Crew Energy Inc. Announces Fourth Quarter and Full Year 2021 Results Highlighted by Substantial Production and Adjusted Funds Flow Growth

March 8, 2022

CALGARY, Alberta, March 08, 2022 (GLOBE NEWSWIRE) -- Crew Energy Inc. (TSX: CR, OTCQB: CWEGF) ("Crew" or the "Company") is a growth-oriented natural gas weighted producer operating exclusively in the world-class Montney play in northeast British Columbia ("NEBC"). The Company is pleased to announce our operating and financial results for the three and twelve month periods ended December 31, 2021. Crew's audited consolidated Financial Statements and Notes, as well as Management's Discussion and Analysis ("MD&A") are available on Crew's website and filed on SEDAR at www.sedar.com.

"Crew is excited to advance the Company's previously announced two-year asset development plan (the "Plan") as we further reduce unit costs, increase production and optimize pricing to expand margins. Building on the significant progress achieved towards this Plan during 2021, our objectives through 2022 include increasing production by 20% and generating Free Adjusted Funds Flow[3] ("Free AFF") to significantly reduce debt, with a goal of transferring enterprise value to our shareholders," said Dale Shwed, President and CEO of Crew. "Underpinning our Plan is a steadfast commitment to meeting or exceeding environmental, social and governance ("ESG") goals and upholding our track record as a safe and responsible operator."

HIGHLIGHTS

- **29,142 boe per day**[1] (174.9 mmcfe per day) average production in Q4/21, 35% higher than Q4/20 and above guidance of 28,000 to 29,000 boe per day[1], while average production in the month of December marked a new record high of 32,766 boe per day[1]. Annual average production in 2021 was 26,443 boe per day[1], a 20% increase over the prior year.
- **$46.8 million of Adjusted Funds Flow**[2] ("AFF") ($0.29 per fully diluted share) was generated in Q4/21, a 201% increase over Q4/20, driven by significant production growth and strong operating netbacks[3] of $20.70 per boe. AFF[2] in 2021 totaled $132.9 million ($0.82 per fully diluted share), 223% higher than 2020.
- **Before tax total proved plus probable reserve value per share of $11.95**[4], and total proved reserve value of $5.85 per share[5], net of debt, discounted at 10% before tax and based on Sproule's December 31, 2021 escalated price forecast; the details of the associated reserves evaluation were outlined in Crew's press release dated February 8, 2022.
- **20% reduction in net operating costs**[3] per boe in 2021, totaling $4.47 per boe compared to $5.61 per boe in 2020, reflecting the advancement of our Plan which aims to reduce per unit costs by over 25% from 2020 to 2022. Net operating costs[3] per boe in Q4/21 were $3.49 per boe, 34% lower than Q4/20.
- **55% improvement in annualized Q4/21 net debt**[2] **to EBITDA ratio**[6] **which improved to 1.9x,** compared to 4.2x at the end of 2020, while net debt[2] to Q4/21 production declined 16% to $13,900 per boe, in-line with the Company's Plan. Net debt[2] at year-end 2021 was $406.0 million.
- **$169.6 million of net capital expenditures**[3] in 2021**,** directed to an active exploration and development program that was largely focused on developing the Company's Montney assets in NEBC, and resulted in Crew drilling 26 (24.7 net) wells and completing 24 (22.7 net) wells. The 2021 capital program realized continued cost and operational improvements, driving reduced drill times, strong capital efficiencies and enhanced returns. Q4/21 net capital expenditures[3] totaled $41.9 million and were focused on the completion of eight (8.0 net) liquids rich wells at Greater Septimus.

FINANCIAL & OPERATING HIGHLIGHTS

FINANCIAL ($ thousands, except per share amounts)	**Three months ended Dec. 31, 2021**	Three months ended Dec. 31, 2020	**Year ended Dec. 31, 2021**	Year ended Dec. 31, 2020
Petroleum and natural gas sales	**103,153**	42,604	**332,848**	137,931
Cash provided by operating activities	**45,747**	14,774	**119,156**	37,989
Adjusted funds flow[1]	**46,833**	15,568	**132,869**	41,150
Per share – basic	**0.31**	0.10	**0.87**	0.27
- diluted	**0.29**	0.10	**0.82**	0.27
Net Income (loss)	**50,901**	34,668	**205,299**	(203,180)
Per share – basic	**0.33**	0.23	**1.34**	(1.34)
- diluted	**0.31**	0.22	**1.27**	(1.34)
Property, plant and equipment expenditures	**42,341**	41,007	**177,924**	86,260

Property acquisitions (net of dispositions)[2]	**(460)**	(23,219)	**(8,276)**	(58,150)
Net capital expenditures[2]	**41,881**	17,788	**169,648**	28,110

Capital Structure ($ thousands)	**As at** **Dec. 31, 2021**	As at Dec. 31, 2020
Working capital deficiency[1]	**33,068**	24,361
Bank loan	**75,067**	35,994
	108,135	60,355
Senior unsecured notes	**297,834**	296,851
Net debt[1]	**405,969**	357,206
Common shares outstanding (thousands)	**152,480**	151,182

Notes:

1) Capital management 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 and Other Financial Measures" contained within this press release.

2) Non-IFRS financial 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 and Other Financial Measures" contained within this press release

OPERATIONAL	**Three months ended Dec. 31, 2021**	Three months ended Dec. 31, 2020	**Year ended Dec. 31, 2021**	Year ended Dec. 31, 2020
Daily production				
Light crude oil (bbl/d)[1]	**157**	182	**158**	187
Heavy crude oil (bbl/d)	**-**	1,281	**802**	1,362
Natural gas liquids ("ngl") [2] (bbl/d)	**2,458**	1,953	**2,446**	2,070
Condensate (bbl/d)	**2,596**	2,121	**2,667**	2,583
Conventional natural gas (mcf/d)	**143,584**	96,771	**122,217**	94,519
Total (boe/d @ 6:1)	**29,142**	21,666	**26,443**	21,955
Average realized[3]				
Light crude oil price ($/bbl)	**89.98**	47.38	**75.95**	39.97
Heavy crude oil price ($/bbl)	**-**	38.79	**59.41**	28.86
Natural gas liquids price ($/bbl)	**34.50**	13.20	**20.75**	9.01
Condensate price ($/bbl)	**93.90**	47.68	**79.86**	42.99
Natural gas price ($/mcf)	**5.42**	2.87	**4.82**	2.12
Commodity price ($/boe)	**38.47**	21.37	**34.49**	17.17

Notes:

1) The Company does not have any medium crude oil as defined by NI 51-101.

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

	Three months ended Dec. 31, 2021	Three months ended Dec. 31, 2020	**Year ended Dec. 31, 2021**	Year ended Dec. 31, 2020
Netback ($/boe)				
Petroleum and natural gas sales	**38.47**	21.37	**34.49**	17.17
Royalties	**(2.70)**	(0.99)	**(2.39)**	(0.81)
Realized commodity hedging (loss) gain	**(8.06)**	1.27	**(6.31)**	2.06
Marketing loss	**-**	(0.04)	**-**	(0.11)
Net operating costs[1]	**(3.49)**	(5.30)	**(4.47)**	(5.61)
Transportation costs	**(3.52)**	(4.23)	**(4.07)**	(3.67)
Operating netback[1]	**20.70**	12.08	**17.25**	9.03
General and administrative ("G&A")	**(0.91)**	(1.30)	**(0.95)**	(1.01)
Financing costs on debt[1]	**(2.31)**	(2.97)	**(2.53)**	(2.90)

Adjusted funds flow[2]	**17.48**	7.81	**13.77**	5.12

Notes:

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

2) Capital management 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 and Other Financial Measures" contained within this press release.

TWO-YEAR PLAN ON TRACK

In Q4/21 and into 2022, Crew continued to advance our Plan that was launched in late 2020:

- **Continued Production Expansion** – Production volumes in January 2022, based on field estimates, averaged over 32,500 boe per day[7], supporting the forecast Q1/22 average production of between 31,000 to 33,000 boe per day[7]. Q4/21 production averaged 29,142 boe per day[7] (174.9 mmcfe per day), 35% higher than Q4/20.
- **AFF Propelled Higher** – AFF[8] of $46.8 million in Q4/21 was augmented by reduced unit costs, steadily improving netbacks and production growth. Our full year 2022 AFF[8] is forecast between $190 to $210 million, while 2022 Free AFF[9] is now targeted at the high end or above the range of $95 million to $130 million, depending on commodity prices and other underlying assumptions which are outlined in the Outlook section herein.
- **Capital Program on Course –** An active first quarter capital program is driving full year 2022 annual production guidance between 31,000 to 33,000 boe per day[7] based on annual capital expenditures of $80 to $95 million, which has been refined from $70 to $95 million, a result of inflationary factors partially offset by capital program efficiency gains.
- **Leverage Metrics Improving** – Crew has ample liquidity to execute our two-year plan, with leverage metrics expected to improve as the Company plans to reduce indebtedness through 2022. Crew's net debt[8] to the last twelve-months' ("LTM") EBITDA[10] ratio is forecast to improve to below 1.5 times at the end of 2022 at current strip commodity prices, declining from 2.6 times at the end of 2021 and 1.9 times Q4/21 annualized EBITDA.
- **Improved Efficiencies** – Crew's plan to reduce per unit costs by over 25% from 2020 to 2022 is largely based on increasing production volumes into existing infrastructure and transportation capacity, as over 50% of the Company's expenses are fixed. As production has increased, cash costs per boe[9] associated with operating, transportation, G&A and interest expenses have already declined to $10.23 per boe as of Q4/21, representing a decrease of 26% from $13.80 per boe in Q4/20. Net operating costs[9] were reduced to $3.49 per boe in Q4/21, down from $5.30 per boe in Q4/20, supported in large part by the planned increase in Montney production from West Septimus and Groundbirch, along with optimized field operations and the previously announced sale of Crew's heavy oil assets which carried higher net operating costs per boe.

OPERATIONS & AREA OVERVIEW

NE BC Montney (Greater Septimus)

- Eight wells were completed across two different benches within the Montney in Q4/21, including three extended reach horizontal ("ERH") wells on the 10 well 4-14 pad, which were drilled to an average lateral length of 4,140 meters.
- After an average of 32 days on production, the three ERH wells on the 4-14 pad were flowing at an average per well sales rate of 2,588 boe per day, comprised of 9,602 mcf per day of natural gas, 847 bbls per day of condensate and 140 bbls per day of NGL's [11]. Comparative type curves for this pad are available within Crew's February 2022 investor presentation on the Company's website. The remaining seven wells on our 4-14 pads are currently being completed with initial production expected late in Q1/22.

Groundbirch

- Crew had one drilling rig in operation during Q1/22, which recently finished drilling the five-well 4-17 Groundbirch pad following the success of our first three wells that were drilled and completed in the area in 2021. The first three wells at Groundbirch are exceeding Crew's internal type curve with an average raw gas production rate after 120 days ("IP120") of 9,410 mcf per day.
- Crew owns over 70,000 net acres of contiguous land in the Greater Groundbirch area. The Upper Montney at Groundbirch is approximately 470 feet in thickness and has four prospective zones; two of these zones were tested on the initial three well pad, and the other two zones are planned to be tested on Crew's follow-up five well pad.

Other NE BC Montney

- We continue to evaluate encouraging offset operator activity in the Tower, Attachie and Oak/Flatrock areas.

SUSTAINABILITY AND ESG INITIATIVES

Crew's ESG initiatives continue to be a prime focus as we uphold our unwavering commitment to safe and responsible energy production. During 2021, Crew released our inaugural ESG report in an environmentally conscious online format, outlining our efforts to promote operational innovation, reduce our environmental footprint, support stakeholders and protect our employees' health and safety. Please visit https://esg.crewenergy.com to learn more.

- With the sale of our Lloydminster assets in September of 2021, which represented Crew's most emission-intensive asset, approximately 46% of Crew's direct 2020 greenhouse gas ("GHG") emissions (Scope 1) have been removed and we anticipate the Company's total GHG emissions intensity will be reduced significantly, putting Crew on a path to reach our emissions reduction goals earlier than anticipated.
- Divesting of these assets sets the stage for Crew to streamline operations and improve efficiencies while also reducing our overall decommissioning obligations by a targeted 40%, representing approximately $34.5 million associated with 609 gross (539 net) wellbores.
- In 2021, the Company maintained our strong regulatory compliance record, achieving a 94% compliance rating with 284 regulatory inspections completed.
- The Company recorded no spills of significance, no lost time injuries and no employee injuries in 2021.
- Crew successfully participated in the provincially funded dormant well programs in 2021, having abandoned 68 (62 net) wells and completed 145 site assessments throughout the year across three different provinces.
- Crew continued to use 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. The Company's spoolable pipeline resulted in the removal of 24,237 two-way truckloads from the road during 2021, which is the equivalent distance of approximately 4.5 trips around the globe.

OUTLOOK

- **Full Year 2022 Guidance Reaffirmed** – Forecast full year 2022 average volumes are expected to remain within our previously announced guidance range of 31,000 to 33,000 boe per day[12] with full year net capital expenditures[13] refined to between $80 and $95 million from $70 to $95 million, a result of inflationary factors partially offset by capital program efficiency gains. At current forward strip commodity prices, Free AFF[14] is expected to be at the high end or above our guidance range of $95 to $130 million.

	2022 Guidance and Assumptions[1,4]
Net capital expenditures[2] ($MM)	**80-95**
Annual average production (boe/d)	**31,000-33,000**
AFF[3] ($MM)	**190-210**
Free AFF[2]	**95-130**
EBITDA[2] ($MM)	**214-234**
Oil price (WTI)($US per bbl)	**$65.00**
Natural gas price (AECO 5A) ($C per mcf)	**$3.50**
Natural gas price (NYMEX) ($US per mmbtu)	**$4.00**
Natural gas price (Crew est. wellhead) ($C per mcf)	**$4.00**
Foreign exchange ($US/$CAD)	**$0.78**
Royalties	**5-7%**
Net operating costs[2] ($ per boe)	**$3.50-$4.00**
Transportation ($ per boe)	**$2.75-$3.25**
G&A ($ per boe)	**$0.80-$1.00**
Effective interest rate on long-term debt	**6.0-6.5%**

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 financial measure or ratio 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 or ratios for other entities. See "Advisories - Non-IFRS and Other Financial Measures" contained within this press release.

3) Capital management 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 and Other Financial

Measures" contained within this press release.

4) Consistent with prior guidance except for (i) net capital expenditures range tightened from prior guidance of $70-95 MM, (ii) addition of Free AFF, (iii) transportation costs per boe increased from $2.50-3.00 per boe, and (iv) royalty rate increased from 4-6%.

- **2022 Guidance Sensitivities**

	AFF ($MM)	AFF/Share	FD AFF/Share
100 bbl per day Condensate[1]	$3.6	$0.02	$0.02
C$1.00 per bbl WTI	$1.0	$0.01	$0.01
US $0.10 NYMEX (per mmbtu)	$3.5	$0.02	$0.02
1 mmcf per day natural gas	$1.8	$0.01	$0.01
$0.10 AECO 5A (per GJ)	$2.0	$0.01	$0.01
$0.01 FX CAD/US	$1.9	$0.01	$0.01

1) Condensate is defined as a mixture of pentanes and heavier hydrocarbons recovered as a liquid at the inlet of a gas processing plant before the gas is processed and pentanes and heavier hydrocarbons obtained from the processing of raw natural gas.

- **Active Q1/22 Capital Program** - Crew's first quarter capital expenditures are expected to constitute approximately 60% of the program's full year total, with the remainder to be directed to projects with superior returns at Greater Septimus or Groundbirch in the second half of 2022.
- **Near Term Initiatives**
  - Use forecasted Free AFF in 2022 to reduce debt and improve leverage metrics;
  - Invest in capital projects with strong rates of return and payouts under 12 months, which can be supported by an active hedging program;
  - Continue to optimize transportation and facilities throughput to drive lower unit costs; and
  - Actively monitor service industry efficiencies, cost trends and commodity prices to assess potential capital budget adjustments as market conditions change throughout the year.

In 2022, we will continue executing on our plan to increase production to expand margins and AFF, ultimately reducing leverage metrics to drive enhanced financial flexibility and corporate growth. We would like to thank our employees, Board of Directors, contractors and suppliers for their contribution and commitment to Crew, as well as our extended stakeholders for their ongoing support.

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 ability to execute on its two-year development plan and underlying strategy and targets as described herein; as to our plan to optimize and increase production and infrastructure utilization, reduce unit and net operating costs and enhance margins, streamline operations and improve efficiencies; our 2022 annual capital budget range, associated drilling and completion plans and all associated near term initiatives and targets, guidance and underlying assumptions; production estimates including forecast 2022 annual, January 2022 and Q1 2022 production averages; our target to reduce unit costs by over 25% from 2020 to 2022; 2022 AFF estimates and targeted 2022 Free AFF and improvement in debt metrics; 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; anticipated reductions in GHG emissions and decommissioning obligations; future liquidity and financial capacity; future results from operations and operating and leverage metrics; our targeted Net Debt to LTM EBITDA ratio of below 1.5x by the end of 2022; world supply and demand projections and long-term impact on pricing; future development, exploration, acquisition and disposition activities (including drilling and completion plans, anticipated on-stream dates and associated development timing and cost estimates); the potential of our Groundbirch area to be a core area of future development and the number of potential prospective zones to be drilled; infrastructure investment plans; the successful implementation of our ESG initiatives, and significant emissions intensity improvements going forward; the amount and timing of capital projects; and anticipated improvement in our long-term sustainability and the expected positive attributes discussed herein attributable to our two-year development plan.

The internal projections, expectations, or beliefs underlying our Board approved 2022 capital budget and associated guidance 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. 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 2022 and 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; that future business, regulatory and industry conditions will be within the parameters expected by Crew; 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, environmental and indigenous matters in the jurisdictions in which Crew operates; that regulatory authorities in British Columbia will resume granting approvals for oil and gas activities on time frames, and on terms and conditions, consistent with past practices; 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.

Information Regarding Disclosure on Oil and Gas Reserves and Operational Information

All amounts in this news release are stated in Canadian dollars unless otherwise specified. All reserves information in this press release is derived from our independent reserves evaluation effective December 31, 2021, the details of which were announced in our February 8, 2022 press release (the "Reserves Press Release"). Our oil and gas reserves statement for the year ended December 31, 2021, which includes complete disclosure of our oil and gas reserves and other oil and gas information in accordance with NI 51-101, is contained within our Annual Information Form which is available on our SEDAR profile at www.sedar.com. The reserve estimates and reserves values contained herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Unless otherwise specified all reserves volumes (and information derived therefrom) in this news release are based on company gross reserves using forecast prices and costs.

This press release contains metrics commonly used in the oil and natural gas industry. Each of these metrics are determined by Crew as specifically set forth in this news release. 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 to provide readers with additional information to evaluate the Company's performance however, such metrics are not reliable indicators of future performance and therefore should not be unduly relied upon for investment or other purposes. See "Non-IFRS and Other Financial Measures" below for additional disclosures.

BOE 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.

Non-IFRS and Other Financial Measures

Throughout this press release and other materials disclosed by the Company, Crew uses certain measures to analyze financial performance, financial position and cash flow. These non-IFRS and other financial measures do not have any standardized meaning prescribed under IFRS and therefore may not be comparable to similar measures presented by other entities. The non-IFRS and other financial measures should not be considered alternatives to, or more meaningful than, financial measures that are determined in accordance with IFRS as indicators of Crew's performance.

Management believes that the presentation of these non-IFRS and other financial measures provides useful information to shareholders and investors in understanding and evaluating the Company's ongoing operating performance, and the measures provide increased transparency and the ability to better analyze Crew's business performance against prior periods on a comparable basis.

Capital Management Measures

a) Funds from Operations and Adjusted Funds Flow ("AFF")

Funds from operations represents cash provided by operating activities before changes in operating non-cash working capital, accretion of deferred financing costs and transaction costs on property dispositions. Adjusted funds flow represents funds from operations before decommissioning obligations settled. The Company considers these metrics as key measures 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. Management believes that such measures provide an insightful assessment of the Company's operations on a continuing basis by eliminating certain non-cash charges, actual settlements of decommissioning obligations and transaction costs on property dispositions, the timing of which is discretionary. Funds from operations and adjusted funds flow should not be considered as an alternative to or more meaningful than cash provided by operating activities as determined in accordance with IFRS as an indicator of the Company's performance. Crew's determination of funds from operations and adjusted funds flow may not be comparable to that reported by other companies. Crew also presents adjusted funds flow per share whereby per share amounts are calculated using weighted average shares outstanding consistent with the calculation of income per share.

b) Net debt and Working Capital Deficiency (Surplus)

Crew closely monitors its capital structure with a goal of maintaining a strong balance sheet to fund the future growth of the Company. The Company monitors net debt as part of its capital structure. The Company uses net debt (bank debt plus working capital deficiency or surplus, excluding the current portion of the fair value of financial instruments) as an alternative measure of outstanding debt. Management considers net debt and working capital deficiency (surplus) an important measure to assist in assessing the liquidity of the Company.

Non-IFRS Financial Measures and Ratios

a) Net Property Acquisitions (Dispositions)

Net property acquisitions (dispositions) equals property acquisitions less property dispositions and transaction costs on property dispositions. Crew uses net property acquisitions (dispositions) to measure its total capital investment compared to the Company's annual capital budgeted expenditures. The most directly comparable IFRS measures to net property acquisitions (dispositions) are property acquisitions and property dispositions.

($ thousands)	**Three months ended December 31, 2021**	Three months ended December 31, 2020	**Year ended December 31, 2021**	Year ended December 31, 2020
Property acquisitions	**-**	11,733	**-**	11,790
Property dispositions	**(460)**	(34,952)	**(10,781)**	(69,940)
Transaction costs on property dispositions	**-**	-	**2,505**	-
Net property (dispositions) acquisitions	**(460)**	(23,219)	**(8,276)**	(58,150)

b) Net Capital Expenditures

Net capital expenditures equals exploration and development expenditures less net property acquisitions (dispositions). Crew uses net capital expenditures to measure its total capital investment compared to the Company's annual capital budgeted expenditures. The most directly comparable IFRS measure to net capital expenditures is property, plant and equipment expenditures.

c) EBITDA

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. The Company considers this metric as key measures 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. The most directly comparable IFRS measure to EBITDA is cash provided by operating activities.

($ thousands)	**Three months ended December 31, 2021**	Three months ended December 31, 2020	**Year ended December 31, 2021**	Year ended December 31, 2020
Cash provided by operating activities	**45,747**	14,774	**119,156**	37,989
Change in operating non-cash working capital	**(668)**	19	**8,844**	2,170
Accretion of deferred financing costs	**(246)**	(246)	**(983)**	(983)
Transaction costs on property dispositions	**-**	-	**2,505**	-
Funds from operations	**44,833**	14,547	**129,522**	39,176
Decommissioning obligations settled excluding government grants	**2,000**	1,021	**3,347**	1,974
Adjusted funds flow	**46,833**	15,568	**132,869**	41,150

Interest	**6,199**	5,903	**24,399**	23,210
EBITDA	**53,032**	21,471	**157,268**	64,360

d) Free Adjusted Funds Flow

Free adjusted funds flow represents adjusted funds flow less capital expenditures, excluding acquisitions and dispositions. The Company considers this metric a key measure that demonstrates the ability of the Company's continuing operations to fund future growth through capital investment and to service and repay debt. The most directly comparable IFRS measure to free adjusted funds flow is cash provided by operating activities.

($ thousands)	**Three months ended December 31, 2021**	Three months ended December 31, 2020	**Year ended December 31, 2021**	Year ended December 31, 2020
Cash provided by operating activities	**45,747**	14,774	**119,156**	37,989
Change in operating non-cash working capital	**(668)**	19	**8,844**	2,170
Accretion of deferred financing costs	**(246)**	(246)	**(983)**	(983)
Transaction costs on property dispositions	**-**	-	**2,505**	-
Funds from operations	**44,833**	14,547	**129,522**	39,176
Decommissioning obligations settled excluding government grants	**2,000**	1,021	**3,347**	1,974
Adjusted funds flow	**46,833**	15,568	**132,869**	41,150
Less: capital expenditures	**42,341**	41,007	**177,924**	86,260
Free adjusted funds flow	**4,541**	(25,439)	**(45,055)**	(45,110)

e) Net Operating Costs

Net operating costs equals operating costs net of processing revenue. Management views net operating costs as an important measure to evaluate its operational performance. The most directly comparable IFRS measure for net operating costs is operating costs.

($ thousands, except per boe)	**Three months ended December 31, 2021**	Three months ended December 31, 2020	**Year ended December 31, 2021**	Year ended December 31, 2020
Operating costs	**10,287**	11,149	**45,828**	47,527
Processing revenue	**(934)**	(576)	**(2,720)**	(2,416)
Net operating costs	**9,353**	10,573	**43,108**	45,111
Per boe	**3.49**	5.30	**4.47**	5.61

f) Net Operating Costs per boe

Net operating costs per boe equals net operating costs divided by production. Management views net operating costs per boe as an important measure to evaluate its operational performance. The calculation of Crew's net operating costs per boe can be seen in the non-IFRS measure entitled "Net Operating Costs" above.

g) Operating Netback per boe

Operating netback per boe 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 per boe an important measure to evaluate its operational performance as it demonstrates its field level profitability relative to current commodity prices.

h) Cash costs per boe

Cash costs per boe is comprised of net operating, transportation, general and administrative and financing costs on debt calculated on a boe basis. Management views cash costs per boe as an important measure to evaluate its operational performance.

i) Financing costs on debt per boe

Financing costs on debt per boe is comprised of the sum of interest on bank loan and other, interest on senior notes and accretion of deferred financing charges, divided by production. Management views financing costs on debt per boe as an important measure to evaluate its cost of debt financing.

Supplementary Financial Measures

"Adjusted funds flow per basic share" is comprised of adjusted funds flow divided by the basic weighted average common shares.

"Adjusted funds flow per diluted share" is comprised of adjusted funds flow divided by the diluted weighted average common shares.

"Average realized commodity price" is comprised of commodity sales from production, as determined in accordance with IFRS, divided by the Company's production. Average prices are before deduction of transportation costs and do not include gains and losses on financial instruments.

"Average realized light crude oil price" is comprised of light crude oil commodity sales from production, as determined in accordance with IFRS, divided by the Company's light crude oil production. Average prices are before deduction of transportation costs and do not include gains and losses on financial instruments.

"Average realized heavy crude oil price" is comprised of heavy crude oil commodity sales from production, as determined in accordance with IFRS, divided by the Company's heavy crude oil production. Average prices are before deduction of transportation costs and do not include gains and losses on financial instruments.

"Average realized ngl price" is comprised of ngl commodity sales from production, as determined in accordance with IFRS, divided by the Company's ngl production. Average prices are before deduction of transportation costs and do not include gains and losses on financial instruments.

"Average realized condensate price" is comprised of condensate commodity sales from production, as determined in accordance with IFRS, divided by the Company's condensate production. Average prices are before deduction of transportation costs and do not include gains and losses on financial instruments.

"Average realized natural gas price" is comprised of natural gas commodity sales from production, as determined in accordance with IFRS, divided by the Company's natural gas production. Average prices are before deduction of transportation costs and do not include gains and losses on financial instruments.

"**Net Debt to Last Twelve Months ("LTM") EBITDA Ratio**" is calculated as net debt at a point in time divided by EBITDA earned from that point back for the trailing twelve months.

Supplemental Information Regarding Product Types

References to gas or natural gas and NGLs in this press release refer to conventional natural gas and natural gas liquids product types, respectively, as defined in National Instrument 51-101, Standards of Disclosure for Oil and Gas Activities ("NI 51-101"), except where specifically noted otherwise.

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

	Crude Oil	Natural Gas Liquids[2]	Condensate	Conventional Natural Gas	Total (boe/d)
December 2021 Average	160 bbls/d	2,698 bbls/d	3,077 bbls/d	26,831 bbls/d	32,766
Q4 2021 Average	157 bbls/d	2,454 bbls/d	2,592 bbls/d	143,379 mcf/d	29,142
2021 Annual Average	960 bbls/d	2,442 bbls/d	2,663 bbls/d	122,021 mcf/d	26,443
January 2022 Average	0%	8%	11%	81%	>32,500
Q1 2022 Average[1]	0%	8%	11%	81%	31,000-33,000
2022 Annual Average[1]	0%	8%	10%	82%	31,000-33,000

Notes:

1) 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.

2) Excludes condensate volumes which have been reported separately.

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, particularly those short in duration, may not necessarily be indicative of long-term performance or of ultimate recovery.

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's common shares are listed for trading on the Toronto Stock Exchange ("TSX") under the symbol "CR".

FOR DETAILED INFORMATION, PLEASE CONTACT:

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

[2] Capital management 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 and Other Financial Measures" contained within this press release.

[3] Non-IFRS financial measure or ratio that does not have any standardized meaning as prescribed by International Financial Reporting Standards,

and therefore, may not be comparable with calculations of similar measures or ratios for other entities. See “Advisories - Non-IFRS and Other Financial Measures” contained within this press release.

[4] Calculated based on estimated future net revenues of 2P reserves of $2,228.8 million, as reflected in the Crew’s year-ended 2021 reserves report prepared by Sproule Associates Ltd, discounted at 10%, less net debt of $406.0 million as at December 31, 2021, divided by total outstanding shares of 152.5 million as at December 31, 2021.

[5] Calculated based on estimated future net revenues of 1P reserves of $1,299.0 million, as reflected in the Crew’s year-ended 2021 reserves report prepared by Sproule Associates Ltd, discounted at 10%, less net debt of $406.0 million as at December 31, 2021, divided by total outstanding shares of 152.5 million as at December 31, 2021.

[6] Supplementary 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 and Other Financial Measures” contained within this press release.

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

[8] Capital management 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 and Other Financial Measures” contained within this press release.

[9] Non-IFRS financial measure or ratio that does not have any standardized meaning as prescribed by International Financial Reporting Standards, and therefore, may not be comparable with calculations of similar measures or ratios for other entities. See “Advisories – Non-IFRS and Other Financial Measures” contained within this press release.

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

[11] Excludes condensate volumes which have been reported separately.

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

[13] Non-IFRS financial measure or ratio that does not have any standardized meaning as prescribed by International Financial Reporting Standards, and therefore, may not be comparable with calculations of similar measures or ratios for other entities. See “Advisories - Non-IFRS and Other Financial Measures” contained within this press release.

[14] Capital management 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 and Other Financial Measures” contained within this press release.