying assumptions have been prepared on a reasonable basis, reflecting management's best estimates and judgments.

[2] Non-IFRS measure that does not have any standardized meaning as prescribed by International Financial Reporting Standards, and therefore, may not be comparable with the calculations of similar measures for other entities. See "Non-IFRS Measures" contained within this Press Release.

[3] See the Guidance section of the Company's most recently filed Management's Discussion and Analysis for additional information regarding updated guidance and material assumptions.

Supplemental Information Regarding Product Types

The following is intended to provide the product type composition for each of the boe/d production figures provided herein, where not already disclosed within tables above:

Corporate Production Volume Breakdown[2]

	Crude Oil[1]	Natural gas liquids[3]	Condensate	Conventional Natural gas	Total (boe/d)
2021 Q1 Average	1,210 bbl/d	2,401 bbl/d	2,708 bbl/d	119,635 mcf/d	26,258
2021 Q2 Average	4%	10%	12%	74%	26,000-27,000
2021 Annual Average	4%	10%	11%	75%	26,000-28,000

Greater Septimus Production Volume Breakdown

	Crude Oil[1]	Natural gas liquids[3]	Condensate	Conventional Natural gas	Total (boe/d)
Q1/21	0%	10%	12%	78%	23,130
Q4/20	0%	10%	12%	78%	18,089
Q3/20	0%	11%	13%	76%	17,119
Q2/20	0%	11%	14%	75%	18,565
Q1/20	0%	11%	17%	72%	19,894

Notes:
[1] Crude oil is comprised primarily of Heavy crude oil, with an immaterial portion of Light and Medium crude oil.
[2] With respect to forward looking production guidance, given the potential for variability in actual product type results, the issuer approximates percentages for budget planning purposes based on management's reasonable assumptions including, without limitation, historical well results.
[3] Excludes condensate volumes which have been reported separately.

Test Results and Initial Production ("IP") 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, particularly those short in duration, may not necessarily be indicative of long term performance or of ultimate recovery. Sales gas used herein reflects natural gas sales based on historical gas processing shrinkage and condensate and ngl yields.

BOE, MMCFE and TCFE Conversions

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.

TCFe of gas is defined as Trillion Cubic Feet Equivalent, and MMCFe of gas is defined as Million Cubic Feet Equivalent. Both terms have been applied using the oil equivalent conversion ratio of six thousand cubic feet of natural gas (6 mcf) to one barrel of oil (1 bbl). TCFe and MMCFe amounts may be misleading, particularly if used in isolation.

Crew is a growth-oriented oil and natural gas producer, committed to pursuing sustainable per share growth through a balanced mix of financially and socially responsible exploration and development complemented by strategic acquisitions. The Company's operations are primarily focused in the vast Montney resource, situated in northeast British Columbia, and include a large contiguous land base. Greater Septimus along with Groundbirch and the light oil area at Tower in British Columbia offer significant development potential over the long-term. The Company has access to diversified markets with operated infrastructure and access to multiple pipeline egress options. Crew adhere's to safe and environmentally responsible operations while remaining committed to sound ESG practices that underpin Crew's fundamental business tenets. Crew's common shares are listed for trading on the Toronto Stock Exchange ("TSX") under the symbol "CR".

Financial statements and Management's Discussion and Analysis for the three month periods ended March 31, 2021 and 2020 are filed on SEDAR at www.sedar.com and are available on the Company's website at www.crewenergy.com.

FOR DETAILED INFORMATION, PLEASE CONTACT:

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[1] Non-IFRS measure that does not have any standardized meaning as prescribed by International Financial Reporting Standards, and therefore, may not be comparable with the calculations of similar measures for other entities. See "Advisories - Non-IFRS Measures" contained within this press release.

[2] See table in the Advisories for production breakdown by product type as defined in NI 51-101.

[3] See table in the Advisories for production breakdown by product type as defined in NI 51-101.

[4] Non-IFRS measure that does not have any standardized meaning as prescribed by International Financial Reporting Standards, and therefore, may not be comparable with the calculations of similar measures for other entities. See "Advisories - Non-IFRS Measures" contained within this press release.

[5] See table in the Advisories for key budget and underlying material assumptions related to Crew's development plan and associated guidance.

[6] Non-IFRS measure that does not have any standardized meaning as prescribed by International Financial Reporting Standards, and therefore, may not be comparable with the calculations of similar measures for other entities. See "Advisories - Non-IFRS Measures" contained within this press release.

[7] See table in the Advisories for production breakdown by product type as defined in NI 51-101.