CREW ENERGY ISSUES 2012 THIRD QUARTER FINANCIAL AND OPERATING RESULTS
CALGARY, ALBERTA – NOVEMBER 8, 2012

Crew Energy Inc. (TSX-CR) of Calgary, Alberta is pleased to present its operating and financial results for the three and nine month periods ended September 30, 2012.

Highlights

- Funds from operations were $39.4 million or $0.33 per share in the third quarter of 2012;
- Third quarter production of 26,281 boe per day was 4% lower than the 27,510 boe per day produced in the same period of 2011 with approximately 1,100 boe per day of production shut-in during the first quarter and a further 2,500 boe per day of behind pipe production from deferred completions;
- Cash costs per boe including royalties, operating and transportation costs and general and administrative costs decreased $1.33 per boe or 6% over the second quarter of 2012;
- Crew now has four waterfloods at Princess exhibiting positive results. The two original waterfloods have increased production by 170% from the "K" pool and 110% from the "N" pool. The Pekisko "M" pool and the Pekisko "HH" pool have seen a reduction in gas oil ratios of over 70% and oil production increases of 158% and 38%, respectively, over pre-waterflood levels;
- Capital efficiencies at Princess continue to improve with results from the first quarter 2012 drilling program of $19,000 per producing boe. Recent drilling has been successful with three Pekisko wells testing at 750, 453 and 190 bbls of oil per day;
- The Company's first horizontal Mannville oil well at Princess is now producing 350 bbls per day of oil;
- At Septimus, Crew completed two wells with initial seven day production rates of 5.9 mmcf per day with 170 bbls per day of liquids and 4.3 mmcf per day with 125 bbls per day of liquids. The Company also optimized completion practices which has resulted in cost reductions of $1.6 million per well increasing the rate of return from 30% to 50%;
- During the quarter, Crew purchased 17,800 net acres of prospective acreage in the Princess and Lloydminster oil areas all of which have multi-zone oil potential.

Financial ($ thousands, except per share amounts)	**Three months ended September 30, 2012**	Three months ended September 30, 2011	**Nine months ended September 30, 2012**	Nine months ended September 30, 2011
Petroleum and natural gas sales	**92,269**	114,719	**315,290**	246,103
Funds from operations (note 1)	**39,410**	54,260	**139,494**	107,262
Per share - basic	**0.33**	0.45	**1.16**	1.12
- diluted	**0.33**	0.45	**1.15**	1.10
Net income (loss)	**(17,947)**	12,232	**(270)**	18,367
Per share - basic	**(0.15)**	0.10	**(0.00)**	0.19
- diluted	**(0.15)**	0.10	**(0.00)**	0.19
Capital expenditures	**44,443**	138,671	**203,618**	267,021
Property acquisitions (net of dispositions)	**(5,872)**	-	**(10,162)**	(12,289)
Net capital expenditures	**38,571**	138,671	**193,456**	254,732

Capital Structure ($ thousands)	**As at September 30, 2012**	As at December 31, 2011
Working capital deficiency (note 2)	**41,844**	92,452
Bank loan	**330,858**	230,676
Net debt	**372,702**	323,128
Current bank facility	**430,000**	430,000
Common Shares Outstanding (thousands)	**120,832**	119,993

Notes:
(1) Funds from operations is calculated as cash provided by operating activities, adding the change in non-cash working capital, decommissioning obligation expenditures and the 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 International Financial Reporting Standards and therefore may not be comparable with the calculations of similar measures for other companies.
(2) Working capital deficiency includes only accounts receivable less accounts payable and accrued liabilities.

Operations	**Three months ended September 30, 2012**	Three months ended September 30, 2011	**Nine months ended September 30, 2012**	Nine months ended September 30, 2011
Daily production				
Conventional oil (bbl/d)	5,210	4,910	5,971	5,384
Heavy oil (bbl/d)	5,223	6,633	5,806	2,235
Natural gas liquids (bbl/d)	3,153	2,621	3,023	1,712
Natural gas (mcf/d)	76,169	80,078	80,865	63,398
Oil equivalent (boe/d @ 6:1)	26,281	27,510	28,277	19,897
Average prices (note 1)				
Conventional oil ($/bbl)	68.58	71.36	73.90	74.53
Heavy oil ($/bbl)	61.20	63.66	63.89	63.66
Natural gas liquids ($/bbl)	44.73	61.69	51.13	61.81
Natural gas ($/mcf)	2.43	3.90	2.27	3.98
Oil equivalent ($/boe)	38.16	45.33	40.69	45.31
Netback ($/boe)				
Operating netback (note 2)	19.53	23.75	21.08	22.36
G&A	1.76	1.50	1.78	1.73
Interest on bank debt	1.48	0.81	1.29	0.88
Funds from operations	16.29	21.44	18.01	19.75
Drilling Activity				
Gross wells	26	66	89	121
Working interest wells	24.0	65.2	83.4	119.5
Success rate, net wells	100%	98%	99%	99%

Notes:
(1) Average prices are before deduction of transportation costs and do not include hedging gains and losses.
(2) Operating netback equals petroleum and natural gas sales including realized hedging gains and losses on commodity contracts 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 International Financial Reporting Standards and therefore may not be comparable with the calculations of similar measures for other companies.

OVERVIEW

Crew remained committed to capital discipline during the third quarter as activity levels remained well below those of the same period of 2011. The Company spent $44.4 million during the quarter which included the drilling of 26 (24.0 net) oil wells, completing 25 (24.5 net) wells at Princess, Lloydminster and Septimus and recompleting 20 (19.3 net) wells exclusively in the Company's oil focused areas of Princess and Lloydminster. This was a significant decline from the third quarter 2011 activity which saw the Company drill 66 wells and spend over $138 million. During the quarter, Crew also completed certain non-core asset dispositions of lands in central Alberta for net proceeds of approximately $5.9 million.

Production for the third quarter of 2012 decreased 4%, as compared with the same period in 2011, to average 26,281 boe per day due to shut-in and deferred natural gas production as well as production declines. During the third quarter, the Company also implemented three waterfloods at Princess and one at Low Lake in Saskatchewan bringing the total number of waterfloods in operation to eight.

FINANCIAL

The third quarter continued the trend of market volatility that was experienced over the first half of 2012. Economic uncertainty resulting from the European debt crisis, lower forecasted growth in China and uncertainty surrounding the U.S. economy have created uncertainty in both the equity and commodity markets resulting in dramatic price movements. During this period, Crew remained focused on maintaining financial strength through capital discipline and cost reduction. During the quarter, the Company executed a successful capital program which approximated cash flow, reduced operating costs and added to our hedge positions for both 2012 and 2013.

The Company's third quarter funds from operations declined, as compared to the second quarter, to $39.4 million or $0.33 per share as lower production resulted from reduced capital spending and funds from operations was further challenged by lower overall commodity prices and lower hedging gains. The Company's revenue per boe, including hedging gains, decreased to average $39.69 per boe in the third quarter compared to $44.90 in the second quarter.

This decrease resulted mainly from a reduction in the hedging gains realized during the quarter as the second quarter hedging gain was bolstered by a one-time $12.1 million gain on the monetization of certain 2013 related contracts.

The Company's price received (excluding hedging gains) for its production decreased 2% while total cash costs per boe including royalties, operating costs, transportation and general and administrative costs decreased 6% during the third quarter of 2012 as compared with the prior quarter. This reduction in costs was led by a decrease in royalties in the Princess area and increased gas cost allowance credits combined with continuing operating cost efficiencies.

Prices received for the Company's liquids production including conventional oil, heavy oil and natural gas liquids decreased 5% over the second quarter as the price for West Texas Intermediate ("WTI") oil decreased 3% during the quarter compared to the second quarter of 2012. The prices received for the Company's conventional and heavy oil sales correlate closely to the price of Western Canadian Select ("WCS"), which traditionally trades at a discount to WTI. During the third quarter the differential between WTI and WCS remained at 24%, consistent with the previous quarter. The largest reduction in the Company's liquids pricing was experienced in the prices received for natural gas liquids. A glut of ethane and propane in North America resulted in a sharp decline in the prices received for these products which make up approximately 40% of Crew natural gas liquids production. This combined with lower prices received for condensate contributed to a 21% reduction in the prices Crew received for its natural gas liquids.

Crew's revenue from natural gas was positively impacted by pricing that outperformed the market's expectation as above average temperatures experienced in the highly populated eastern regions of Canada and the U.S. resulted in above average power generation demand for natural gas. The price for natural gas delivered at the Canadian AECO hub during the third quarter averaged $2.32 per mcf, an increase of 20% over the second quarter of 2012. The average price received for Crew's natural gas sales during the third quarter averaged $2.43 per mcf, an 18% increase over the second quarter.

The Company continues to actively protect its cash flow by hedging a portion of its future production. Crew currently has hedged approximately 23.3 mmcf per day of natural gas for the period of October through December 2012 at a price of approximately $2.00 per mcf and has an additional 30.0 mmcf per day of natural gas hedged for 2013 with an average floor price of $3.19 per mcf. The Company also has hedges to protect from a significant decline in oil prices with an average of 6,500 barrels per day of WTI oil hedged at an average floor price of $94.04 per barrel for the period October through December 2012 and 3,750 barrels per day of WTI oil hedged at an average floor price of $91.71 per barrel for 2013. In addition, the Company currently has hedges that fix the differential between WTI and WCS pricing on an average of 5,000 barrels per day for the period September to December 2012 at a differential of $15.88 per barrel.

OPERATIONS UPDATE

Pekisko Play, Princess, Alberta

At Princess, activity levels for the majority of the third quarter were focused on optimizing existing wells and implementing our waterflood schemes. Production for the quarter averaged 6,000 boe per day as no new wells were brought on production and a number of single well batteries were impacted by wet weather. Two additional waterfloods were implemented in the Alderson and West Tide Lake areas during the quarter bringing the total to seven waterfloods that are now on injection. Of particular note, the Pekisko "M" pool and the Pekisko "HH" pool which started injection in June 2012, have seen a reduction in the gas oil ratio of 78% and 71%, respectively, and an oil production increase of 158% and 38%, respectively, over pre-waterflood levels. One additional waterflood is expected to be ready for injection by the middle of the fourth quarter which had previously been planned for 2013. Late in the third quarter, Crew initiated its fall drilling program resulting in the drilling of seven (7.0 net) vertical wells and two (2.0 net) horizontal wells. Given the positive results of our first quarter drilling program which saw the Company spend $29.5 million of capital to generate a 30 day initial production rate of 1,550 boe per day for a capital efficiency of $19,000/boe per day, and the continuing strong performance of our two existing Tilley waterfloods (production increase of 170% and 110% respectively from pre-waterflood levels), Crew plans to drill an additional 15 wells in the fourth quarter.

Heavy Oil, Lloydminster, Saskatchewan

At Lloydminster, Crew drilled 15 (14.5 net) vertical wells and two (0.5 net) horizontal wells and also recompleted 16 wells. Capital efficiencies for the first three quarters have averaged $15,500/boe per day demonstrating the robust economics of this multi-zone heavy oil play. In the fourth quarter, the Company is planning to drill an additional nine wells including three horizontal wells. Since acquiring this asset in July 2011, Crew has focused primarily on drilling and recompletion opportunities. As an initial step in pursuing the enhanced recovery potential on our heavy oil asset base, Crew initiated a pressure maintenance scheme in the Waseca formation at Low Lake. The Waseca has been a prolific producing formation in the area and the pressure maintenance scheme is expected to improve the ultimate recovery from this reservoir.

Tower, British Columbia

The tie-in of the initial non-operated Tower discovery well (0.33 net) was completed in the quarter and the operator is currently modifying surface facilities to accommodate the expected production levels. The well tested at 610 boe per day (342 bbls of oil and liquids and 1.7 mmcf per day of natural gas) after a 23 day flow test. The production results from this well combined with the second Tower well (Q3 average 174 boe per day; 60% liquids) will be used to determine the most appropriate completion technique for Montney oil at Tower and to assess timing for Crew's development. Crew has been active at Tower acquiring the necessary access and approvals to drill up to nine (6.3 net) wells.

Septimus/Kobes, British Columbia

With strengthening natural gas prices and a substantial 2013 hedge program in place, Crew has increased capital activity levels on its Montney lands. At Septimus, during the third quarter, Crew completed two first quarter drilled Montney horizontal wells which had been previously deferred due to weak natural gas prices. As Crew's completion practices continue to be optimized, the Company is seeing evidence of increased well performance and reduced costs. The two wells had gross initial seven day production rates of 5.9 mmcf per day and 4.3 mmcf per day with 30 bbls/mmcf of liquids and are currently producing 4.9 mmcf per day and 3.9 mmcf per day after 57 days indicating a much lower decline rate than historically observed. Completion costs were down 29% from historical levels at $2.1 million per well as a result of improved infrastructure and completion efficiencies. Crew has accelerated the drilling of a land retention horizontal well at Kobes to take advantage of some attractive drilling rig day rates and will also accelerate the drilling of one to two Septimus wells from our 2013 plan in the fourth quarter of 2012.

2012 GUIDANCE

Crew forecasts production to average between 28,000 and 29,000 boe per day in 2012 which is consistent with previous guidance. Crew has remained disciplined in its capital allocation and capital expenditures. When natural gas prices dramatically declined, the Company reduced its capital expenditure budget and has dedicated the majority of capital to its oil plays while spending less than funds from operations over the last six months. Average 2012 production is forecasted to grow by 6,000 boe per day or 25% year over year compared with 2011. Improved natural gas prices have allowed the Company to place some shut-in or deferred production onstream and Crew now has approximately 1,100 boe per day of natural gas production shut-in awaiting higher natural gas prices. Fourth quarter drilling momentum is expected to be carried over into 2013 resulting in a forecast exit 2012 production rate of over 28,000 boe per day.

Demand for services continues to be soft leading to equipment availability and cost efficiencies. A number of projects that were originally planned for the first quarter of 2013 have now been expedited into the fourth quarter of 2012. The Company expects to spend approximately $55 million in the fourth quarter with year-end debt estimated at $380 million or 2.1 times estimated trailing funds from operations.

OUTLOOK

Crew is committed to its strategy of investing in the highest return and the most capital efficient projects with a long term goal of consistent per share growth. Since Crew was founded in 2003, we have grown our reserves and production per share 28% and 13%, respectively, on a compounded annual basis. Our primary goal is to maintain our capital discipline focusing on capital allocation to specific assets providing our shareholders with oil production growth from our Princess and Lloydminster producing areas while realizing the significant upside in our resource base in the Montney and the Deep Basin. The Company plans to continue to hedge the commodities and foreign exchange to ensure a base level of cash flow to fund our capital programs. We look forward to reporting our 2013 guidance in early January and our 2012 results in March 2013.

Cautionary Statements

Forward-looking information and statements

This news release contains certain forward–looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "project", "should", "believe", "plans", "intends" "forecast" and similar expressions are intended to identify forward-looking information or statements. In particular, but without limiting the foregoing, this news release contains forward-looking information and statements pertaining to the following: the volume and product mix of Crew's oil and gas production; production estimates including 2012 forecast average and exit production; plans to place on production previously shut-in production; future oil and natural gas prices and Crew's commodity risk management programs; future liquidity and financial capacity; projected debt levels including forecast 2012 year end net debt; future results from operations and operating metrics; management's expectations in regards to waterfloods at Princess; future costs, expenses and royalty rates; future interest costs; the exchange rate between the $US and $Cdn; future development, exploration, acquisition and development activities and related capital expenditures and the timing thereof; the number of wells to be drilled, completed and tied-in and the timing thereof; the amount and timing of capital projects; operating costs; the total future capital associated with development of reserves and resources; and methods of funding our capital program.

Forward-looking statements or information are based on a number of material factors, expectations or assumptions of Crew which have been used to develop such statements and information but which may prove to be incorrect. Although Crew believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because Crew can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified herein, assumptions have been made regarding, among other things: the impact of increasing competition; the general stability of the economic and political environment in which Crew operates; the timely receipt of any required regulatory approvals; the ability of Crew to obtain qualified staff, equipment and services in a timely and cost efficient manner; drilling results; the ability of the operator of the projects in which Crew has an interest in to operate the field in a safe, efficient and effective manner; the ability of Crew to obtain financing on acceptable terms; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development and exploration; the timing and cost of pipeline, storage and facility construction and expansion and the ability of Crew to secure adequate product transportation; future commodity prices; currency, exchange and interest rates; regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which Crew operates; the ability of Crew to successfully market its oil and natural gas products. Included herein is an estimate of Crew's year-end net debt based on assumptions as to cash flow, capital spending in 2012 and the other assumptions utilized in arriving at Crew's 2012 capital budget. To the extent such estimate constitutes a financial outlook, it is included herein to provide readers with an understanding of estimated capital expenditures and the effect thereof on debt levels and readers are cautioned that the information may not be appropriate for other purposes.

The forward-looking information and statements included in this news release are not guarantees of future performance and should not be unduly relied upon. Such information and statements, including the assumptions made in respect thereof, involve known and unknown risks, uncertainties and other factors that may cause actual results or events to defer materially from those anticipated in such forward-looking information or statements including, without limitation: changes in commodity prices; changes in the demand for or supply of Crew's products; unanticipated operating results or production declines; changes in tax or environmental laws, royalty rates or other regulatory matters; changes in development plans of Crew or by third party operators of Crew's properties, increased debt levels or debt service requirements; inaccurate estimation of Crew's oil and gas reserve and resource volumes; limited, unfavourable or a lack of access to capital markets; increased costs; a lack of adequate insurance coverage; the impact of competitors; and certain other risks detailed from time-to-time in Crew's public disclosure documents (including, without limitation, those risks identified in this news release and Crew's Annual Information Form).

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

BOE equivalent

Barrel of oil equivalents or BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different than the energy equivalency of 6:1, utilizing a 6:1 conversion basis may be misleading as an indication of value.

Test Results and Initial Production Rates

A pressure transient analysis or well-test interpretation has not been carried out and thus certain of the test results provided herein should be considered to be preliminary until such analysis or interpretation has been completed. Test results and initial production rates disclosed herein may not necessarily be indicative of long term performance or of ultimate recovery.

Crew is an oil and gas exploration and production company whose shares are traded on The Toronto Stock Exchange under the trading symbol “CR”.

Financial statements and Management’s Discussion and Analysis for the three and nine month periods ended September 30, 2012 and 2011 will be filed on SEDAR at www.sedar.com and are available on the Company’s website at www.crewenergy.com.

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