CREW ENERGY ANNOUNCES 2005 SECOND QUARTER RESULTS
CALGARY, ALBERTA – AUGUST 10, 2005

Crew Energy Inc. (TSX-CR) of Calgary, Alberta is pleased to present its financial and operating results for the three and six month periods ended June 30, 2005.

Highlights

- Second quarter production averaged 4,217 boe per day, an increase of 95% over the second quarter of 2004 and 10% over the previous quarter;
- Increased production per share by 74% over the second quarter of 2004;
- Funds flow from operations in the second quarter totalled $12.5 million, a 142% increase over the second quarter of 2004 and a 20% increase over the previous quarter;
- Net income in the second quarter was $5.3 million, a 187% increase over the second quarter of 2004 and 23% greater than the previous quarter;
- Maintained low operating costs of $4.07 per boe in a difficult operating environment;
- Continued top tier financial performance with an earnings to funds flow ratio of 42%, funds flow to revenue ratio of 67%, general and administrative expenses per boe of $1.07 and a funds flow netback of $32.65 per boe;
- Maintained a strong balance sheet with net debt at June 30, 2005 of $12.7 million, a reduction of $2.4 million from the end of the previous quarter.

Finance ($ thousands, except per share amounts)	**Three months ended June 30, 2005**	Three months ended June 30, 2004	% Chg	**Six months ended June 30, 2005**	Six months ended June 30, 2004	% Chg
Petroleum and natural gas sales	**18,673**	8,328	124	**34,708**	15,787	120
Funds flow from operations (note 1)	**12,521**	5,171	142	**22,984**	9,840	134
Per share - basic	**0.47**	0.21	124	**0.86**	0.41	110
- diluted	**0.40**	0.18	122	**0.73**	0.36	103
Net income	**5,279**	1,840	187	**9,567**	3,526	171
Per share - basic	**0.20**	0.07	186	**0.36**	0.15	140
- diluted	**0.17**	0.07	143	**0.30**	0.13	131
Capital expenditures	**10,213**	6,926	47	**31,853**	18,695	70
Working capital deficiency (excl. bank loan)				**3,442**	(10,250)	
Bank loan				**9,303**	--	
Net debt				**12,744**	(10,250)	
Weighted average shares (thousands)						
Basic	**26,785**	24,563	9	**26,783**	23,772	13
Diluted	**31,440**	28,140	12	**31,448**	27,196	16

Notes:

(1) Funds flow from operations is cash flow from operations before changes in non-cash working capital (see quantitative reconciliation in the June 30, 2005 statement of cash flows) and is used to analyze operating performance and leverage. Funds flow 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.

Operations	**Three months ended June 30, 2005**	Three months ended June 30, 2004	% Chg	**Six months ended June 30, 2005**	Six months ended June 30, 2004	% Chg
Daily production						
Light oil and ngl (bbl/d)	**858**	482	78	**892**	478	87
Natural gas (mcf/d)	**20,151**	10,068	100	**18,799**	9,819	91
Oil equivalent (boe/d @ 6:1)	**4,217**	2,160	95	**4,025**	2,115	90
Average prices (note 1)						
Light oil and ngl ($/bbl)	**58.22**	42.81	36	**57.12**	42.07	36
Natural gas ($/mcf)	**7.71**	7.04	10	**7.49**	6.79	10
Oil equivalent ($/boe)	**48.66**	42.37	15	**47.64**	41.03	16
Operating expenses						
Light oil and ngl ($/bbl)	**4.06**	3.53	15	**4.06**	3.72	9
Natural gas ($/mcf)	**0.68**	0.65	5	**0.66**	0.67	(1)
Oil equivalent ($/boe)	**4.07**	3.84	6	**3.98**	3.93	1
Operating netback ($/boe)	**34.30**	27.43	25	**32.77**	26.53	24
G&A, interest and other revenue ($/boe)	**1.65**	1.13	46	**1.22**	0.97	26
Funds flow netback ($/boe)	**32.65**	26.30	25	**31.55**	25.56	24
Drilling Activity						
Gross wells	**5**	3	67	**13**	12	8
Working interest wells	**2.9**	1.5	93	**9.7**	9.3	4
Success rate, net wells (%)	**100**	100	-	**100**	100	-

Notes:
(1) Average prices are before deduction of transportation costs.

Operational Update

Development

Edson, Alberta

In the second quarter of 2005, Crew increased its land position at Edson to over 30 net sections and placed its first quarter 2005 discovery (WI – 75%) on production at 3.2 Mmcf per day. Alberta's extreme levels of precipitation in the second quarter extended into the third quarter in the Edson area, resulting in the Company only recently completing the drilling of its first well subsequent to spring breakup. The well encountered gas-pay in three zones and is in the process of being completed. This was the Company's thirteenth consecutive gas well drilled in the area. Crew plans to drill eight wells out of its available inventory of 28 locations at Edson prior to year end. The Company has 1,100 boe per day of spare capacity at its Edson gas facility with a target to fill that capacity by year end.

On July 27, 2005 the third party operated gas processing facility through which Crew's Edson gas production is processed was shut down for unscheduled repairs to its sulphur units. All sour gas production and pipelines into this facility are currently shut-in. The facility operator's estimates for a plant re-start date continue to be pushed back with the current estimate on August 12th. Should start-up occur on that date, Crew's third quarter 2005 average production from Edson would be reduced by approximately 270 boe per day.

Ferrier, Alberta

At Ferrier in west central Alberta, Crew has twelve drilling locations of which five are expected to be drilled by year end. Crew has increased its land inventory in this area to 41 net sections and continues to pursue further land acquisitions. The first of the five wells scheduled for 2005 is currently drilling and is expected to be at total depth by the end of August. Crew owns three gas facilities in the Ferrier area and near term plans are to optimize production through two of these facilities with the 2005 drilling program. Subsequent to the end of the second quarter, the Company purchased 4 (WI – 100%) sections of land in close proximity to Crew's (WI – 58%) gas facility that was constructed in the first quarter. Drilling on this land is anticipated in 2006.

Viking-Kinsella/Plain Lake

The Company has been very active acquiring seismic data in this area. To date the Company has acquired 17 - 3D seismic programs and is in the process of acquiring an additional 11 programs to identify further drilling locations. Crew currently has 18 drilling locations currently planned in this area before the end of the year.

Wimborne-Drumheller

Crew drilled one (1.0) net natural gas well in this area in the second quarter. This well was successfully completed in the Glauconitic and Ellerslie formations and is currently producing 0.5 Mmcf per day of natural gas from the Ellerslie formation. The Glauconitic zone will be commingled with the Ellerslie zone by the end of the third quarter at an estimated rate of 1.0 Mmcf per day.

Crew's lands in the Wimborne area are surrounded by new natural gas developments targeting the Horseshoe Canyon coals. Typical Horseshoe Canyon natural gas developments would incorporate the drilling of four to eight wells per section with production rates of 70-300 mcf per day per well. Crew has 42 net sections of Horseshoe Canyon coal rights in the Wimborne-Drumheller area. With no reserves currently recognized in the Horseshoe Canyon coals, this play represents a significant resource to the Company which remains to be developed.

North East British Columbia

At Inga, B.C., Crew now owns 17 sections of land after acquiring 12 (WI – 100%) sections of land adjacent to the Company's fourth quarter 2004 gas discovery. This area is characterized by broad structural features trapping hydrocarbons in multiple zones. The first well drilled in the area has four prospective pay zones. The Company is currently in the process of constructing a 6 Mmcf per day gas processing facility which is expected to be operational by the end of the third quarter to accommodate production from the area. The Company plans to drill 5 (WI – 100%) wells in the area prior to year-end.

At Laprise, B.C., the Company's Coplin B pool has received "good engineering practice" from the British Columbia Oil and Gas Commission which is expected to result in production from this area averaging approximately 400 boe per day under current GOR's.

Exploration

At Medicine River, Alberta, Crew (WI – 100%) has three deep Leduc oil prospects. The first is currently planned to be drilled in the third quarter to a depth of 3,200 meters to test a Leduc reef anomaly identified on 3-D seismic. The Company (WI - 100%) also plans to drill a 2,400 meter test well in this area targeting gas/condensate from the Elkton formation.

At Ferrier, Alberta, the Company (WI - 100%) is planning to spud a 3,100 meter test well targeting gas/condensate from the Banff formation within the next week. This location targets a new pool in the Banff formation less than three miles from an existing pool with 146 bcf of natural gas in place and less that 1.5 miles from another new pool discovery currently producing 13.3 Mmcf per day with associated liquids. The Company owns an interest in eight net sections of land in the immediate area of the test well.

At Laprise, B.C., Crew is planning to acquire additional 3-D seismic data in 2005 over its lands to evaluate the potential of the Slave Point Formation. Crew's acreage is in an analogous geologic and structural position to a well three miles away that has had cumulative production of over 20 bcf and is currently producing over 20 Mmcf/d of natural gas from the Slave Point Formation.

In addition, at Hanlan, Alberta, Crew's (WI – 25%), 4,200 meter exploration well has been drilled, cased and is awaiting reservoir stimulation and at Medicine Lodge, Alberta, Crew (WI – 50% to 100%) owns an interest in 17 sections of land and has plans to drill a 3,400 meter Cadomin test.

Outlook

Crew currently has the largest drilling inventory in its history. With eight geotechnical and six engineering personnel out of a crew of 24, the Company is well positioned to continue generating organic growth opportunities. The last two months of wet weather in our areas of operations have delayed planned capital expenditures. This combined with the unscheduled Edson gas plant shutdown have lowered the Company's third quarter expectations to average approximately 4,000 boe per day. However, Crew is maintaining its previous production guidance of an average of 4,300 to 4,500 boe per day and an exit rate of 5,700 to 6,000 boe per day in 2005.

The Company is on track to execute its $80 million capital program albeit in a more compressed time frame. With 80% of the Company's drilling program to complete and a number of high potential exploration wells to drill, Crew is excited about the last half of 2005 and 2006. With a strong balance sheet the Company is well positioned to continue to provide its shareholders with predictable growth while increasing its exposure to material exploration upside. Crew has approximately 40 more wells to drill in 2005. We look forward to reporting the success of our drilling program in the Company's third quarter report.

Management's Discussion and Analysis

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 months ended June 30, 2005 and 2004 and the audited consolidated financial statements and MD&A for the year ended December 31, 2004.

Certain of the statements set forth under "Management's Discussion and Analysis" and elsewhere in this press release, including statements which may contain words such as "could", "expect", "believe", "will", "budgeted", "forecasted" and similar expressions and statements relating to matters that are not historical facts, are forward-looking and are based upon the Company's current belief as to the outcome and timing of such future events. There are numerous risks and uncertainties that can affect the outcome and timing of such events, including many factors beyond the control of the Company. These factors include, but are not limited to, the matters described under the heading "Risk and Risk Management" in the Company's December 31, 2004 MD&A. Should one or more of these events occur, or should any of the underlying assumptions prove incorrect, the Company's actual results and plans for 2005 and beyond could differ materially from those expressed in the forward-looking statements. The Company does not undertake to update, revise or correct any of the forward-looking information except as required by law or regulations. Such forward-looking statements should be read in conjunction with the Company's disclosures under the heading: "CAUTIONARY STATEMENT" contained in this release.

The consolidated financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") in Canada. 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.

Crew evaluates performance based on net income and funds flow from operations. Funds flow from operations is a measure not based on GAAP that is commonly used in the oil and gas industry. It represents cash flow generated from operating activities before changes in non-cash working capital (see quantitative reconciliation in the attached consolidated statements of cash flows). The Company considers it a key measure as it demonstrates the ability of the business to generate the cash necessary to fund future growth through capital investment and to repay debt.

Production Production for the quarter ended June 30, 2005 averaged 4,217 boe per day, an increase of 95% over the 2,160 boe per day produced in the second quarter of 2004. Natural gas volumes grew to 20.2 Mmcf per day, a 100% increase over the second quarter of 2004's production of 10.1 Mmcf per day. Increased gas production came from new wells at Edson, Plain Lake, and Viking-Kinsella. Light oil and natural gas liquids ("ngl") production increased 78% to 858 bbls per day in the second quarter compared to 482 bbls per day in the second quarter of 2004. Light oil and ngl production increased as a result of new wells at Laprise, Edson, and Ferrier.

Production for the six months ended June 30, 2005 averaged 4,025 boe per day, an increase of 90% over the 2,115 boe per day produced in the first half of 2004. Natural gas volumes grew to 18.8 Mmcf per day, a 91% increase over the first half of 2004. Light oil and ngl production increased 87% to 892 bbls per day in the first half of 2005 compared to 478 bbls per day in the first half of 2004. The production increases in the first half of 2005 were the result of the addition of new wells as described above.

Revenue Revenue for the second quarter totalled $18.7 million including natural gas revenue of $14.1 million and light oil and ngl revenue of $4.6 million. These amounts compared to second quarter 2004 revenue of $8.3 million including natural gas revenue of $6.4 million and light oil and natural gas liquids of $1.9 million. The increased second quarter 2005 natural gas revenue was the result of the 100% increase in natural gas production combined with a 10% increase in natural gas prices from $7.04 in the second quarter of 2004 to $7.71 in 2005. The increase in oil and ngl revenue was the result of the 78% increase in production and a 36% increase in oil and ngl pricing from $42.81 in 2004 to $58.22 in the second quarter of 2005.

Revenue for the six months ended June 30, 2005 totalled $34.7 million including natural gas revenue of $25.5 million and light oil and ngl revenue of $9.2 million. These amounts compared to first half 2004 revenue of $15.8 million including natural gas revenue of $12.1 million and light oil and natural gas liquids of $3.7 million. The increased 2005 natural gas revenue was the result of the 91% increase in natural gas production and a 10% increase in natural gas prices from $6.79 in the first half of 2004 to $7.49 in 2005. The increase in oil and ngl revenue was the result of the 87% increase in production and a 36% increase in oil and ngl pricing from $42.07 in 2004 to $57.12 in the first half of 2005.

Royalties Royalties for the second quarter of 2005 totalled $3.5 million ($3.4 net of $0.12 million of Alberta royalty tax credits) or 18.9% of revenue compared to $2.0 million or 24.4% of revenue for the second quarter of 2004. Royalties for the first half of 2005 totalled $7.2 million ($6.9 net of $0.25 million of Alberta royalty tax credits) or 20.7% of revenue compared to $3.6 million or 23.3% of revenue for the first half of 2004. Royalty rates as a percentage of revenue have decreased in 2005 due to certain wells receiving royalty holiday status and government programs reducing oil royalties in the Laprise area.

Operating Costs Operating costs for the three months ended June 30, 2005 totalled $1.6 million or $4.07 per boe compared to $0.8 million or $3.84 per boe for the same period in 2004. Oil and ngl operating costs have increased to $4.06 per bbl in the second quarter of 2005 from $3.53 per bbl in the second quarter of 2004 as a result of inflationary pressure and an increase in higher cost production from the Laprise and Edson areas. Natural gas operating costs per unit have slightly increased in the second quarter of 2005 to $0.68 per mcf from $0.65 per mcf in the second quarter of 2004. This increase was also the result of inflationary cost increases and increased production of higher cost sour gas production in the Edson area.

Operating costs for the six months ended June 30, 2005 totalled $2.9 million or $3.98 per boe compared to $1.5 million or $3.93 per boe for the same period in 2004. Oil and ngl operating costs for the first half averaged $4.06 per bbl up from $3.72 per bbl in the first half of 2004 and natural gas operating costs averaged $0.66 per mcf in the first half of 2005 compared to $0.67 per mcf in the first half of 2004. Inflationary pressure combined with increased production of sour gas has begun to impact the Company's per unit operating costs. As a result, Crew has increased it's per unit operating cost estimate for the remainder of the year to $4.50 per boe.

Transportation Transportation costs for the second quarter of 2005 were $0.5 million or $1.41 per boe compared to $0.2 million or $1.12 per boe in the second quarter of 2004. Oil and ngl transportation costs per unit have increased in the second quarter of 2005 to $3.68 per bbl from $2.03 per bbl in 2004 due to increased production from Laprise and Phoenix, which attract a higher transportation charge. Gas transportation costs per unit have remained consistent at $0.14 per mcf in the second quarter. Transportation costs for the first half of 2005 were $1.0 million or $1.35 per boe compared to $0.4 million or $1.17 per boe in the first half of 2004. Oil and ngl transportation costs per unit in the first half of 2005 were $3.15 per bbl up from $2.30 per bbl in the first half of 2004. Gas transportation costs per unit have remained consistent at $0.14 per mcf throughout the first half of 2005.

Operating Netbacks

	Three months ended June 30, 2005			Three months ended June 30, 2004		
	Oil and ngl ($/bbl)	**Natural Gas** ($/mcf)	**Total** ($/boe)	Oil and ngl ($/bbl)	Natural Gas ($/mcf)	Total ($/boe)
Revenue	**$ 58.22**	**$ 7.71**	**$ 48.66**	$ 42.81	$ 7.04	$ 42.37
Royalties	**(9.87)**	**(1.51)**	**(9.21)**	(9.14)	(1.74)	(10.16)
Alberta royalty tax credit			**0.33**			0.18
Operating costs	**(4.06)**	**(0.68)**	**(4.07)**	(3.53)	(0.65)	(3.84)
Transportation costs	**(3.68)**	**(0.14)**	**(1.41)**	(2.03)	(0.14)	(1.12)
Operating netbacks	**$ 40.61**	**$ 5.38**	**$ 34.30**	$ 28.11	$ 4.51	$ 27.43

	Six months ended June 30, 2005			Six months ended June 30, 2004		
	Oil and ngl ($/bbl)	**Natural Gas** ($/mcf)	**Total** ($/boe)	Oil and ngl ($/bbl)	Natural Gas ($/mcf)	Total ($/boe)
Revenue	**$ 57.12**	**$ 7.49**	**$ 47.64**	$ 42.07	$ 6.79	$ 41.03
Royalties	**(10.23)**	**(1.63)**	**(9.88)**	(7.07)	(1.70)	(9.49)
Alberta royalty tax credit			**0.34**			0.09
Operating costs	**(4.06)**	**(0.66)**	**(3.98)**	(3.72)	(0.67)	(3.93)
Transportation costs	**(3.15)**	**(0.14)**	**(1.35)**	(2.30)	(0.14)	(1.17)
Operating netbacks	**$ 39.68**	**$ 5.06**	**$ 32.77**	$ 28.98	$ 4.28	$ 26.53

General and Administrative General and administrative expenses for the second quarter of 2005 totalled $0.4 million or $1.07 per boe compared to $0.3 million or $1.49 per boe for the second quarter of 2004. General and administrative expenses for the first half of 2005 totalled $0.7 million or $0.95 per boe compared to $0.5 million or $1.22 per boe for the first half of 2004. The Company's general and administrative costs per boe have decreased in 2005 as a result of the Company's increased production volumes. Crew follows the full cost method of accounting for its petroleum and natural gas operations under which, $0.4 million (2004 - $0.3 million) of corporate expenses were capitalized during the second quarter and $0.7 million (2004 - $0.5 million) were capitalized in the first half.

Interest Interest expense totalled $226,000 or $0.59 per boe for the second quarter of 2005 and $234,000 or $0.32 per boe in the first half of 2005 compared to no interest expenses incurred in 2004. Throughout most of 2004 the Company did not draw on its available credit facility as expenditures were financed through a combination of cash flow from operations and capital raised through equity issues. In 2005, the Company has continued its conservative use of debt only funding a small portion of its expenditures through available lines of credit.

Stock-Based Compensation The Company accounts for its stock-based compensation programs, including the performance shares and stock options, using the fair value method. Under this method, compensation expense related to these programs is recorded in the consolidated statement of operations over the vesting period. For the second quarter of 2005, the Company has recorded a stock-based compensation expense totalling $109,000 or $0.28 per boe compared to $63,000 or $0.32 per boe for the second quarter of 2004. In the first half of 2005 the Company recorded stock-based compensation expense totaling $207,000 or $0.28 per boe compared to $125,000 or $0.32 per boe in 2004.

Depletion, depreciation and accretion The provision for depletion, depreciation and accretion was $4.4 million or $11.56 per boe for three months ended June 30, 2005. This compares to a second quarter 2004 provision of $2.1 million or $10.45 per boe. For the six months ended June 30, 2005 depletion, depreciation and accretion was $8.2 million or $11.31 per boe compared to $4.0 million or $10.31 per boe. Per unit depletion has increased in 2005 due to an increase in the average cost of the Company adding reserves over the past year.

Net income Net income increased to $5.3 million in the second quarter representing a 187% increase over the second quarter of 2004. On a per share basis net income was $0.20 per basic share and $0.17 per diluted share compared to $0.07 per basic and diluted share in the second quarter of 2004. Net income was $9.6 million or $0.36 per basic share and $0.30 per diluted share for the first half of 2005 compared to $3.5 million or $0.15 per basic share and $0.13 per diluted share in the first half of 2004. The Company's increase in net income was the result of increased production from new wells, higher commodity prices and a reduction in royalties.

Liquidity and Capital Resources At June 30, 2005 the Company had used $9.3 million of its bank facility and had a working capital deficiency of $3.4 million. In April 2005, the Company and its bank agreed to increase the amount available under the Company's demand operating facility to $60 million. At June 30, 2005 the Company had in excess of $47 million of available borrowings to fund future capital programs. The Company's available credit facility combined with cash flow from continuing operations is currently planned to fund the Company's future capital expenditures. Crew's 2005 capital expenditure budget is currently approved at $80 million.

In February the Company renounced $8.8 million of Canadian tax deductions to purchasers of the Company's December 2004 flow-through share issue. The future tax impact of this renouncement was charged to the Company's future tax liability and share capital in the first quarter.

As at August 10, 2005, 26,794,184 Common Shares and 1,864,000 Class C Performance Shares of the Company were outstanding along with 558,000 options and 3,635,000 warrants to acquire Common Shares of the Company.

Operations and Capital Expenditures Exploration and development expenditures for the second quarter was $10.2 million compared to $6.9 million for the second quarter of 2004. During the second quarter Crew successfully drilled five (2.9 net) natural gas wells bringing the total number of wells drilled for the first half of 2005 to 13 (9.7 net) with a 100% success rate. Operations were slowed in the second quarter as a result of break-up and the exceptionally wet weather that occurred in Alberta and north east B.C. The Company continued to add prospective lands through Crown land sales and freehold acquisitions. A total of $4.4 million was spent acquiring prospective lands primarily in Crew's main operating areas in central Alberta and north east B.C. The total expenditures are detailed below:

(thousands)	**Three months ended June 30, 2005**	Three months ended June 30, 2004	**Six months ended June 30, 2005**	Six months ended June 30, 2004
Land	**$ 4,427**	$ 1,588	**$ 7,442**	$ 2,474
Seismic	**725**	552	**1,685**	819
Drilling and completions	**2,484**	2,734	**13,043**	10,123
Facilities, equipment and pipelines	**2,081**	1,704	**8,848**	4,687
Other	**496**	348	**835**	592
Total	**$10,213**	$6,926	**$31,853**	$18,695

Quarterly Analysis The following table summarizes Crew's key quarterly financial results from the commencement of the Company's operations on September 2, 2003 to June 30, 2005:

($ thousands, except per share amounts)	**June 30, 2005**	Mar. 31, 2005	Dec. 31, 2004	Sept. 30, 2004	June 30, 2004	Mar. 31, 2004	Dec. 31, 2003	Sept. 30, 2003
Petroleum and natural gas sales	**18,673**	16,035	12,721	9,194	8,328	7,459	6,086	1,500
Funds flow from operations	**12,521**	10,463	8,330	5,906	5,171	4,669	3,814	798
Per share – basic	**0.47**	0.39	0.33	0.23	0.21	0.20	0.17	0.03
– diluted	**0.40**	0.33	0.28	0.20	0.18	0.18	0.15	0.03
Net income	**5,279**	4,288	3,358	2,064	1,840	1,686	1,258	307
Per share – basic	**0.20**	0.16	0.13	0.08	0.07	0.07	0.05	0.01
– diluted	**0.17**	0.14	0.11	0.07	0.07	0.06	0.05	0.01
Total daily production (boe/d)	**4,217**	3,833	3,112	2,428	2,160	2,068	1,911	1,529

Crew has successfully grown its production since its inception in September 2003 through organically generated exploration and development drilling. The Company's financial performance has also been supported by rising commodity prices throughout this period.

Dated as of August 10, 2005

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 and funds 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.

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

Financial statements for the three and six month periods ended June 30, 2005 are attached.

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CREW ENERGY INC.
Consolidated Balance Sheets
(thousands)

		June 30, 2005 (unaudited)		December 31, 2004
Assets				
Current Assets:				
Cash and cash equivalent	$	**-**	$	7,069
Accounts receivable		**11,316**		11,346
		11,316		18,415
Property, plant and equipment (note 2)		**101,534**		77,123
	$	**112,850**	$	95,538
Liabilities and Shareholders' Equity				
Current Liabilities:				
Accounts payable and accrued liabilities	$	**14,758**	$	22,297
Bank loan (note 4)		**9,303**		-
		24,061		22,297
Asset retirement obligations (note 3)		**5,578**		4,984
Future income tax liability		**10,641**		2,675
Shareholders' Equity				
Share capital (note 5)		**51,426**		54,382
Contributed surplus (note 5)		**1,064**		687
Retained earnings		**20,080**		10,513
		72,570		65,582
	$	**112,850**	$	95,538

See accompanying notes to the consolidated financial statements.

CREW ENERGY INC.
Consolidated Statements of Operations and Retained Earnings
(unaudited) (thousands, except per share amounts)

	Three months ended June 30, 2005	Three months ended June 30, 2004	**Six months ended June 30, 2005**	Six months ended June 30, 2004
Revenue				
Petroleum and natural gas sales	$ **18,673**	$ 8,328	$ **34,708**	$ 15,787
Royalties (net of Alberta Royalty Tax Credit)	**(3,409)**	(1,961)	**(6,948)**	(3,617)
Other	**10**	74	**59**	112
	15,274	6,441	**27,819**	12,282
Expenses				
Operating	**1,563**	755	**2,899**	1,514
Transportation	**543**	222	**984**	444
General and administrative	**412**	293	**695**	469
Stock-based compensation	**109**	63	**207**	125
Interest (note 4)	**226**	-	**234**	-
Depletion, depreciation and accretion	**4,435**	2,055	**8,243**	3,969
	7,288	3,388	**13,262**	6,521
Income before taxes	**7,986**	3,053	**14,557**	5,761
Taxes				
Capital	**9**	-	**23**	15
Future	**2,698**	1,213	**4,967**	2,220
	2,707	1,213	**4,990**	2,235
Net income	**5,279**	1,840	**9,567**	3,526
Retained earnings, beginning of period	**14,801**	3,251	**10,513**	1,565
Retained earnings, end of period	$ **20,080**	$ 5,091	$ **20,080**	$ 5,091
Per share amounts (note 5(d))				
Basic	$ **0.20**	$ 0.07	$ **0.36**	$ 0.15
Diluted	$ **0.17**	$ 0.07	$ **0.30**	$ 0.13

See accompanying notes to the consolidated financial statements.

CREW ENERGY INC.
Consolidated Statements of Cash Flows
(unaudited, thousands)

	Three months ended June 30, 2005	Three months ended June 30, 2004	**Six months ended June 30, 2005**	Six months ended June 30, 2004
Cash provided by (used in):				
Operating activities:				
Net income	**$ 5,279**	$ 1,840	**$ 9,567**	$ 3,526
Items not involving cash:				
Stock-based compensation	**109**	63	**207**	125
Depletion, depreciation & accretion	**4,435**	2,055	**8,243**	3,969
Future income taxes	**2,698**	1,213	**4,967**	2,220
Funds flow from operations	**12,521**	5,171	**22,984**	9,840
Change in non-cash working capital	**1,752**	729	**(61)**	1,827
	14,273	5,900	**22,923**	11,667
Financing activities:				
Increase in bank loan	**3,265**	-	**9,303**	-
Issue of common shares	**48**	16,050	**6**	16,050
Share issue costs	**-**	(884)	**-**	(884)
	3,313	15,166	**9,309**	15,166
Investing activities:				
Exploration and development	**(10,213)**	(6,926)	**(31,853)**	(18,695)
Change in non-cash working capital	**(7,373)**	(5,696)	**(7,448)**	(523)
	(17,586)	(12,622)	**(39,301)**	(19,218)
Change in cash and cash equivalents	**-**	8,444	**(7,069)**	7,615
Cash and cash equivalents, beginning of period	**-**	6,892	**7,069**	7,721
Cash and cash equivalents, end of period	**$ -**	$ 15,336	**$ -**	$ 15,336

See accompanying notes to the consolidated financial statements.

CREW ENERGY INC.
Notes to Consolidated Financial Statements
For the three and six months ended June 30, 2005 and June 30, 2004
(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, 2004. The disclosure which follows is incremental to the disclosure included with the December 31, 2004 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, 2004.

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

2. Property, plant and equipment:

June 30, 2005		Cost		Accumulated depletion & depreciation		Net book value
Petroleum and natural gas properties and equipment	$	120,471	$	18,937	$	101,534

December 31, 2004		Cost		Accumulated depletion & depreciation		Net book value
Petroleum and natural gas properties and equipment	$	88,054	$	10,931	$	77,123

The cost of unproven lands at June 30, 2005 of $16,515,000 (2004 - $7,078,000) were excluded from the depletion calculation.

During the three months ended June 30, 2005, $518,000 (2004 – $354,000) of corporate expenses related to exploration and development activities were capitalized and during the six months ended June 30, 2005, $902,000 (2004 – $593,000) of corporate expenses related to exploration and development activities were capitalized.

3. Asset retirement obligations:

Crew has estimated the net present value of its total asset retirement obligation as at June 30, 2005 to be $5,578,000 (June 30, 2004 - $4,344,000) based on a total future liability of $10,750,000 (2004 - $8,440,000). These payments are expected to be made over the next 32 years. An 8% (2004 – 8%) interest rate and 2% (2004 – 2%) inflation rate were used to calculate the present value of the asset retirement obligation.

The following table reconciles Crew's asset retirement obligations:

	2005
Carrying amount, December 31, 2004	$ 4,984
Increase in liabilities during the period	357
Accretion expense	237
Carrying amount, June 30, 2005	$ 5,578

4. Bank loan:

Crew currently has a $60 million demand operating facility with a Canadian chartered bank. The facility is available by way of prime rate based loans or bankers acceptances and bears interest at the bank's prime lending rate, bankers' acceptance rates plus scheduled margins. The facility revolves at the Company's discretion, is repayable on demand of the bank and is secured by a first floating charge debenture over all of Crew's petroleum and natural gas assets.

Interest paid during the six months ended June 30, 2005 totalled $68,000 (2004 – nil).

5. Share capital:

(a) Common Shares:

	Number of shares	Amount
Common shares, December 31, 2004	26,781	$ 54,363
Exercise of Class C, performance shares	4	3
Exercise of stock options	12	48
Buy-back of common shares	(4)	(8)
Flow through share tax adjustment	-	(2,999)
Common shares, June 30, 2005	**26,793**	**$ 51,407**

(b) Contributed Surplus:

	Amount
Contributed surplus, December 31, 2004	687
Exercise of Class C, performance shares	(3)
Stock-based compensation	414
Buy-back of common shares	(34)
Contributed surplus, June 30, 2005	**$ 1,064**

(c) Stock-based compensation:

During the first six months of 2005, the Company recorded $414,000, (2004 - $250,000) of compensation expense related to the performance shares and stock options, of which $206,000, (2004 - $125,000) was capitalized in accordance with the Company's full cost accounting policy. The fair value of each performance share and stock option is determined at each issue or grant date using the Black-Scholes model with the following assumptions: risk free interest rate 4.5%, expected life 4 years, and volatility 45%.

(i) Performance shares

	Number of shares	Amount
Class C, performance shares, December 31, 2004	1,869	19
Converted to Common shares	(5)	--
Class C, performance shares, June 30, 2005	**1,864**	**$ 19**

ii) Stock options

The fair value of the stock options granted during the six months ended June 30, 2005 as calculated by the Black-Scholes method was $4.60 (2004 - $2.08) per option.

	Number of Options	Price Range	Weighted average exercise price
Balance December 31, 2004	364	$3.50 to $7.90	$ 6.51
Granted	237	$8.25 to $13.45	$11.31
Cancelled	(90)	$7.25	$7.25
Exercised	(12)	$3.50 to $5.20	$3.82
Balance June 30, 2005	499	$3.50 to $13.45	$ 8.61

iii) Warrants

As at June 30, 2005 the Company had 3,635,000 outstanding warrants entitling the holders to acquire one Common Share of the Company at a price of $1.65 per share at any time subsequent to September 1, 2005 and prior to September 30, 2005.

(d) Per share amounts:

Per share amounts have been calculated on the weighted average number of shares outstanding. The weighted average shares outstanding for the three and six month periods ended June 30, 2005 was 26,783,000 (June 30, 2004 – 23,772,000).

In computing diluted earnings per share for the six months ended June 30, 2005, 4,665,000 (June 30, 2004 – 3,424,000) shares were added to the weighted average number of common shares outstanding for the dilution added by the warrants, performance shares and stock options.

(e) Flow through shares

On December 2, 2004, the Company completed the private placement issue of 800,000 flow-through shares at a price of $11.00 for gross proceeds of $8.8 million. Pursuant to the terms of the flow-through arrangement, the Company renounced $8.8 million of Canadian tax deductions and recorded the future tax liability associated with this renouncement in the first quarter of 2005. As at June 30, 2005 the Company had $6.9 million of expenditures to incur under this arrangement.