



Crew Energy Announces Q3 2023 Results Highlighted by 64% Adjusted Funds Flow Margin and Confirmed Permits for the 180 mmcf per Day Groundbirch Gas Facility Plus 85 Wells

November 8, 2023

CALGARY, Alberta, Nov. 08, 2023 (GLOBE NEWSWIRE) -- Crew Energy Inc. (TSX: CR; OTCQB: CWEGF) ("Crew" or the "Company"), a growth-oriented, liquids rich natural gas producer operating in the world-class Montney play in northeast British Columbia ("NE BC"), is pleased to announce our operating and financial results for the three and nine month periods ended September 30, 2023. Crew's Financial Statements and Notes, as well as Management's Discussion and Analysis ("MD&A") are available on our website and filed on SEDAR at www.sedar.com.

HIGHLIGHTS

- **26,834 boe per day¹** (161 mmcfe per day) average production in Q3/23 was in-line with previous quarterly guidance of 26,000 to 28,000 boe per day and reflects the impact of shutting-in production for offsetting completion operations, planned third-party gas plant maintenance and the shut-down of the Septimus gas plant for the installation of condensate stabilization and waste heat recovery. Production for the first nine months of 2023 averaged 29,925 boe per day¹.
 - **125,729 mmcf per day** of natural gas production in Q3/23 represented **78%** of total production and **45%** of sales.
 - **3,839 bbls per day** of condensate and light crude oil production in Q3/23 represented **14%** of total production and **48%** of sales.
 - **2,040 bbls per day** of natural gas liquids^{5,6} ("ngls") production in Q3/23 represented **8%** of total production and **7%** of sales.
- **\$45.3 million of Adjusted Funds Flow ("AFF")²** (\$0.28 per fully diluted share³) was generated in Q3/23, driven by robust operating netbacks⁴ that benefited from a 17% increase in Crew's realized commodity price over the previous quarter, while AFF² for the first nine months of 2023 totaled \$178.9 million (\$1.11 per fully diluted share).
 - **Operating netbacks⁴** averaged **\$19.95 per boe** in Q3/23 and \$23.75 per boe in the first nine months of the year, including realized hedging gains of \$2.48 per boe and \$5.43 per boe, respectively.
- **\$104.0 million of net capital expenditures⁴** was invested in Q3/23 at Greater Septimus, compared to **\$120 million** at the midpoint of guidance, and included the drilling of eight Ultra Condensate Rich ("UCR") natural gas wells and one disposal well, the completion of six UCR natural gas wells and one disposal well, in addition to advancing several infrastructure projects including condensate stabilization and waste heat recovery at the Septimus gas plant.
- **\$124.6 million in net debt²** at quarter-end reflects an active capital program in the period, with a net debt to last 12 months' EBITDA ratio³ of < 0.5x.
 - **Credit facility increased** after quarter-end, to **\$250 million** from \$200 million, providing additional liquidity to finance Crew's future capital investments.
- **\$10.12 cash costs per boe⁴** in Q3/23 were 5% higher than Q2/23, reflecting the impact of shut-in production volumes which drove higher per unit net operating costs⁴ (\$4.79 per boe) and net transportation costs⁴ (\$3.74 per boe), partially offset by reduced interest costs. In the first nine months of 2023, cash costs per boe⁴ improved slightly over the same period in 2022, totaling \$9.72 per boe.
- **After quarter-end**, Crew received a permit from the B.C. Energy Regulator ("BCER") approving the construction of our planned 180 mmcf per day Groundbirch gas plant as well as 60 well authorization permits, bringing our total to **85 well authorizations** in the Groundbirch area.

FINANCIAL & OPERATING HIGHLIGHTS

FINANCIAL (\$ thousands, except per share amounts)	Three months ended Sept. 30, 2023	Three months ended Sept. 30, 2022	Nine months ended Sept. 30, 2023	Nine months ended Sept. 30, 2022
Petroleum and natural gas sales	70,317	132,950	237,621	461,621
Cash provided by operating activities	46,056	82,322	182,652	254,767

Adjusted funds flow²	45,313	69,417	178,865	262,351
Per share ³ – basic	0.29	0.46	1.16	1.72
– diluted	0.28	0.43	1.11	1.62
Net income	4,878	105,658	79,961	192,926
Per share – basic	0.03	0.69	0.52	1.27
– diluted	0.03	0.65	0.49	1.19
Property, plant and equipment expenditures	104,045	53,560	163,863	115,982
Net property dispositions⁴	(20)	(129,983)	(1,016)	(129,983)
Net capital expenditures⁴	104,025	(76,423)	162,847	(14,001)

Capital Structure (\$ thousands)	As at Sept. 30, 2023	As at Dec. 31, 2022
Working capital (deficiency) surplus ²	(57,672)	21,844
Other long-term obligations	(18,223)	-
Bank loan	(48,683)	-
Senior unsecured notes	-	(171,298)
Net debt²	(124,578)	(149,454)
Common shares outstanding (thousands)	154,478	154,377

OPERATIONAL	Three months ended Sept. 30, 2023	Three months ended Sept. 30, 2022	Nine months ended Sept. 30, 2023	Nine months ended Sept. 30, 2022
Daily production				
Light crude oil (bbl/d) ⁷	85	83	77	102
Condensate (bbl/d)	3,754	4,731	3,996	4,745
Natural gas liquids ^{5,6} (bbl/d)	2,040	2,692	2,244	2,884
Conventional natural gas (mcf/d)	125,729	145,715	141,647	154,041
Total (boe/d @ 6:1)	26,834	31,792	29,925	33,405
Average realized³				
Light crude oil price (\$/bbl)	94.38	104.30	87.80	114.75
Condensate price (\$/bbl)	96.25	106.15	94.73	118.27
Natural gas liquids price (\$/bbl)	26.46	41.30	29.59	46.52
Natural gas price (\$/mcf)	2.71	5.65	2.96	6.39
Commodity price (\$/boe)	28.48	45.46	29.09	50.62

	Three months ended Sept. 30, 2023	Three months ended Sept. 30, 2022	Nine months ended Sept. 30, 2023	Nine months ended Sept. 30, 2022
Netback (\$/boe)				
Petroleum and natural gas sales	28.48	45.46	29.09	50.62
Royalties	(2.49)	(6.86)	(2.91)	(4.51)
Realized gain (loss) on derivative financial instruments	2.48	(4.63)	5.43	(7.52)
Net operating costs ⁴	(4.79)	(4.12)	(4.39)	(3.71)
Net transportation costs ⁴	(3.74)	(3.42)	(3.47)	(3.29)
Operating netback ⁴	19.95	26.43	23.75	31.59
General and administrative (“G&A”)	(1.14)	(0.99)	(1.13)	(0.92)
Interest expenses on debt ⁴	(0.45)	(1.70)	(0.73)	(1.90)
Adjusted funds flow ²	18.36	23.74	21.89	28.77

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 Supplementary 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.

⁴ 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 and in our most recently filed MD&A, available on SEDAR at www.sedar.com.

⁵ Throughout this news release, ngl’s 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.

⁶ Excludes condensate volumes which have been reported separately.

⁷ Throughout this news release, light crude oil refers to light and medium crude oil product type as defined by National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities (“NI 51-101”).

EXTENSIVE DRILLING INVENTORY AND UNTAPPED GROWTH POTENTIAL

- Our Montney land base represents an expansive, contiguous and ideally situated asset that we believe can propel Crew into the next phase of growth.
- With balance sheet strength and financial flexibility, Crew is in an advantageous position that offers significant optionality across targeted geological zones, commodity mix, transportation egress and markets for our products. This affords the Company multiple levers to respond to macro-economic factors as well as corporate developments.
- Commodity mix optionality was demonstrated during Q3/23 as the Company pivoted to drill condensate-rich/light oil targets comprising 14% of total production and 48% of total sales, that provide superior returns to natural gas in the current environment. Based on current forward curve pricing, Crew’s focus on condensate-rich drilling targets is expected to continue into 2024.
- Medium to longer-term, the Company’s multi-zone development opportunities underpin an internally identified drilling inventory estimated to include over 2,500 net potential drilling locations⁸ across Montney layers at Groundbirch, Monias, Greater Septimus and Tower, with the potential to support a significantly larger production base.
- From a market access perspective, Crew has a strategically positioned resource with extensive end-market optionality for our products. The Company’s operations are proximal to the Coastal Gas Link Pipeline; have access to multiple Canadian and US sales hubs; benefit from potential coastal liquids egress with our proximity to the CN Rail line; and are ideally positioned for the anticipated start-up of LNG Canada in 2025, the country’s first liquified natural gas (“LNG”) export terminal located on the coast of BC.
- The possibility of increased demand due to Canada’s future LNG export capabilities provides a supportive backdrop for the potential to increase our productive capacity to over 60,000 boe per day, pending expansion of our gas processing infrastructure.
 - Groundbirch development depends on several key factors including securing additional pipeline and well permitting, a supportive commodity price and capital cost environment and requisite financing that would enable Crew to retain an adequate level of liquidity through the project while maintaining conservative debt leverage metrics.
 - Ongoing volatility in natural gas markets has continued to impact current spot and future strip prices, and the Company continues to monitor price movements that signal additional hedging opportunities. Active exploration of a variety of project financing options is also underway while additional regulatory approvals are pending.

⁸ See “Drilling Locations” in the Advisories.

OPERATIONS UPDATE & AREA OVERVIEW

NE BC Montney (Greater Septimus)

- During Q3/23, Crew drilled six (6.0 net) wells at our 1-24 pad, two (2.0 net) wells on the North Septimus 7-18 UCR pad and one (1.0 net) disposal well at West Septimus. Further, we completed five (5.0 net) UCR wells at the 4-32 pad, the last well on our 11-27 pad and one disposal well at Greater Septimus.
- Over the first 30 days on production (“IP30”), five (5.0 net) UCR natural gas wells which were completed on the 4-32 pad have produced average wellhead rates of 2,207 mcf per day of natural gas and 953 bbls per day of condensate.
- Key infrastructure projects in the Greater Septimus area continued to progress during Q3/23, including the completion of the condensate stabilization and waste heat recovery projects at Crew’s Septimus gas plant, which are expected to increase the plant’s condensate capacity from 1,000 to 5,000 bbls per day and facilitate expanded development of our UCR area while reducing GHG emissions intensity. We also continued to advance the electrification of infrastructure at

West Septimus.

- Crew has been notified by a third party pipeline operator that a sales pipeline is expected to be shutdown for maintenance for an estimated 10 days during Q4/23. Approximately 7,400 boe per day of production is estimated to be affected by the shutdown, or 800 boe per day when averaged over Q4/23.

Groundbirch

- Crew recently received final BCER approval for the 180 mmcf per day Groundbirch gas plant and 60 additional well authorization permits near the initial 4-17 pad development, taking the total well authorizations at Groundbirch to 85.
- Detailed design and long lead items procurement is progressing for Crew's proposed Groundbirch plant which would expand our gas processing infrastructure, supporting the Company's longer range plans to double current production following commissioning.
- The original three (3.0 net) wells on the 4-17 pad have produced an average of 3.59 bcf of natural gas over the first 600 days, exceeding our independent reserve evaluator's year-end 2022 proved plus probable type curve by approximately 33% to date.
- The five (5.0 net) extended reach horizontal ("ERH") wells in the second phase of development at Crew's 4-17 pad with a three-zone development continue to exceed internal type curve estimates, with an average per well raw gas production rate over 365 days ("IP365") of 5,432 mcf per day, averaging 1.94 bcf of natural gas per well which is in line with our independent reserve evaluator's year-end 2022 proved plus probable, 12 bcf type curve.

Other NE BC Montney

- The Company has six (6.0 net) drilled ERH wells on the 15-28 pad at Tower. Of these wells, four (4.0 net) Upper Montney 'B' wells are planned to be completed in Q1/24 and the remaining two (2.0 net) Upper Montney "C" wells are scheduled for completion in Q4/24 or Q1/25. The wells were drilled to target light oil and feature lateral lengths of over 4,000 meters.

RISK MANAGEMENT PROFILE

To secure a base level of AFF² to fund planned capital projects, Crew continues to utilize hedging to limit exposure to fluctuations in commodity prices and foreign exchange rates, while allowing for participation in spot commodity prices.

As of November 8, 2023, our hedging profile includes:

- **2023**
 - Approximately 46,667 GJ per day of natural gas at C\$4.40 per GJ for the remainder of 2023, or C\$5.37 per mcf using Crew's higher heat content factor;
 - 1,750 bbls per day of condensate at an average price of C\$102.58 per bbl for the remainder of 2023; and
 - 1,000 bbls per day of WTI at an average price of C\$104.36 per bbl for Q4/23.
- **2024**
 - 2,500 GJ per day of natural gas at C\$2.76 per GJ or C\$3.37 per mcf using Crew's heat factor;
 - 2,000 bbls per day of condensate at an average price of C\$104.04 per bbl for 1st half 2024;
 - 1,750 bbls per day of condensate at an average price of C\$104.01 per bbl for 2nd half 2024;
 - 1,000 bbls per day of WTI at C\$106.09 per bbl for Q1 2024;
 - 500 bbls per day of WTI at C\$112.00 per bbl for Q2 2024; and
 - 250 bbls per day of WTI at C\$110.50 per bbl for 2nd half 2024.

SUSTAINABILITY AND ESG FOCUS

Our commitment to environmental, social and governance ("ESG") initiatives remained a key focus in Q3/23 and is an integral component of our long-term sustainability. We continued to invest in clean solutions designed to complement our operational and financial growth. Highlights of our various ESG-focused initiatives in Q3/23 include:

- For the first time in Crew's history, **1,000,000** person hours of work were executed to the end of Q3/23 **without a single recordable injury**. We are extremely proud of the dedicated team at Crew who have demonstrated this unprecedented level of commitment to undertake work both safely and efficiently.
- Crew continued to strive for top-tier emissions intensity through the successful implementation of waste heat recovery at

our Septimus gas plant, and the use of re-spoolable produced water transfer, with over 185,000 m³ transferred during the third quarter, removing over 160,000 kilometers of truck traffic and preventing approximately 470 tonnes of CO₂e emissions.

- Achieved re-certification under the Equitable Origin EO100 standard for responsible energy development in September 2023.
- The Company maintains a comprehensive water management strategy that includes stringent planning related to water usage and responsible sourcing, which ensures highly efficient water utilization across our operations, while optimizing recycling and treatment to reduce the use of freshwater.
- Directed a total of \$0.5 million to abandonment and reclamation activities.
- Invested 153 volunteer hours to date in 2023 as part of our “Crew Cares” initiative and made financial contributions into community support initiatives and not-for-profit organizations, largely geared towards fostering the health, well-being and resilience of our local communities and their economies.

OUTLOOK

- **2023 Guidance** – Since April of 2023, Crew has been utilizing a high-spec triple drilling rig which has led to efficiency improvements and cost savings given in-field rig moves and the continuity in employing both the same rig and crews to drill our wells. Given that these specialized rigs are in high demand, Crew plans to continue drilling with this rig into 2024. As such, we have brought forward approximately \$20 million of 2024 capital and increased our 2023 capital expenditure budget to a range of \$220 to \$230 million by drilling an additional five (5.0 net) wells over and above the Q2/23 budget update, in addition to paying deposits on long lead items for the planned electrification of our West Septimus and proposed Groundbirch gas plants.
 - As outlined above, Crew has been notified by a third party pipeline operator of an estimated 10 day shutdown for maintenance of a sales pipeline, affecting an estimated 7,400 boe per day of production, or an average of 800 boe per day over Q4/23.
- Crew’s updated 2023 annual net capital investment program is forecasted to deliver the following:
 - Generate 2023 average production of **30,000 to 31,000 boe per day**¹, which reflects the above mentioned third party pipeline shutdown anticipated in Q4/23;
 - Increase light oil and condensate production to reach **over 7,000 bbls per day** in Q4/23;
 - Drill a total of **22 (22.0 net)** liquids rich Montney wells, representing an increase of five (5.0 net) wells from our Q2 budget update, and drill one disposal well;
 - Complete **12 (12.0 net)** wells and equip and place on production 12 (12.0 net) UCR wells, which is one (1.0 net) fewer well than indicated in the Q2/23 budget update and one (1.0 net) horizontal water disposal well; and
 - Maintain an inventory of **17 (17.0 net)** drilled and uncompleted Montney wells at year end 2023, representing a 55% increase from the 11 (11.0 net) wells outlined in our Q2 2023 budget update.
- **Q4 Outlook** – Net capital expenditures⁴ in Q4/23 are forecast at **\$60 to \$70 million** with average production of **30,000 to 32,000 boe per day**¹. Our Q4/23 capital program includes plans to:
 - Complete six (6.0 net) UCR wells; and
 - Drill nine (9.0 net) Montney wells.
- **2024 Preliminary Outlook** – The Company’s anticipated 2024 capital expenditures are expected to focus on developing our **high value, liquids-rich natural gas assets** at Septimus and West Septimus along with progressing further electrification and expansion of our gas processing facilities, all of which are designed to support the successful execution of Crew’s growth plan. Crew plans on releasing our 2024 annual budget early in 2024.

The following table sets forth Crew’s revised and updated guidance and underlying material assumptions:

	Previous 2023 Guidance and Assumptions	Updated 2023 Guidance and Assumptions ⁹
Net capital expenditures ⁴ (\$Millions)	190-210	220-230
Annual average production ¹ (boe/d)	30,000–32,000	30,000–31,000
Adjusted funds flow ² (\$Millions)	240-260	240-260

Free adjusted funds flow ⁴ (\$Millions)	30-70	10-40
EBITDA ⁴ (\$Millions)	250-270	250-270
Oil price (WTI)(\$US per bbl)	75.00	79.00
Natural gas price (NYMEX) (\$US per mmbtu)	3.20	2.75
Natural gas price (AECO 5A) (\$C per mcf)	2.85	2.75
Natural gas price (Crew est. wellhead) (\$C per mcf)	3.30	2.95
Foreign exchange (\$US/\$CAD)	0.74	0.74
Royalties	9–11%	9–11%
Net operating costs ⁴ (\$ per boe)	4.50–5.00	4.50–5.00
Net transportation costs ⁴ (\$ per boe)	3.50–4.00	3.50–4.00
G&A (\$ per boe)	1.00–1.20	1.00–1.20
Effective interest rate on long-term debt	6.5–7.5%	6.5–7.5%

Updated 2023 guidance and material assumptions in the table above reflect actuals for the nine months ended September 30, 2023 and forecasts for the three months ended December 31, 2023. Selected forecasts for the three months ended December 31, 2023 are as follows:

Oil price (WTI)(\$US per bbl)	85.00
Natural gas price (NYMEX) (\$US per mmbtu)	3.00
Natural gas price (AECO 5A) (\$C per mcf)	2.70
Natural gas price (Crew est. wellhead) (\$C per mcf)	2.85

Crew intends to continue upholding our commitment to operational excellence through safe and responsible execution, while maintaining financial flexibility that we believe will drive ongoing success over both the near and longer-term horizons. We extend our appreciation to all the Company's stakeholders for their trust, confidence and ongoing support of Crew while we unlock value from our exciting Montney asset base.

⁹ 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.

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" "targets" 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 Four-Year Plan and underlying strategy, plans, goals and targets, all as more particularly outlined and described in this press release; our 2023 annual and Q4 capital budget range (the "2023 Budget"), associated drilling, completion and infrastructure plans, the anticipated timing thereof, and all associated near term initiatives, goals and targets, along with all guidance and underlying assumptions related to the 2023 Budget as outlined in the "Outlook" section in this press release; preliminary 2024 plans as outlined in the "Outlook" section in this press release; production and type-curve estimates and targets under the 2023 Budget and balance of the Four-Year Plan; infrastructure plans and anticipated benefits outlined in this press release including construction of the Groundbirch plant and anticipated benefits thereof including associated longer range plans to double our production; completion of the Company's waste heat recovery and condensate stabilization projects at its Septimus Gas Plant and anticipated benefits thereof; the planned conversion of our West Septimus gas processing facility to electric drive and anticipated timing and benefits thereof; anticipated timing, costs and assumed receipt of all regulatory approvals required in connection therewith; our ability to secure financing for the Groundbirch plant and timing thereof; continued improvement in debt and leverage metrics; commodity price expectations and assumptions; Crew's commodity risk management programs and future hedging plans; marketing and transportation and processing plans and requirements; estimates of processing capacity and requirements; estimated potential drilling locations; anticipated reductions in GHG emissions and decommissioning obligations; future liquidity and financial capacity and ability to finance our Four-Year Plan; future results from operations and operating and leverage metrics; targeted debt levels and leverage metrics over the course of the Four-Year Plan; world supply and demand projections and long-term impact on pricing; future development, exploration, acquisition, disposition and infrastructure activities (including our capital investment model through 2026 and associated drilling and completion plans, associated receipt of all required regulatory permits for our Four-Year Plan, development timing and cost estimates); the potential to serve a Canadian LNG market including the anticipated start-up of LNG-Canada in 2025; the potential of our Groundbirch area to be a core area of future development for potentially decades, and the anticipated commerciality of up to four potential prospective zones to be drilled; the successful implementation of our ESG initiatives as set forth herein and in our updated ESG Report; 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 Four-Year Plan.

The internal projections, expectations, or beliefs underlying our Board approved 2023 Budget and associated guidance, as well as management's preliminary strategy, and associated plans, goals and targets in respect of the balance of its Four-Year Plan, are subject to change in light of, without limitation, the Russia/Ukraine conflict, war in the middle east and any related actions taken by businesses and governments, ongoing results, prevailing economic circumstances, volatile commodity prices, resulting changes in our underlying assumptions, goals and targets provided herein and changes in 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 2024 and beyond internal plan and associated economic model. Such information reflects internal goals and targets used by management for the purposes of making capital investment decisions and for internal long-range planning and future budget preparation. Readers are cautioned that events or circumstances and updates to underlying assumptions could cause capital plans and associated results to differ materially from those predicted and Crew's guidance for 2023, and more particularly its internal plan, goals and targets for 2024 and beyond which are not based upon Board approved budget(s) at this time, 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 several 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 continue 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 differ materially from those anticipated in such forward-looking information or statements including, without limitation: the continuing and uncertain impact of pandemics; the Russia / Ukraine conflict and war in the middle east; 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 and 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 and identified drilling inventory; 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 MD&A and Annual Information Form).

This press release contains future-oriented financial information and financial outlook information (collectively, "FOFI") about Crew's prospective capital expenditures and associated guidance, 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.

Risk Factors to the Company's Four-Year Plan

Risk factors that could materially impact successful execution and actual results of the Four-Year Plan include:

- volatility of petroleum and natural gas prices and inherent difficulty in the accuracy of predictions related thereto;
- changes in Federal and Provincial regulations;
- execution of construction timelines from BC Hydro to support the electrification of the Groundbirch plant;
- receipt of high-value regulatory permits required to launch development under the Four-Year Plan;
- the Company's ability to secure financing for the Groundbirch plant sourced from AFF, bank or other Debt instruments, asset sales, equity issuance, infrastructure financing or some combination thereof; and
- Those additional risk factors set forth in the Company's MD&A and most recent Annual Information Form filed on SEDAR.

Information Regarding Disclosure on Oil and Gas Operational Information

All amounts in this news release are stated in Canadian dollars unless otherwise specified. 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.

Drilling Locations

This press release discloses internally identified "potential drilling locations" which are comprised of: (i) proved locations; (ii) probable locations; and (iii) unbooked locations. Proved locations and probable locations are derived from the Company's independent reserve evaluator's report effective December 31, 2022 (the "Sproule Report") and account for drilling inventory that have associated proved and/or probable reserves assigned by Sproule. Unbooked locations are internally identified potential drilling opportunities based on the Company's prospective acreage and an assumption as to the number of wells that can be drilled per section based on industry practice and internal review. Unbooked locations do not have reserves or resources attributed to them and are not estimates of drilling locations which have been evaluated by a qualified reserves evaluator performed in accordance with the COGE Handbook. There is no certainty that the Company will drill any of these potential drilling opportunities and if drilled there is no certainty that such locations will result in additional oil and gas reserves, resources or production. The drilling locations on which we actually drill wells will ultimately depend upon the availability of capital, regulatory approvals, seasonal restrictions, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors.

The following table provides a detailed breakdown of the identified gross potential drilling locations presented herein:

	Total Drilling Locations	Proved Locations	Probable Locations	Unbooked Locations
Montney Total Drilling Locations	2,537	110	77	2,350
Groundbirch Locations	1,717	19	28	1,670
West Septimus Locations	483	45	41	397
Septimus Locations	191	46	5	140
Tower Locations	146	-	3	143

The above Proved and Probable locations reflect locations booked in the December 31, 2022 Sproule Report of Crew's year-end reserves, internally adjusted to reflect Crew's 2023 drilling program to the end of Q3 2023. In the first nine months of 2023, the Company has drilled 11 Proved and 0 Probable locations leaving a total of 187 total Proved and Probable locations booked.

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 preliminary until such analysis or interpretation has been completed. Test results and initial production ("IP") rates disclosed herein, particularly those short in duration, may not necessarily be indicative of long-term performance or of ultimate recovery.

BOE and Mcfe Conversions

Measurements expressed in barrel of oil equivalents, BOEs or Mcfe may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 mcf: 1 bbl and an Mcfe conversion ratio of 1 bbl:6 Mcf are based on an energy equivalency conversion method primarily applicable at the burner tip and do 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 specified 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 specified 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 specified 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

Funds from operations represents cash provided by operating activities before changes in operating non-cash working capital, accretion of deferred financing charges and transaction costs on property dispositions. Adjusted funds flow represents funds from operations before decommissioning obligations settled (recovered). 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. The applicable reconciliation to the most directly comparable measure, cash provided by operating activities, is contained under "free adjusted funds flow" below.

b) Net Debt and Working Capital Surplus (Deficiency)

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.

b) Net Capital Expenditures

Net capital expenditures equals property, plant and equipment 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.

	Three months ended Sept. 30, 2023	Three months ended June 30, 2023	Three months ended Sept. 30, 2022	Nine months ended Sept. 30, 2023	Nine months ended Sept. 30, 2022
(\$ thousands)					
Property, plant and equipment expenditures	104,045	37,657	53,560	163,863	115,982
Less: Net property dispositions	(20)	(996)	(129,983)	(1,016)	(129,983)
Net capital expenditures	104,025	36,661	(76,423)	162,847	(14,001)

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.

	Three months ended Sept. 30, 2023	Three months ended June 30, 2023	Three months ended Sept. 30, 2022	Nine months ended Sept. 30, 2023	Nine months ended Sept. 30, 2022
(\$ thousands)					
Adjusted funds flow	45,313	59,035	69,417	178,865	262,351
Financing expenses on debt	1,120	2,003	6,916	5,739	19,240
EBITDA	46,433	61,038	76,333	184,604	281,591

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.

	Three months ended Sept. 30, 2023	Three months ended June 30, 2023	Three months ended Sept. 30, 2022	Nine months ended Sept. 30, 2023	Nine months ended Sept. 30, 2022
(\$ thousands)					
Cash provided by operating activities	46,056	69,952	82,322	182,652	254,767
Change in operating non-cash working capital	(1,238)	(12,154)	(16,243)	(8,872)	766
Accretion of deferred financing costs	-	(49)	(214)	(199)	(705)
Financing costs on property disposition	-	-	203	-	203
Funds from operations	44,818	57,749	66,068	173,581	255,031
Decommissioning obligations settled excluding government grants	495	1,286	3,349	5,284	7,320
Adjusted funds flow	45,313	59,035	69,417	178,865	262,351
Less: property, plant and equipment expenditures	104,045	37,657	53,560	163,863	115,982
Free adjusted funds flow	(58,732)	21,378	15,857	15,002	146,369

e) Net Operating Costs

Net operating costs equals operating expenses 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 expenses.

	Three months ended Sept. 30,	Three months ended June 30,	Three months ended Sept. 30,	Nine months ended Sept. 30,	Nine months ended Sept. 30,
(\$ thousands, except per boe)					

	2023	2023	2022	2023	2022
Operating expenses	12,372	12,712	12,580	37,642	36,644
Processing revenue	(557)	(610)	(520)	(1,803)	(2,825)
Net operating costs	11,815	12,102	12,060	35,839	33,819
Per boe	4.79	4.43	4.12	4.39	3.71

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) Net Transportation Costs

Net transportation costs equals transportation expenses net of transportation revenue. Management views net transportation costs as an important measure to evaluate its operational performance. The most directly comparable IFRS measure for net transportation costs is transportation expenses. The calculation of Crew's net transportation costs can be seen in the section entitled "Net Transportation Costs" of this MD&A.

	Three months ended Sept. 30, 2023	Three months ended June 30, 2023	Three months ended Sept. 30, 2022	Nine months ended Sept. 30, 2023	Nine months ended Sept. 30, 2022
(\$ thousands, except per boe)					
Transportation expenses	11,053	10,967	11,482	33,308	34,419
Transportation revenue	(1,827)	(1,576)	(1,485)	(4,923)	(4,407)
Net transportation costs	9,226	9,391	9,997	28,385	30,012
Per boe	3.74	3.43	3.42	3.47	3.29

h) Net Transportation Costs per boe

Net transportation costs per boe equals net transportation costs divided by production. Management views net transportation costs per boe as an important measure to evaluate its operational performance.

i) 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.

	Three months ended Sept. 30, 2023	Three months ended June 30, 2023	Three months ended Sept. 30, 2022	Nine months ended Sept. 30, 2023	Nine months ended Sept. 30, 2022
(\$/boe)					
Petroleum and natural gas sales	28.48	24.37	45.46	29.09	50.62
Royalties	(2.49)	(1.95)	(6.86)	(2.91)	(4.51)
Realized gain (loss) on derivative financial instruments	2.48	8.87	(4.63)	5.43	(7.52)
Net operating costs	(4.79)	(4.43)	(4.12)	(4.39)	(3.71)
Net transportation costs	(3.74)	(3.43)	(3.42)	(3.47)	(3.29)
Operating netbacks	19.94	23.43	26.43	23.75	31.59
Production (boe/d)	26,834	30,046	31,792	29,925	33,405

j) Cash costs per boe

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

	Three months ended Sept. 30, 2023	Three months ended June 30, 2023	Three months ended Sept. 30, 2022	Nine months ended Sept. 30, 2023	Nine months ended Sept. 30, 2022
(\$/boe)					
Net operating costs	4.79	4.43	4.12	4.39	3.71
Net transportation costs	3.74	3.43	3.42	3.47	3.29
General and administrative expenses	1.14	1.09	0.99	1.13	0.92
Financing expenses on debt	0.45	0.73	1.70	0.73	1.90
Cash costs	10.12	9.68	10.23	9.72	9.82

k) Interest expenses on debt per boe

Interest expenses 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 interest expenses on debt per boe as an important measure to evaluate its cost of debt

financing.

	Three months ended Sept. 30, 2023	Three months ended June 30, 2023	Three months ended Sept. 30, 2022	Nine months ended Sept. 30, 2023	Nine months ended Sept. 30, 2022
(\$ thousands, except per boe)					
Interest on bank loan and other	1,120	1,127	154	2,155	2,317
Interest on senior notes	-	827	4,607	3,584	14,277
Accretion of deferred financing costs	-	49	214	199	705
Financing expenses on debt	1,120	2,003	4,975	5,938	17,299
Production (boe/d)	26,834	30,046	31,792	29,925	33,405
Interest expenses on debt per boe	0.45	0.73	1.70	0.73	1.90

Supplementary Financial Measures

"Adjusted fund flow margin" is comprised of adjusted funds flow divided by petroleum and natural gas sales.

"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.

"Adjusted funds flow per boe" is comprised of adjusted funds flow divided by total production.

"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 net 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 net 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 net 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 net 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 net transportation costs and do not include gains and losses on financial instruments.

"Net debt to last twelve months ("LTM") EBITDA" 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 ngl's 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:

	Light & Medium Crude Oil	Condensate	Natural Gas Liquids ¹	Conventional Natural Gas	Total (boe/d)
Q4 2023 Average	0%	20%	7%	73%	30,000-32,000
2023 Annual Average	0%	15%	7%	78%	30,000-31,000

Notes:

¹⁾ Excludes condensate volumes which have been reported separately.

Crew is a growth-oriented natural gas and liquids producer, committed to pursuing sustainable per share growth through a balanced mix of financially and socially responsible exploration and development. The Company's operations are exclusively located in northeast British Columbia and feature a vast Montney resource with a large contiguous land base in the Greater Septimus, Tower and Groundbirch areas in British Columbia, offering significant development potential over the long-term. Crew has access to diversified markets with operated infrastructure and access to multiple pipeline egress options. The Company's common shares are listed for trading on the Toronto Stock Exchange ("TSX") under the symbol "CR" and on the OTCQB in the US under ticker "CWEGF".

FOR DETAILED INFORMATION, PLEASE CONTACT:

Dale Shwed, President and CEO
John Leach, Executive Vice President and CFO

Phone: (403) 266-2088
Email: investor@crewenergy.com

