CREW ENERGY INC. (TSX-CR)
REPORTS RECORD 2011 PRODUCTION AND PROVIDES 2012 GUIDANCE
CALGARY, ALBERTA – JANUARY 11, 2012

2011 Operational Highlights (based on field estimates)

- Achieved our exit forecast production rate of 32,500 boe per day with an additional 1,500 boe per day behind pipe;
- Estimated average production for December is expected to be over 32,000 boe per day;
- Q4 2011 estimated average production of 30,000 boe per day;
- Q4 2011 estimated production increased 105% and diluted production per share increased 38% over Q4 2010;
- Q4 2011 total liquids production increased an estimated 144% and an estimated 65% on a per diluted share basis over the same period in 2010;
- Q4 2011 cashflow per diluted share is estimated to be 46% higher than Q4 2010;
- Drilled 158 (155.2) net wells, the most active year in the Company's history, more than doubling the wells drilled in the prior year;
- Successfully integrated the operations of Caltex Energy Inc. adding 10,500 boe per day weighted 68% to liquids production;
- Attained production of 10,400 boe per day in December at Princess, Alberta.

At Princess, Alberta, Crew drilled 62 horizontal, 45 vertical and 13 salt water disposal wells which was our most active year in the area. Crew drilled more horizontal wells in 2011 than the prior three years combined. This record activity level has resulted in significant production gains with five additional wells waiting to be placed on production and 22 wells to be optimized.

Results at Crew's initial waterflood at the Pekisko "K" pool have been encouraging. Over the last four months fluid levels in producing wells have risen and production has increased from 25 bopd to 43 bopd. This 18 bopd increase is directionally important as it represents a 72% increase in production. The producing wells will be further optimized by pumping higher fluid volumes with the current injection rate of 3,400 bbls of water per day targeted to increase to 6,000 bbls water in Q1 2012. The 72% increase in oil production was accompanied by only a 19% increase in water production.

At Kobes, British Columbia, Crew drilled two (1.875 net) Montney horizontal wells in the fourth quarter. The first well (0.875 net) is on production at a rate of 1.7 mmcf per day and 145 bbls per day of liquids. Although this result was less than expected as the well encountered difficulties during fracturing operations, it has confirmed the previously observed high liquids cuts of 85 bbls per mmcf (50 bbls condensate) which were observed in the original vertical completion. The second well (1.0 net) has just been completed with the successful placement of 11 fracture treatments and is expected to be on production within days.

At Tower, British Columbia, Crew participated in a significant Montney oil discovery. At the end of a 23 day production test, the 13-8 well (0.33 net) was flowing 610 boe per day comprised of 342 bbls per day of oil and liquids and 1.7 MMcf per day of gas.

2012 Guidance

We are pleased to report Crew's Board of Directors has approved a 2012 capital expenditure budget of $300 million. This capital budget is approximately 14% less than the planned 2011 budget of $350 million. It is designed to approximate cashflow and will concentrate on oil and liquids production at Princess, Lloydminster and Tower in order to capitalize on strong oil prices. The 2012 capital program will also advance seven of our secondary oil recovery schemes and will continue to advance and de-risk oil/liquids plays in British Columbia and the Deep Basin of Alberta. The $300 million capital program will be funded mainly by cashflow from operations and bank debt with priority given to maintaining our strong balance sheet.

Our 2012 budget and guidance is a best estimate based on certain assumptions including operating results and commodity prices and will be regularly monitored by management. Our priority is to proactively manage our capital program as it relates to operational success and fluctuating commodity prices with a goal to maintain financial flexibility and achieve our production guidance.

Highlights of the 2012 capital program include:

- Drilling of 141 wells (131.6 net)
- 123 wells or 87% of the wells drilled will target oil representing approximately 80% of total budgeted capital and the remaining 18 wells or 13% will target liquid rich gas.
- Production is forecast to average 32,500 to 33,500 boe per day (57% oil and liquids) which at the midpoint represents a year over year increase of:
    - 47% in average production
    - 72% in liquids production
    - 28% in production per share; and
    - 39% in cashflow per share.

Oil Program

Princess, Alberta

Crew will concentrate its drilling capital on horizontal drilling where 87% of the wells will be drilled horizontally compared to 52% in 2011. Seventy-five wells are planned at Princess with production forecast to average approximately 12,000 boe per day. The benefits of the aggressive capital program in 2011 will continue to be captured in 2012 as wells and facilities are further optimized. In addition, two facilities are budgeted to be expanded and five new waterfloods are expected to be implemented as well as the completion of a number of pipeline projects.

Lloydminster, Saskatchewan

Our heavy oil assets will attract more capital in 2012 as only 13 wells were drilled in 2011. Crew plans to drill 36 wells targeting heavy oil and recomplete 40 wells. Crew is completing the evaluation of enhanced recovery schemes on a number of Lloydminster oil pools and expects to proceed with the necessary government approvals for implementation in late 2012 or early 2013.

Southeast Alberta

At Viking-Kinsella, Crew plans to drill four (4.0 net) oil wells and one (1.0 net) salt water disposal well. The Company plans to implement a waterflood at Killam in Crew's 100% Lloydminster oil pool with the drilling of three (3.0 net) injectors and one water source well.

Tower, British Columbia

At Tower, Crew plans to follow up on the 2011 discovery by drilling eight (6.0 net) wells targeting oil/condensate. The initial discovery well is expected to be tied in and on production in the first quarter of 2012. Crew has 30 net sections at Tower including 27 at 100% working interest.

Liquids Rich Gas Program

Septimus, British Columbia

At Septimus, Crew plans to drill six (6.0 net) wells targeting liquids rich gas. The Company forecasts to maintain production in this area at approximately 6,100 boe per day during 2012.

Kobes, British Columbia

At Kobes, Crew plans to monitor the production from the two wells drilled in 2011 and drill one to two wells in 2012 further evaluating multiple pay zones in the Montney.

Wapiti, Alberta

At Wapiti, the Company plans to drill six (5.6 net) wells targeting liquids rich gas. Two of those wells will be drilled for land retention purposes with all wells designed to add production and delineate additional resource in the Cardium Formation where liquids cuts approximate 90 bbl per mmcf.

2012 Capital Expenditure Budget Breakdown ($ million)

Drilling and completions	$188.7
Equip, tie-in, facilities	$ 64.7
Optimization	$ 19.8
G&A/Environmental/Other	$ 14.7
Seismic	$ 7.1
Land	$ 5.0
Total Capital	**$300.0**

2012 Guidance

Production

Light and medium oil	9,650 bbls per day
Heavy oil	6,300 bbls per day
Natural gas liquids	2,800 bbls per day
Natural gas	85.5 mmcf per day
Average annual production	33,000 boe per day

Assumptions

Gas (AECO-C $per mcf)	$ 3.25
Oil (WTI-US $per bbl)	$95.00
WTI Differential to WCS (% C $)	17%
Royalties	25%
FX ($US/$CDN)	$ 0.98

Costs/boe

Operating	$11.25
Transportation	$ 1.55
G&A	$ 1.60
Interest	$ 1.10

Financial

Cashflow (CF)	$ 280 million
CF per diluted share	$ 2.26 per share
2012 CF	$ 300 million
2012 year-end net debt	$ 335 million
Debt to annualized Q4 CF	1.1 X

CAUTIONARY STATEMENTS

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" and similar expressions are intended to identify forward-looking information or statements. In particular, but without limiting the forgoing, this news release contains forward-looking information and statements pertaining to the following: the Company's planned capital expenditure program, drilling plans, estimated and expected production levels and commodity mix; future commodity prices, the future differential between WTI prices and WCS prices, future royalty rates, the future exchange rate for the Canadian dollar to the US dollar, Operating costs, transportation costs, general and administrative costs, interest costs, the company's funds flow from operations, the Company's estimated year end bank debt, future results from operations; future development and exploration activities and related capital expenditures and adequacy of anticipated methods of financing; success of future asset dispositions, the number of wells to be drilled and completed and related production expectations; and the amount and timing of capital projects.

Forward-looking statements or information are based on a number of material factors, expectations or assumptions of Crew which have been used to develop such statements and information but which may prove to be incorrect. Although Crew believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because Crew can give no assurance that such expectations will *prove to be correct. In addition to other factors and assumptions which may be identified herein, assumptions have been made regarding, among other things: the impact of increasing competition; the general stability of the economic and political environment in which Crew operates; the timely receipt of any required regulatory approvals; the ability of Crew to obtain qualified staff, equipment and services in a timely and cost efficient manner; drilling results; the ability of the operator of the projects in which Crew has an interest in to operate the field in a safe, efficient and effective manner; the ability of Crew to obtain financing on acceptable terms; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development and exploration; the timing and cost of pipeline, storage and facility construction and expansion and the ability of Crew to secure adequate product transportation; future commodity prices; currency, exchange and interest rates; regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which Crew operates; the ability of Crew to successfully market its oil and natural gas products; ability to improve upon historical recovery factors.*

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 statement, including the assumptions made in respect thereof, involve known and unknown risks, uncertainties and other factors that may cause actual results or events to defer materially from those anticipated in such forward-looking information or statements including, without limitation: changes in commodity prices; changes in the demand for or supply of Crew's products; unanticipated operating results or production declines; changes in tax or environmental laws, royalty rates or other regulatory matters; changes in development plans of Crew or by third party operators of Crew's properties, increased debt levels or debt service requirements; inaccurate estimation of Crew's oil and gas reserve and resource volumes; limited, unfavorable or a lack of access to capital markets; increased costs; a lack of adequate insurance coverage; the impact of competitors; and certain other risks detailed from time-to-time in Crew's public disclosure documents, (including, without limitation, those risks identified in this news release and Crew's Annual Information Form).

The forward-looking information and statements contained in this news release speak only as of the date of this news release, and Crew does not assume any obligation to publicly update or revise any of the included forward-looking statements or information, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

BOE equivalent

Barrel of oil equivalents or BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Crew is a Calgary, Alberta based oil and gas exploration, development and production company whose shares are traded on The Toronto Stock Exchange under the trading symbol "CR".

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