

CREW ENERGY INC. (TSX-CR) OF CALGARY, ALBERTA IS PLEASED TO PRESENT ITS OPERATING AND FINANCIAL RESULTS FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2007.

HIGHLIGHTS

- Record second quarter production averaged 8,967 boe per day representing a 78% increase over the second quarter of 2006 and a 31% increase over the first quarter of 2007;
- Production per share increased 33% in the second quarter compared to the second quarter of 2006 and 20% over the first quarter of 2007;
- Funds from operations increased to \$20.9 million, \$0.46 per diluted share, which is a 96% increase over 2006 and a 23% increase over the first quarter of 2007;
- Operating costs remained amongst the lowest in the Company's peer group at \$6.16 per boe resulting in an operating netback of \$29.03 and a funds from operations netback of \$25.59;
- Successfully completed the acquisition of Enco Gas, Ltd. on May 3, 2007 adding approximately 3,100 boe per day of production and an inventory of new natural gas drilling opportunities in northeast British Columbia.

FINANCIAL (<i>\$ thousands, except per share amounts</i>)	Three months ended June 30, 2007	Three months ended June 30, 2006	Six months ended June 30, 2007	Six months ended June 30, 2006
Petroleum and natural gas sales	38,703	19,164	68,134	43,956
Funds from operations (NOTE 1)	20,885	10,645	37,872	25,708
Per share - basic	0.46	0.32	0.87	0.77
- diluted	0.46	0.31	0.87	0.75
Net income	1,351	3,753	2,670	7,347
Per share - basic	0.03	0.11	0.06	0.22
- diluted	0.03	0.11	0.06	0.22
Exploration and development expenditures	11,355	14,373	45,674	54,615
Property acquisitions (net of dispositions)	(59)	–	2	15,929
Business acquisition	137,456	–	137,456	–
Total capital investment	148,752	14,373	183,132	70,544
Working capital deficiency (NOTE 2)			6,146	8,149
Bank loan			140,811	43,138
Net debt			146,957	51,287
Weighted average shares (<i>thousands</i>)				
Basic	45,117	33,306	43,290	33,295
Diluted	45,509	34,128	43,681	34,125

(1) Funds from operations is calculated as cash provided by operating activities from the statement of cash flows, adding the change in non-cash working capital, asset retirement expenditures and the excess transportation liability charge. Funds from operations is used to analyze the Company's operating performance and leverage. Funds from operations does not have a standardized measure prescribed by Canadian Generally Accepted Accounting Principles and therefore may not be comparable with the calculations of similar measures for other companies.

(2) Working capital deficiency does not include the fair value of financial instruments or current portion of other long-term obligations.

	Three months ended June 30, 2007	Three months ended June 30, 2006	Six months ended June 30, 2007	Six months ended June 30, 2006
OPERATIONS				
Daily production				
Light oil and ngl (bbl/d)	1,446	634	1,457	729
Natural gas (mcf/d)	45,128	26,490	38,803	27,955
Oil equivalent (boe/d @ 6:1)	8,967	5,049	7,924	5,388
Production per share (boepd/mm diluted shares)	197	148	181	158
Average prices (NOTE 1)				
Light oil and ngl (\$/bbl)	58.96	66.70	55.40	62.80
Natural gas (\$/mcf)	7.52	6.35	7.61	7.05
Oil equivalent (\$/boe)	47.34	41.71	47.46	45.07
Operating expenses				
Light oil and ngl (\$/bbl)	6.29	5.88	5.93	5.52
Natural gas (\$/mcf)	1.02	0.88	1.03	0.85
Oil equivalent (\$/boe @ 6:1)	6.16	5.37	6.11	5.19
Operating netback (\$/boe) (NOTE 2)	29.03	25.43	29.34	28.06
G&A (\$/boe)	1.09	1.09	1.08	0.92
Interest (\$/boe)	2.35	1.16	1.85	0.78
Funds from operations (\$/boe)	25.59	23.18	26.41	26.36
Drilling Activity				
Gross wells	1	7	11	27
Working interest wells	1	6.1	10.5	22.9
Success rate, net wells	100%	84%	100%	96%

(1) Average prices are before deduction of transportation costs and include realized gains and losses on financial instruments.

(2) Operating netback equals petroleum and natural gas sales including realized gains and losses on financial instruments less royalties, operating costs and transportation costs calculated on a boe basis. Operating netback and funds from operations netback do not have a standardized measure prescribed by Canadian Generally Accepted Accounting Principles and therefore may not be comparable with the calculations of similar measures for other companies.

OVERVIEW

Crew had a very solid second quarter with production up 78% to 8,967 boe per day and funds from operations up 96% to \$20.9 million as compared to the second quarter of 2006. More importantly funds from operations per share was up 48% and production per share increased by 33% over the same quarter of 2006. Crew again controlled costs with operating costs coming in at \$6.16 per boe.

The second quarter was relatively inactive operationally as a result of an extended spring break-up and wet weather in June. As a result, Crew spent \$11.4 million on exploration and development activities being \$9.5 million less than cash flow of \$20.9 million. We were able to drill one successful well, tie in a second well, recompleting two wells and begin some facilities and pipeline projects in the quarter. Crew was very active on land acquisitions and was able to complete or initiate several farm-in commitments on attractive terms.

On May 3rd, 2007, Crew closed the acquisition of 3,100 boe per day of production in northeast British Columbia for \$137 million. The Company was able to complete this acquisition at very attractive metrics highlighted by the previously reported price per flowing barrel of \$41,400 per boe and reserve acquisition price of \$15.98 per boe for proved reserves and \$11.99 for the proved plus probable reserves. The acquired properties have been integrated with Crew planning to start several re-completion and development drilling activities on the acquired properties in the last half of this year. Additionally, Crew is also planning a very active first quarter 2008 in northeast British Columbia.

OPERATIONAL UPDATE

ALBERTA

Edson

Crew did not drill any wells at Edson in the second quarter. The Company has been working since March, 2006 to acquire down-spacing in the lower Mannville and Rock Creek formation. Recent discussions with the Alberta Energy and Utilities Board indicate a ruling is imminent. Should the down-spacing application be approved, Crew intends to drill four to six wells in the area. The wells would target thick reservoir sections in close proximity to Company owned and operated infrastructure. With success, Crew has identified a three to four year inventory of drilling opportunities in the area.

Ferrier

Crew did not drill any wells in the Ferrier area in the second quarter. The Company's fourth quarter 2006 discovery continues to produce over 450 boe per day and continues to support a larger pool development offsetting the discovery. Crew is currently drilling its second well in the third quarter at Ferrier and plans to drill three additional wells before year end.

Viking-Kinsella

Crew was inactive from a drilling perspective in the second quarter but was very active acquiring three-dimensional seismic in the area. Interpretation of seismic programs acquired in the second quarter has led to three identified drilling locations. Crew continues to acquire seismic and land in the area by way of freehold leasing and Crown land sale purchases.

Hanlan

The Company is currently re-completing a well at Hanlan targeting natural gas from the Nisku. Crew's 2006 discovery (50% WI) is producing 9.5 MMcf per day and continues to exhibit excellent reservoir characteristics. Crew (50% WI) plans to drill or re-complete up to two additional Nisku tests in 2007.

BRITISH COLUMBIA

Inga

Crew drilled one well at Inga in the second quarter targeting oil from the Dunlevy formation. The well is currently being equipped for production. Crew also plans to drill a Halfway well to test a five BCF prospect and a Dunlevy well to test a separately defined structure.

Dahl

The Company has identified nine developmental drilling locations targeting Bluesky-Gething sandstones. Drilling in this area is expected to begin in 2008.

Kobes-Bernadet

Crew has two re-completion opportunities and two drilling locations in this area that are expected to be completed by year end. The Company is also working to further expand its land position in this area in 2007 and 2008.

Yo Yo-Sierra

The Company's Pine Point well continues to produce at 13.2 MMcf per day (8.6 MMcf per day of sales gas). This property experienced some down time in the second quarter as a result of repairs and maintenance to a compressor. Crew has identified four drilling locations targeting natural gas in this area.

Montney

Crew plans to drill one to two wells and re-complete one well in this area targeting Halfway gas/condensate production. These activities are planned for the last half of 2007.

EXPLORATION

At Medicine River, Alberta, Crew (WI 100%) plans to drill a 3,200 meter test targeting light oil from the Leduc formation. This well is scheduled to begin drilling in mid-August.

At Strachan, Alberta Crew (WI 29% bpo 46.5% apo) plans to drill a 3,700 meter Leduc prospect. This sour gas location is awaiting well licensing which is expected before year end. Productive wells in the area have produced ten to several hundred bcf of gas with corresponding high daily production rates.

At Carrot Creek, Alberta Crew (WI 100%) has drilled its second successful gas well in the area after a first quarter discovery. The first well is on production at 1.3 MMcf per day with associated natural gas liquids. Crew is currently drilling a third well in the area and has up to five additional locations to drill.

At Pine Creek, Alberta Crew (WI 100%) has now drilled four successful gas/condensate wells. The first is on production with the three remaining wells expected to be on production by the end of the third quarter. Crew expects to drill two to three additional wells in this area by year end.

At Inga, British Columbia, Crew (WI 100%) recently purchased 4,700 acres of land on a natural gas prospect. The Company plans on drilling the first well on this prospect in the fourth quarter and, if successful, Crew could drill an additional six wells.

OUTLOOK

Business Environment

Natural gas production constitutes 84% of Crew's production and we therefore have a significant interest in the natural gas markets. The fundamentals for natural gas continue to be bearish as the market continues to be oversupplied. Previous assumptions that North American supplies were expected to be reduced as a result of lower industry activity levels in Canada were dashed as those shortfalls were taken up by Liquefied Natural Gas ("LNG") imports and near record natural gas drilling activity in the U.S. Recently, this has changed as LNG imports have subsided. Nevertheless natural gas in storage is expected to be near capacity as the heating season in North America begins. Absent a major supply disruption we believe natural gas prices will continue to be under pressure for the short to medium term.

Our view is that natural gas fundamentals will continue to improve as we see continued Canadian supply response to lower activity as well as an increase in natural gas requirements for domestic needs such as the oilsands. In order to stimulate activity, costs must continue to fall or natural gas pricing must increase. We have been prepared for times like this as cost control once again becomes a focus. Crew will continue to focus on being a low cost producer.

Crew will continue to evaluate investment opportunities using current natural gas pricing as an economic hurdle. We will continue to search for attractive acquisition opportunities and capitalize on the current environment with attractive terms on farm-in commitments in core areas. Service costs have generally continued to decline from the first quarter of 2007. We will continue to strive to reduce capital and operating costs in order to optimize investment efficiencies.

Strong Balance Sheet

At the end of the second quarter Crew had \$147 million of debt and working capital versus an authorized \$180 million credit facility. Utilizing the second quarter debt of \$147 million, cash flow netback of \$25.59 per boe and production of 10,200 boe per day yields a current debt to funds flow ratio of 1.5 times. We will continue to monitor natural gas prices and their effect on cash flow and the resulting debt in order to maintain balance sheet flexibility.

Growth Continues

Current production is 10,200 boe per day based on field estimates. This is approximately 800-900 boe per day lower than forecasted two months ago as a result of delayed field activities. Production volumes were affected by the wet spring which restricts access for drilling and pipelining operations. As a result of these delays, Crew forecasts an approximate 5% reduction in budgeted average production in 2007 to between 9,000 to 9,500 boe per day. The midpoint of this range would represent a 25% increase in production per share over 2006. Crew's exit production estimate remains at between 11,500 to 12,500 boe per day.

We have continued to enhance our team with the addition of Mr. Bob Tupper as our Drilling Manager. Bob has over 25 years experience in drilling and completions and we look forward to his contribution to our team. Despite the current environment, morale is high and we have an abundance of internally generated opportunities to continue to fuel our growth, albeit at the current measured pace. We are excited about our recent drilling successes and our upcoming exploration program and look forward to reporting our results in the third quarter report.

On behalf of the Board,

Dale Shwed
President and C.E.O.

August 9, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS

ADVISORIES

Management's discussion and analysis ("MD&A") is the Company's explanation of its financial performance for the period covered by the financial statements along with an analysis of the Company's financial position. Comments relate to and should be read in conjunction with the consolidated financial statements of the Company for the three and six month periods ended June 30, 2007 and 2006 and the audited consolidated financial statements and MD&A for the year ended December 31, 2006. The consolidated financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") in Canada.

Forward Looking Statements

This MD&A contains forward-looking statements. Management's assessment of future plans and operations, capital expenditures and the method of funding thereof, available bank lines, production estimates, wells to be drilled, timing of drilling, completion and tie-in of wells and the production resulting there from, expected royalty rates, transportation costs, operating costs and general and administrative costs, may constitute forward-looking statements under applicable securities laws and necessarily involve risks including, without limitation, risks associated with oil and gas exploration, development, exploration, production, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, inability to retain drilling rigs and other services, the timing and length of plant turnarounds and the impact of such turnarounds and the timing thereof, delays resulting from or inability to obtain required regulatory approvals and the ability to access sufficient capital from internal and external sources. As a consequence, the Company's actual results could differ materially from those expressed in, or implied by, the forward-looking statements. Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect the Company's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com), or at the Company's website (www.crewenergy.com). Furthermore, the forward-looking statements contained in this MD&A are made as of the date of this MD&A and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

Conversions

Barrel of oil equivalent ("boe") amounts have been calculated using a conversion rate of six thousand cubic feet of natural gas to one barrel of oil and is based on an energy equivalent conversion method at the burner tip and does not necessarily represent an economic value equivalency at the wellhead.

Non-GAAP Measures

Crew evaluates performance based on net income and funds from operations. Funds from operations is a measure not based on GAAP that is commonly used in the oil and gas industry. It represents cash provided by operating activities before changes in non-cash working capital and asset retirement expenditures. The Company considers it a key measure as it demonstrates the ability of the business to generate the cash flow necessary to fund future growth through capital investment and to repay debt. Funds from operations should not be considered as an alternative to, or more meaningful than cash flow provided by operating activities as determined in accordance with GAAP as an indicator of the Company's performance. Crew's determination of funds from operations may not be comparable to that reported by other companies. Crew also presents funds from operations per share whereby per share amounts are calculated using weighted average shares outstanding consistent with the calculation of income per share.

(\$ thousands)	Three months ended June 30		Six months ended June 30	
	2007	2006	2007	2006
Cash provided by operating activities	24,467	13,167	39,483	28,949
Asset retirement expenditures	4	147	14	232
Excess transportation liability charge	188	-	188	-
Change in non-cash working capital	(3,774)	(2,669)	(1,813)	(3,473)
Funds from operations	20,885	10,645	37,872	25,708

In addition, management uses netback, a non-GAAP term, to analyze operating performance and leverage. Netback equals total petroleum and natural gas sales including realized gains and losses on financial instruments less royalties, operating costs and transportation calculated on a boe basis.

RESULTS OF OPERATIONS

Production

	Three months ended June 30, 2007			Three months ended June 30, 2006		
	Oil and ngl (bbl/d)	Natural Gas (mcf/d)	Total (boe/d)	Oil and ngl (bbl/d)	Natural Gas (mcf/d)	Total (boe/d)
Plains Core	1,218	32,760	6,678	503	22,885	4,317
North Core	228	12,368	2,289	131	3,605	732
Total	1,446	45,128	8,967	634	26,490	5,049

Second quarter 2007 production increased over the second quarter of 2006 as a result of a successful drilling program that added new natural gas production at Ferrier, Alberta, new light oil production at Edson and Ferrier, Alberta and the closing of two private company acquisitions. The first acquisition has added approximately 1,000 boe per day and closed in November, 2006 with production in the Company's Ferrier area. The second acquisition closed on May 3, 2007 with the addition of approximately 3,100 boe per day of mainly natural gas production in the Company's northeastern British Columbia operating area.

	Six months ended June 30, 2007			Six months ended June 30, 2006		
	Oil and ngl (bbl/d)	Natural Gas (mcf/d)	Total (boe/d)	Oil and ngl (bbl/d)	Natural Gas (mcf/d)	Total (boe/d)
Plains Core	1,265	31,867	6,576	538	23,706	4,489
North Core	192	6,936	1,348	191	4,249	899
Total	1,457	38,803	7,924	729	27,955	5,388

Production for the first six months of 2007 increased as a result of the previously mentioned new wells in Ferrier and Edson as well as the two corporate acquisitions.

Revenue

	Three months ended June 30, 2007	Three months ended June 30, 2006	Six months ended June 30, 2007	Six months ended June 30, 2006
<i>(\$ thousands)</i>				
Revenue				
Light oil and ngl	7,759	3,848	14,609	8,286
Natural gas	30,876	15,316	53,457	35,670
Total	38,635	19,164	68,066	43,956
Crew average prices				
Light oil and ngl (\$/bbl)	58.96	66.70	55.40	62.80
Natural gas (\$/mcf)	7.52	6.35	7.61	7.05
Oil equivalent (\$/boe)	47.34	41.71	47.46	45.07
Benchmark pricing				
Oil and ngl – Light Sweet @ Edmonton (Cdn \$/bbl)	71.09	78.59	69.08	73.79
Natural Gas – AECO C daily index (Cdn \$/mcf)	7.35	6.32	7.57	7.12

Crew's second quarter 2007 revenue doubled over the second quarter 2006 due to a 70% increase in the Company's natural gas production and an 18% increase in Crew's natural gas price. This increase was complemented by a 128% increase in oil and ngl production partially offset by 12% decrease in oil and ngl pricing. The Company's natural gas price has proportionately increased compared to the Company's benchmark pricing due to increased natural gas production with higher heat content in the Company's Edson and Ferrier areas.

The sales price for the Company's light oil and ngl decreased 12% in the second quarter of 2007 as compared to the benchmark decline of 6%. The decrease was a result of the addition of lower value ethane production that was added with the private company acquisition in November 2006.

Financial Instruments

As at June 30, 2007, the Company had entered into direct sales agreements to sell natural gas as follows:

	Volume (gj/day)	Term	Price (Cdn \$/gj)	Floor (Cdn \$/gj)	Fair Value (thousands)
AECO Floor	9,000	July 1 – Dec. 31, 2007	AECO C	\$ 6.80	\$ 1,251
AECO/Station 2 Differential Swap	15,000	July 1 – Oct. 31, 2007	AECO 5A less \$0.24	–	\$ (122)
AECO/Station 2 Differential Swap	10,000	Nov. 1, 2007 – Oct. 31, 2008	AECO 5A less \$0.16	–	\$ (170)

The net effect of these contracts was a realized loss of \$0.1 million and an unrealized gain of \$1.0 million during the three and six months ended June 30, 2007.

Royalties

	Three months ended June 30, 2007	Three months ended June 30, 2006	Six months ended June 30, 2007	Six months ended June 30, 2006
<i>(\$ thousands, except per BOE)</i>				
Royalties	8,040	4,582	14,811	10,555
Per BOE	9.85	9.97	10.33	10.82
Percentage of revenue	20.8%	23.9%	21.8%	24.0%

Royalties as a percentage of revenue decreased in the second quarter and first half of 2007 compared to 2006 due to oil production from new wells in Alberta that received royalty holidays and the Company received royalty credits from a government incentive program in British Columbia related to 2006 drilling.

Operating Costs

	Three months ended June 30, 2007	Three months ended June 30, 2006	Six months ended June 30, 2007	Six months ended June 30, 2006
<i>(\$ thousands, except per BOE)</i>				
Operating costs	5,024	2,467	8,768	5,060
Per BOE	6.16	5.37	6.11	5.19

In the second quarter and first half of 2007, the Company's operating costs per unit increased over the second quarter of 2006 as a result of continued inflationary pressures and the addition of higher cost production from the private company acquisition completed in November 2006. In addition, increased emulsion handling costs associated with the new oil production from Edson and Ferrier negatively impacted operating costs in the second quarter. The Company has also experienced an increase in third party processing fees in the Viking and Plain Lake area. Second quarter and year to date operating costs were higher than the expected 2007 annual range of \$5.75 to \$6.00 as a result of higher than expected costs on new wells at Ferrier and Edson and the increase in third party gas processing costs. As a result of the higher costs experienced in the first half of 2007, the Company has increased its estimate of second half operating costs to between \$6.00 and \$6.25 per boe.

Transportation

	Three months ended June 30, 2007	Three months ended June 30, 2006	Six months ended June 30, 2007	Six months ended June 30, 2006
<i>(\$ thousands, except per BOE)</i>				
Transportation costs	1,878	430	2,411	975
Per BOE	2.30	0.94	1.68	1.00

The Company's second quarter 2007 increase in transportation costs is the result of the Company's May, 2007 acquisition of a private company with natural gas production mainly in northeast British Columbia which has a higher transportation cost. In northeast British Columbia, natural gas is produced into a third party owned gathering and processing infrastructure that enables producers to avoid facility construction. The all-in regulated fees charged for gathering, processing and transmission of the Company's natural gas through this system is included

in transportation expense. Transportation costs are expected to remain between \$2.25 and \$2.60 per boe for the remainder of the year.

Operating Netbacks

	Three months ended June 30, 2007			Three months ended June 30, 2006		
	Oil and ngl (\$/bbl)	Natural gas (\$/mcf)	Total (\$/boe)	Oil and ngl (\$/bbl)	Natural gas (\$/mcf)	Total (\$/boe)
Revenue	58.96	7.52	47.34	66.70	6.35	41.71
Royalties	(12.24)	(1.57)	(9.85)	(17.14)	(1.54)	(9.97)
Operating costs	(6.29)	(1.02)	(6.16)	(5.88)	(0.88)	(5.37)
Transportation costs	(0.85)	(0.43)	(2.30)	(1.72)	(0.14)	(0.94)
Operating netbacks	39.58	4.50	29.03	41.96	3.79	25.43

	Six months ended June 30, 2007			Six months ended June 30, 2006		
	Oil and ngl (\$/bbl)	Natural gas (\$/mcf)	Total (\$/boe)	Oil and ngl (\$/bbl)	Natural gas (\$/mcf)	Total (\$/boe)
Revenue	55.40	7.61	47.46	62.80	7.05	45.07
Royalties	(12.28)	(1.65)	(10.33)	(15.00)	(1.74)	(10.82)
Operating costs	(5.93)	(1.03)	(6.11)	(5.52)	(0.85)	(5.19)
Transportation costs	(1.01)	(0.31)	(1.68)	(1.45)	(0.15)	(1.00)
Operating netbacks	36.18	4.62	29.34	40.83	4.31	28.06

General and Administrative

	Three months ended June 30, 2007	Three months ended June 30, 2006	Six months ended June 30, 2007	Six months ended June 30, 2006
<i>(\$ thousands)</i>				
Gross costs	1,938	1,294	3,829	2,696
Operator's recoveries	(158)	(290)	(732)	(901)
Capitalized costs	(890)	(502)	(1,548)	(898)
General and administrative expenses	890	502	1,549	897
Per boe	1.09	1.09	1.08	0.92

Increased general and administrative costs before recoveries and capitalization was the result of increased staff levels and inflationary pressures on salaries in the first half of 2007 compared to 2006. The Company's net general and administrative costs in the second quarter of 2007 increased due to a decrease in operator's recoveries which is a function of decreased exploration and development expenditures. The Company continues to forecast annual general and administrative costs per unit at between \$0.80 and \$1.00 per boe. Unit costs are expected to be lower in the second half of 2007 due to increased production, increased operator's recoveries and lower net costs as most of the Company's annual regulatory and filing costs have now been incurred.

Interest

Interest expense totalled \$1.9 million for the second quarter of 2007 compared with \$0.6 million for the second quarter of 2006 and first half interest costs were \$2.7 million compared to \$0.8 million in the first half of 2006. In 2007, higher interest rates combined with higher average debt levels used to finance Crew's corporate acquisitions and exploration and development program have increased the Company's interest expense over 2006.

Stock-Based Compensation

<i>(\$ thousands)</i>	Three months ended June 30, 2007	Three months ended June 30, 2006	Six months ended June 30, 2007	Six months ended June 30, 2006
Gross costs	1,298	1,117	2,264	2,019
Capitalized costs	(649)	(558)	(1,132)	(1,109)
Total stock-based compensation	649	559	1,132	1,110

The Company's stock-based compensation expense has increased in 2007 as a result of the an increase in stock options issued due to increased staff levels over the same period in 2006.

Depletion, Depreciation and Accretion

<i>(\$ thousands, except per BOE)</i>	Three months ended June 30, 2007	Three months ended June 30, 2006	Six months ended June 30, 2007	Six months ended June 30, 2006
Depletion, depreciation and accretion	19,523	8,197	34,373	17,082
Per BOE	\$ 23.93	\$ 17.84	\$ 23.97	\$ 17.52

Per unit depletion has increased in 2007 due to an increase in the average cost of adding proved reserves in 2006 and 2007. This increase has resulted from inflationary pressures experienced throughout the industry, the addition of higher priced proven reserves acquired through the acquisition of the private companies in November, 2006 and May, 2007 and the 2006 acquisition and construction of facilities in order to maintain lower operating costs and to ensure processing capacity for the Company's natural gas production.

Funds from Operations and Net Income

<i>(\$ thousands)</i>	Three months ended June 30, 2007	Three months ended June 30, 2006	Six months ended June 30, 2007	Six months ended June 30, 2006
Funds from operations	20,885	10,645	37,872	25,708
Per share - basic	0.46	0.32	0.87	0.77
- diluted	0.46	0.31	0.87	0.75
Net Income	1,351	3,753	2,670	7,347
Per share - basic	0.03	0.11	0.06	0.22
- diluted	0.03	0.11	0.06	0.22

The Company's increase in funds from operations for the second quarter of 2007 and the first half of 2007 was the result of the increased production levels and natural gas pricing. Net income was negatively impacted due to higher costs experienced throughout the industry over the past year. In addition, second quarter and first half 2006 net income was positively impacted by a \$2.6 million future tax adjustment from a reduction in tax rates in the second quarter of 2006.

Capital Expenditures and Acquisitions

On May 3, 2007, the Company closed the acquisition of a private company with the majority of its operations in the Company's north core in northeastern British Columbia. The acquisition added approximately 3,100 boe per day of production. During the second quarter, the Company drilled one (1.0 net) well resulting in one successful natural gas well. In addition, the Company also completed 2 (2.0 net) wells and spent \$1.1 million on crown land sales adding to its inventory of undeveloped land in central Alberta.

Total exploration and development expenditures for the second quarter of 2007 were \$11.4 million compared to \$14.4 million for the same period in 2006. The expenditures are detailed below:

<i>(\$ thousands)</i>	Three months ended June 30, 2007	Three months ended June 30, 2006	Six months ended June 30, 2007	Six months ended June 30, 2006
Land	1,114	912	4,269	4,458
Seismic	960	359	1,652	3,069
Drilling and completions	4,950	6,726	27,788	30,897
Facilities, equipment and pipelines	3,303	5,658	10,212	15,096
Other	1,028	718	1,753	1,095
Total exploration and development	11,355	14,373	45,674	54,615
Property acquisitions (dispositions)	(59)	–	2	15,929
Business acquisition	137,456	–	137,456	–
Total	148,752	14,373	183,132	70,544

The Company has budgeted exploration and development expenditures for 2007 of \$100 million and combined with the Company's May corporate acquisition, total capital expenditures are expected to be \$237 million.

LIQUIDITY AND CAPITAL RESOURCES

Capital Funding

On May 3, 2007 Crew acquired all of the issued and outstanding shares of a private oil and gas company with producing oil and natural gas properties in northeastern British Columbia and central Alberta. Crew's total consideration for the acquisition was approximately \$137 million before closing adjustments and costs.

In conjunction with the acquisition Crew issued, on a bought deal basis, 5,750,000 Common Shares at \$10.30 per share for aggregate gross proceeds of \$59.2 million. The common shares were issued concurrently with the closing of the acquisition and the net proceeds of approximately \$56 million were used to partially fund the acquisition price.

The remainder of the acquisition price was provided by a newly arranged credit facility with a syndicate of banks. The new facility consists of a revolving line of credit of \$165 million (the "Syndicated Facility") and an operating line of credit of \$15 million (the "Operating Facility"). The facility will revolve for a 364 day period and will be subject to annual review. If not renewed, the Syndicated Facility will cease to revolve and all outstanding advances under the facility will become repayable in one year.

The Company's first half exploration and development expenditures were funded through a combination of bank debt and cash flow from ongoing operations. Crew will continue to fund its ongoing operations from a combination of cash flow, debt, and equity financings as needed. As the majority of our ongoing capital expenditure program is directed to the further growth of reserves and production volumes, Crew is readily able to adjust its budgeted capital expenditures should the need arise.

Working Capital

The capital intensive nature of Crew's activities generally results in the Company carrying a working capital deficit. However, the Company maintains sufficient unused bank credit lines to satisfy such working capital deficiencies. At June 30, 2007, the Company's working capital deficiency totaled \$6.1 million which, when combined with the drawings on its bank line, represented 82% of its available bank facility at that time.

Share Capital

As at August 9, 2007, Crew had 47,221,614 Common Shares and 372,000 Class C performance shares outstanding along with 3,207,800 options to acquire Common Shares of the Company.

Commitments

The Company has the following fixed term commitments related to its ongoing business:

(\$ thousands)	Total	2007	2008	2009	2010	2011
Operating leases	3,960	248	990	990	990	742
Capital commitments	3,210	2,010	1,200	-	-	-
Exploration and development	4,000	4,000	-	-	-	-
Firm transportation agreements	33,164	3,514	7,577	7,690	7,805	6,578
Total	44,334	9,772	9,767	8,680	8,795	7,320

The exploration and development commitment relates to the Company's obligation under its 2006 flow-through share issue. The firm transportation commitments were acquired as part of the Company's May 2007 private company acquisition and represent firm service commitments for transportation and processing of natural gas in British Columbia.

GUIDANCE

Production volumes were affected by Alberta's wet spring restricting access for drilling and pipelining operations. As a result of these delays, Crew forecasts an approximate 5% reduction in average budgeted production in 2007 to between 9,000 to 9,500 boe per day. Crew's exit production estimate remains at between 11,500 to 12,500 boe per day.

ADDITIONAL DISCLOSURES

Quarterly Analysis

The following table summarizes Crew's key quarterly financial results for the past eight financial quarters:

(\$ thousands, except per share amounts)	June 30 2007	Mar. 31 2007	Dec. 31 2006	Sept. 30 2006	June 30 2006	Mar. 31 2006	Dec. 31 2005	Sept. 30 2005
Petroleum and natural gas sales	38,703	29,431	26,590	22,267	19,164	24,792	30,520	22,304
Funds from operations	20,885	16,987	16,705	14,245	10,645	15,063	21,084	15,423
Per share – basic	0.46	0.41	0.43	0.41	0.32	0.45	0.69	0.56
– diluted	0.46	0.41	0.43	0.40	0.31	0.44	0.65	0.48
Net income	1,351	1,319	1,796	1,633	3,753	3,594	8,746	6,328
Per share – basic	0.03	0.03	0.05	0.05	0.11	0.11	0.28	0.23
– diluted	0.03	0.03	0.05	0.05	0.11	0.11	0.27	0.20
Total daily production (boe/d)	8,967	6,869	6,227	5,768	5,049	5,731	4,730	4,093
Average wellhead price (\$/boe)	47.34	47.61	46.41	41.96	41.71	48.07	70.14	59.23

Crew's petroleum and natural gas sales, funds from operations and net income are all impacted by production levels and volatile commodity pricing. Through 2006 and into 2007, despite increased production, these performance measures have fluctuated as a result of volatile natural gas prices combined with the escalating cost of operations.

Significant factors and trends that have impacted the Company's results during the above periods include:

- Revenue is directly impacted by the Company's ability to replace existing declining production and add incremental production through its ongoing capital expenditure program.
- Production is impacted in the second quarter of every year by the limited ability to transport oil and ngl production to market during spring break-up. The Company's Laprise production is shut-in for eight to ten weeks during this period.

- Revenue and royalties are significantly impacted by underlying commodity prices. To date the Company has used a limited amount of derivative contracts or forward sales contracts to reduce the exposure to commodity price fluctuations.
- During 2006 and the first quarter of 2007, the Company's operating costs and capital expenditures have been subject to inflationary pressures brought on by increasing demand for services and supplies within the Canadian oil and gas industry.
- In November, 2006 the Company acquired a private oil and gas company with approximately 1,000 boe per day of production at closing.
- In May, 2007, the Company acquired a private oil and gas company with approximately 3,100 boe per day of production consisting mainly of natural gas in the northeastern British Columbia area.

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

Crew's Chief Executive Officer and Chief Financial Officer are required to cause the Company to disclose herein any change in Crew's disclosure controls and procedures and internal controls over financial reporting that occurred during the Company's most recent interim period that has materially affected, or is reasonably likely to materially affect the Company's internal controls over financial reporting. No material changes in Crew's disclosure controls and procedures and internal controls over financial reporting were identified during the six months ended June 30, 2007, that have materially affected, or are reasonably likely to materially affect the Company's internal controls over financial reporting.

New Accounting Pronouncements

On January 1, 2007, the Company adopted the Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3855, "Financial Instruments – Recognition and Measurement", Handbook Section 3865, "Hedges", and Handbook Section 1530, "Comprehensive Income".

The adoption of these standards has no material impact on the Company's net earnings or cash flows. The effect of the implementation on other statements is discussed below:

(a) Financial instruments

The financial instruments standard establishes recognition and measurement criteria for financial assets, financial liabilities and derivatives. All financial instruments are required to be measured at fair value on initial recognition of the instrument except in specific circumstances. Measurement in subsequent periods depends on whether the financial instrument has been classified as "held for trading", "available for sale", "held to maturity", "loans and receivables" or "other financial liabilities" as defined by the standard.

Financial assets and financial liabilities "held for trading" are measured at fair value with changes in those fair values recognized in net earnings. Financial assets "available for sale" are measured at fair value, with changes in those fair values recognized in other comprehensive income. Financial assets "held to maturity", "loans and receivables" and "other financial liabilities" are measured at amortized cost using the effective interest method of amortization.

Cash and deposits, included in current assets, are designated as "held for trading" and are measured at carrying value, which approximates fair value due to the short-term nature of these instruments. Accounts receivable are designated as "loans and receivables" and accounts payable and long-term debt are designated as "other financial liabilities".

At January 1, 2007, the Company held no financial instruments that required valuation adjustments.

(b) Derivative Instruments and Hedges

The Company may use derivative instruments to manage its exposure to the volatility in commodity prices. These derivatives will be recorded on the balance sheet at fair value. Gains and losses on these instruments will be charged to income in the period that they occur.

(c) Comprehensive income

The new standard introduced the statements of comprehensive income and accumulated other comprehensive income to temporarily provide for gains, losses and other amounts arising from changes in fair value until they are realized and recorded in net earnings. The Company has determined that it had no comprehensive income nor accumulated other comprehensive income for the period ended June 30, 2007.

Dated as of August 9, 2007

CONSOLIDATED BALANCE SHEETS

(unaudited)

(\$ thousands)	June 30, 2007	December 31, 2006
ASSETS		
Current assets:		
Accounts receivable	\$ 23,280	\$ 22,063
Income taxes receivable (note 3)	7,614	–
Fair value of financial instruments (note 9)	959	–
	31,853	22,063
Property, plant and equipment (note 4)	534,538	338,660
Goodwill (note 3)	20,252	14,558
	\$ 586,643	\$ 375,281
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 37,040	\$ 39,777
Current portion of other long-term obligations (note 6)	1,252	–
	38,292	39,777
Bank loan (note 5)	140,811	41,157
Other long-term obligations (note 6)	3,416	–
Asset retirement obligations (note 7)	17,704	10,485
Future income taxes	84,633	39,552
SHAREHOLDERS' EQUITY		
Share capital (note 8)	245,398	192,814
Contributed surplus (note 8)	7,789	5,566
Retained earnings	48,600	45,930
	301,787	244,310
Commitments (note 11)		
	\$ 586,643	\$ 375,281

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS, COMPREHENSIVE INCOME AND RETAINED EARNINGS

(unaudited)

<i>(\$ thousands, except per share amounts)</i>	Three months ended June 30, 2007	Three months ended June 30, 2006	Six months ended June 30, 2007	Six months ended June 30, 2006
Revenue				
Petroleum and natural gas sales	\$ 38,703	\$ 19,164	\$ 68,134	\$ 43,956
Royalties	(8,040)	(4,582)	(14,811)	(10,555)
	30,663	14,582	53,323	33,401
Realized loss on financial instruments (note 9)	(68)	–	(68)	–
Unrealized gain on financial instruments (note 9)	959	–	959	–
	31,544	14,582	54,214	33,401
Expenses				
Operating	5,024	2,467	8,768	5,060
Transportation	1,878	430	2,411	975
Interest	1,917	582	2,655	761
General & administrative	891	502	1,549	897
Stock-based compensation	649	559	1,132	1,110
Depletion, depreciation & accretion	19,523	8,197	34,373	17,082
	29,882	12,737	50,888	25,885
Income before income taxes	1,672	1,845	3,326	7,516
Income taxes				
Current	–	(44)	–	–
Future	321	(1,864)	656	169
	321	(1,908)	656	169
Net income and comprehensive income	1,351	3,753	2,670	7,347
Retained earnings, beginning of period	47,249	38,748	45,930	35,154
Retained earnings, end of period	\$ 48,600	\$ 42,501	\$ 48,600	\$ 42,501
Net income per share (note 8(d))				
Basic	\$ 0.03	\$ 0.11	\$ 0.06	\$ 0.22
Diluted	\$ 0.03	\$ 0.11	\$ 0.06	\$ 0.22

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited)

(\$ thousands)	Three months ended June 30, 2007	Three months ended June 30, 2006	Six months ended June 30, 2007	Six months ended June 30, 2006
Cash provided by (used in):				
Operating activities:				
Net income	\$ 1,351	\$ 3,753	\$ 2,670	\$ 7,347
Items not involving cash:				
Depletion, depreciation & accretion	19,523	8,197	34,373	17,082
Stock-based compensation	649	559	1,132	1,110
Future income taxes	321	(1,864)	656	169
Unrealized gain on financial instruments	(959)	–	(959)	–
Excess transportation liability charge (note 6)	(188)	–	(188)	–
Asset retirement expenditures	(4)	(147)	(14)	(232)
Change in non-cash working capital	3,774	2,669	1,813	3,473
	24,467	13,167	39,483	28,949
Financing activities:				
Increase in bank loan	71,074	7,234	99,654	43,138
Issue of common shares	55,952	337	56,000	356
	127,026	7,571	155,654	43,494
Investing activities:				
Exploration and development	(11,355)	(14,373)	(45,674)	(54,615)
Property acquisitions, net of dispositions	59	–	(2)	(15,929)
Business acquisition (note 3)	(137,325)	–	(137,325)	–
Change in non-cash working capital	(2,872)	(6,365)	(12,136)	(18,201)
	(151,493)	(20,738)	(195,137)	(88,745)
Change in cash and cash equivalents	–	–	–	(16,302)
Cash and cash equivalents, beginning of period	–	–	–	16,302
Cash and cash equivalents, end of period	\$ –	\$ –	\$ –	\$ –

See accompanying notes to the consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended June 30, 2007 and 2006

(Unaudited, Tabular amounts in thousands)

1. SIGNIFICANT ACCOUNTING POLICIES:

The interim consolidated financial statements of Crew Energy Inc. have been prepared by management in accordance with accounting principles generally accepted in Canada. The interim consolidated financial statements have been prepared following the same accounting policies and methods of computation as the consolidated financial statements for the year ended December 31, 2006, except as disclosed below. The disclosure which follows is incremental to the disclosure included with the December 31, 2006 consolidated financial statements. These interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended December 31, 2006.

Certain comparative amounts have been reclassified to conform to current period presentation.

2. CHANGE IN ACCOUNTING POLICY:

On January 1, 2007, the Company adopted the Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3855, "Financial Instruments – Recognition and Measurement", Handbook Section 3865, "Hedges", and Handbook Section 1530, "Comprehensive Income".

The adoption of these standards had no material impact on the Company's net earnings or cash flows. The effect of the implementation on other statements is discussed below:

(a) Financial instruments

The financial instruments standard establishes recognition and measurement criteria for financial assets, financial liabilities and derivatives. All financial instruments are required to be measured at fair value on initial recognition of the instrument except in specific circumstances. Measurement in subsequent periods depends on whether the financial instrument has been classified as "held for trading", "available for sale", "held to maturity", "loans and receivables" or "other financial liabilities" as defined by the standard.

Financial assets and financial liabilities "held for trading" are measured at fair value with changes in those fair values recognized in net earnings. Financial assets "available for sale" are measured at fair value, with changes in those fair values recognized in other comprehensive income. Financial assets "held to maturity", "loans and receivables" and "other financial liabilities" are measured at amortized cost using the effective interest method of amortization.

Cash and deposits, included in current assets, are designated as "held for trading" and are measured at carrying value, which approximates fair value due to the short-term nature of these instruments. Accounts receivable are designated as "loans and receivables" and accounts payable and long-term debt are designated as "other financial liabilities".

At January 1, 2007, the Company held no financial instruments that required valuation adjustments.

(b) Derivative Instruments and Hedges

The Company uses derivative instruments to manage its exposure to the volatility in commodity prices. These derivatives are recorded on the balance sheet at fair value. Gains and losses on these instruments will be charged to income in the period that they occur.

(c) Comprehensive income

The new standard introduced the statements of comprehensive income and accumulated other comprehensive income to temporarily provide for gains, losses and other amounts arising from changes in fair value until they are realized and recorded in net earnings. The Company has determined that it had no items that

would affect comprehensive income nor accumulated other comprehensive income for the period ended June 30, 2007.

3. BUSINESS ACQUISITION:

On May 3, 2007 Crew acquired all of the issued and outstanding shares of a private oil and gas company with producing oil and natural gas properties in northeastern British Columbia and central Alberta (the "Acquisition"). Total consideration paid for the Acquisition was approximately \$137 million before transaction costs which was financed through a concurrently announced equity financing and a newly arranged credit facility. The operating results of the acquired company were included in the accounts of Crew from May 3, 2007.

The acquisition has been accounted for using the purchase method of accounting as follows:

	Amount
Consideration	
Cash	\$ 136,956
Transaction costs	500
	\$ 137,456
Net assets received at fair value	
Cash	131
Accounts receivable	4,944
Income tax receivable	7,614
Property and equipment	182,397
Goodwill	5,694
Accounts payable	(11,313)
Excess transportation obligation (note 6)	(4,856)
Asset retirement obligations	(6,646)
Future income taxes	(40,509)
	\$ 137,456

The above amounts are estimates made by management based on currently available information. Amendments may be made to the purchase equation as the cost estimates and balances are finalized.

4. PROPERTY, PLANT AND EQUIPMENT:

June 30, 2007	Cost	Accumulated depletion & depreciation	Net book value
Petroleum and natural gas properties and equipment	\$ 713,084	\$ 178,546	\$ 534,538

December 31, 2006	Cost	Accumulated depletion & depreciation	Net book value
Petroleum and natural gas properties and equipment	\$ 409,608	\$ 70,948	\$ 338,660

The cost of unproved properties at June 30, 2007 of \$34,065,000 (2006 - \$23,291,000) was excluded from the depletion calculation. Estimated future development costs associated with the development of the Company's proved reserves of \$31,295,000 (2006 - \$11,716,000) have been included in the depletion calculation and estimated salvage values of \$20,703,000 (2006 - \$13,726,000) have been excluded from the depletion calculation.

The following corporate expenses related to exploration and development activities were capitalized:

	Six months ended June 30, 2007	Year ended December 31, 2006
General and administrative expense	\$ 1,549	\$ 1,688
Stock-based compensation expense, including future income taxes	1,591	3,176
	\$ 3,140	\$ 4,864

5. BANK LOAN:

The Company's current bank facility consists of a revolving line of credit of \$165 million (the "Syndicated Facility") and an operating line of credit of \$15 million (the "Operating Facility"). The Syndicated Facility and the Operating Facility revolves for a 364 day period and is subject to annual review. If not renewed, the Syndicated Facility and Operating Facility will cease to revolve, the margins there under will increase by 0.25 per cent and all outstanding advances there under will become repayable in one year.

Advances under the facilities are available by way of prime rate loans, bankers acceptances and LIBOR loans which have interest of up to 0.75 per cent over the bank's prime lending rate and bankers' acceptances and LIBOR loans are subject to stamping fees and margins ranging from 0.95 per cent to 1.75 per cent depending upon the debt to EBITDA ratio of the Company calculated at the Company's previous quarter end. As at June 30, 2007, the Company's applicable pricing included a 0.20 percent margin on prime lending and a 1.2 percent stamping fee and margin on Bankers' Acceptances and LIBOR loans. The facility is secured by a first floating charge debenture over the Company's consolidated assets.

6. OTHER LONG-TERM OBLIGATIONS:

As part of the May 3, 2007 private company acquisition, the Company acquired several firm transportation agreements. These agreements had a fair value at the time of the acquisition of a \$4.9 million liability. This amount was accounted for as part of the acquisition cost and will be charged as a reduction to transportation expenses over the life of the contracts as they are incurred. This charge for the three and six months ended June 30, 2007 was \$0.2 million.

7. ASSET RETIREMENT OBLIGATIONS:

Crew has estimated the net present value of its total asset retirement obligation as at June 30, 2007 to be \$17,704,000 (December 31, 2006 - \$10,485,000) based on a total future liability of \$34,128,000 (December 31, 2006 - \$23,503,000). These payments are expected to be made over the next 49 years. An 8% (2006 - 8%) credit adjusted risk free discount rate and 2% (2006 - 2%) inflation rate were used to calculate the present value of the asset retirement obligation.

The following table reconciles Crew's asset retirement obligations:

	Six months ended June 30, 2007	Year ended December 31, 2006
Carrying amount, beginning of period	\$ 10,485	\$ 7,182
Liabilities incurred	230	1,690
Liabilities acquired	6,646	679
Accretion expense	357	655
Change in estimate	-	727
Liabilities settled	(14)	(448)
Carrying amount, end of period	\$ 17,704	\$ 10,485

8. SHARE CAPITAL:

(a) Common Shares:

	Number of shares	Amount
Common shares, December 31, 2006	41,440	\$ 192,810
Public offering issued for cash	5,750	59,225
Exercise of Class C performance shares	26	-
Exercise of stock options	6	49
Stock-based compensation	-	41
Flow through share tax adjustment	-	(4,401)
Share issue costs, net of income taxes of \$944	-	(2,330)
Common shares, June 30, 2007	47,222	\$ 245,394

In conjunction with the private company acquisition (note 3), Crew issued 5,750,000 Common Shares at \$10.30 per share for aggregate gross proceeds of \$59.2 million (\$56 million net of estimated issue costs).

(b) Contributed Surplus:

	Amount
Contributed surplus, December 31, 2006	\$ 5,566
Stock-based compensation	2,264
Conversion of stock options	(20)
Conversion of Class C performance shares	(21)
Contributed surplus, June 30, 2007	\$ 7,789

(c) Stock-based compensation:

During the first six months of 2007, the Company recorded \$2,264,000, (2006 - \$2,219,000) of stock-based compensation expense related to the stock options, of which \$1,132,000 (2006 - \$1,109,000) was capitalized in accordance with the Company's full cost accounting policy. As stock-based compensation is non-deductible for income tax purposes, a future tax liability of \$459,000 associated with the current period's capitalized stock-based compensation has been recorded. The fair value of each stock option is determined at each issue or grant date using the Black-Scholes model with the following weighted average assumptions: risk free interest rate 3.95% (2006 - 4.08%), expected life 4 years (2006 - 4 years), volatility 45% (2006 - 45%), and an expected dividend of nil (2006 - nil).

(i) Performance shares

	Number of shares	Amount
Class C, performance shares, December 31, 2006	402	\$ 4
Converted to common shares	(30)	-
Class C, performance shares, June 30, 2007	372	\$ 4

(ii) Stock options

The average fair value of the stock options granted during the six months ended June 30, 2007, as calculated by the Black-Scholes method, was \$4.09 per option (June 30, 2006 - \$4.80).

	Number of Options	Price Range	Weighted average exercise price
Balance December 31, 2006	2,019	\$3.50 to \$18.60	\$14.97
Granted	2,076	\$9.97 to \$12.18	\$10.28
Forfeited	(278)	\$11.95 to \$17.75	\$14.55
Cancelled	(643)	\$13.40 to \$18.60	\$16.22
Exercised	(6)	\$8.25	\$8.25
Balance June 30, 2007	3,168	\$3.50 to \$18.60	\$11.70

(d) Per share amounts:

Per share amounts have been calculated on the weighted average number of shares outstanding. The weighted average number of shares outstanding for the three month period ended June 30, 2007 was 45,117,000 (June 30, 2006 – 33,306,000) and for the six month period ended June 30, 2007, the weighted average number of shares outstanding was 43,290,000 (June 30, 2006 – 33,295,000).

In computing diluted earnings per share for the three month period ended June 30, 2007, 392,000 (June 30, 2006 – 822,000) shares were added to the weighted average number of common shares outstanding for the dilution added by the performance shares and stock options and for the six months ended June 30, 2007, 391,000 (June 30, 2006 – 830,000) shares were added to the weighted average number of common shares for the dilution.

(e) Flow through shares

On August 10, 2006, the Company closed a public offering in which 2,426,300 shares were issued for gross proceeds of \$40,002,125. Of the shares issued, 759,500 shares were issued on a flow-through basis in which the Company had committed to renounce to the purchasers certain Canadian tax deductions totalling \$15.0 million. During the six months ended June 30, 2007, the Company renounced the \$15.0 million of Canadian income tax deductions and at June 30, 2007, the Company has \$4.0 million of eligible expenditures to incur under this arrangement.

9. FINANCIAL INSTRUMENTS:

As at June 30, 2007, the Company had entered into direct sales agreements to sell natural gas as follows:

	Volume (gj/day)	Term	Price (Cdn \$/gj)	Floor (Cdn \$/gj)	Fair Value (thousands)
AECO Floor	9,000	July 1 – Dec. 31, 2007	AECO C	\$ 6.80	\$ 1,251
AECO/Station 2 Differential Swap	15,000	July 1 – Oct. 31, 2007	AECO 5A less \$0.24	–	\$ (122)
AECO/Station 2 Differential Swap	10,000	Nov. 1, 2007 – Oct. 31, 2008	AECO 5A less \$0.16	–	\$ (170)

The net effect of these contracts was a realized loss of \$0.1 million and an unrealized gain of \$1.0 million during the three and six months ended June 30, 2007.

10. SUPPLEMENTAL CASH FLOW INFORMATION:

	June 30, 2007	June 30, 2006
Changes in non-cash working capital:		
Accounts receivable	\$ 3,727	\$ 5,756
Accounts payable and accrued liabilities	(14,050)	(20,484)
	\$ (10,323)	\$ (14,728)
Operating activities	\$ 1,813	\$ 3,473
Investing activities	(12,136)	(18,201)
	\$ (10,323)	\$ (14,728)

The Company made the following cash outlays in respect of interest expense and current income taxes:

	June 30, 2007	June 30, 2006
Interest	\$ 4,002	\$ 876
Income taxes	\$ -	\$ -

11. COMMITMENTS:

The Company has the following fixed term commitments related to its ongoing business:

	Total	2007	2008	2009	2010	2011
Operating Leases	\$ 3,960	\$ 248	\$ 990	\$ 990	\$ 990	\$ 742
Capital commitments	3,210	2,010	1,200	-	-	-
Exploration and development	4,000	4,000	-	-	-	-
Firm transportation agreements	33,164	3,514	7,577	7,690	7,805	6,578
Total	\$ 44,334	\$ 9,772	\$ 9,767	\$ 8,680	\$ 8,795	\$ 7,320

The exploration and development commitment relates to the Company's obligation under its 2006 flow-through share issue. (see note 8(e))

The firm transportation commitments were acquired as part of the Company's May 2007 private company acquisition and represent firm service commitments for transportation and processing of natural gas in British Columbia.

CORPORATE INFORMATION

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KPMG LLP

BANKERS

The Toronto-Dominion Bank

LEGAL COUNSEL

Burnet, Duckworth & Palmer LLP

RESERVE ENGINEERS

GLJ Petroleum Consultants

TRANSFER AGENT

Valiant Trust Company

EXCHANGE LISTING

Toronto Stock Exchange
Stock Symbol: CR

ABBREVIATIONS

bbl	barrels
bbl/d	barrels per day
bcf	billion cubic feet
boe	barrels of oil equivalent (6 mcf: 1 bbl)
bopd	barrels of oil per day
mmbtu	million British thermal units
mboe	thousand barrels of oil equivalent (6 mcf: 1 bbl)
mmboe	million barrels of oil equivalent (6 mcf: 1 bbl)
mcf	thousand cubic feet
mcf/d	thousand cubic feet per day
mmcf	million cubic feet
mmcf/d	million cubic feet per day
ngl	natural gas liquids

CAUTIONARY STATEMENT

This press release contains forward-looking statements relating to Management's approach to operations, expectations relating to the number of wells, amount and timing of capital projects, company production, commodity prices, foreign exchange rates, royalties, operating costs, transportation costs, general and administrative costs and cash flow. The reader is cautioned that assumptions used in the preparation of such information, although considered reasonable by Crew at the time of preparation, may prove to be incorrect. Actual results achieved during the forecast period will vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors. Such factors include, but are not limited to: general economic, market and business conditions; industry capacity; competitive action by other companies; fluctuations in oil and gas prices; the ability to produce and transport crude oil and natural gas to markets; the result of exploration and development drilling and related activities; fluctuation in foreign currency exchange rates; the imprecision of reserve estimates; the ability of suppliers to meet commitments; actions by governmental authorities including increases in taxes; decisions or approvals of administrative tribunals; change in environmental and other regulations; risks associated with oil and gas operations; the weather in the Company's areas of operations; and other factors, many of which are beyond the control of the Company. There is no representation by Crew that actual results achieved during the forecast period will be the same in whole or in part as that forecast.



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