
Crew Energy Inc. (TSX: CR; OTCQB: CWEGF) ("Crew" or the "Company"), a growth-oriented, liquids rich natural gas producer operating in the world-class Montney play in northeast British Columbia ("NE BC"), is pleased to announce our operating and financial results for the three and nine month periods ended September 30, 2023.

## HIGHLIGHTS

- **26,834 boe per day**[1] (161 mmcfe per day) average production in Q3/23 was in-line with previous quarterly guidance of 26,000 to 28,000 boe per day and reflects the impact of shutting-in production for offsetting completion operations, planned third-party gas plant maintenance and the shut-down of the Septimus gas plant for the installation of condensate stabilization and waste heat recovery. Production for the first nine months of 2023 averaged 29,925 boe per day[1].
  - **125,729 mmcf per day** of natural gas production in Q3/23 represented **78%** of total production and **45%** of sales.
  - **3,839 bbls per day** of condensate and light crude oil production in Q3/23 represented **14%** of total production and **48%** of sales.
  - **2,040 bbls per day** of natural gas liquids[5,6] ("ngls") production in Q3/23 represented **8%** of total production and **7%** of sales.
- **$45.3 million of Adjusted Funds Flow** ("AFF")[2] ($0.28 per fully diluted share[3]) was generated in Q3/23, driven by robust operating netbacks[4] that benefited from a 17% increase in Crew's realized commodity price over the previous quarter, while AFF[2] for the first nine months of 2023 totaled $178.9 million ($1.11 per fully diluted share).
  - **Operating netbacks**[4] averaged **$19.95 per boe** in Q3/23 and $23.75 per boe in the first nine months of the year, including realized hedging gains of $2.48 per boe and $5.43 per boe, respectively.
- **$104.0 million of net capital expenditures**[4] was invested in Q3/23 at Greater Septimus, compared to **$120 million** at the midpoint of guidance, and included the drilling of eight Ultra Condensate Rich ("UCR") natural gas wells and one disposal well, the completion of six UCR natural gas wells and one disposal well, in addition to advancing several infrastructure projects including condensate stabilization and waste heat recovery at the Septimus gas plant.
- **$124.6 million in net debt**[2] at quarter-end reflects an active capital program in the period, with a net debt to last 12 months' EBITDA ratio[3] of < 0.5x.
  - **Credit facility increased** after quarter-end, to **$250 million** from $200 million, providing additional liquidity to finance Crew's future capital investments.
- **$10.12 cash costs per boe**[4] in Q3/23 were 5% higher than Q2/23, reflecting the impact of shut-in production volumes which drove higher per unit net operating costs[4] ($4.79 per boe) and net transportation costs[4] ($3.74 per boe), partially offset by reduced interest costs. In the first nine months of 2023, cash costs per boe[4] improved slightly over the same period in 2022, totaling $9.72 per boe.
- **After quarter-end,** Crew received a permit from the B.C. Energy Regulator ("BCER") approving the construction of our planned 180 mmcf per day Groundbirch gas plant as well as 60 well authorization permits, bringing our total to **85 well authorizations** in the Groundbirch area.

## FINANCIAL & OPERATING HIGHLIGHTS

| FINANCIAL<br>($ thousands, except per share amounts) | **Three months ended Sept. 30, 2023** | Three months ended Sept. 30, 2022 | **Nine months ended Sept. 30, 2023** | Nine months ended Sept. 30, 2022 |
|---|---|---|---|---|
| **Petroleum and natural gas sales** | **70,317** | 132,950 | **237,621** | 461,621 |
| **Cash provided by operating activities** | **46,056** | 82,322 | **182,652** | 254,767 |
| **Adjusted funds flow**[2] | **45,313** | 69,417 | **178,865** | 262,351 |
| Per share[3] – basic | **0.29** | 0.46 | **1.16** | 1.72 |
| – diluted | **0.28** | 0.43 | **1.11** | 1.62 |
| **Net income** | **4,878** | 105,658 | **79,961** | 192,926 |
| Per share – basic | **0.03** | 0.69 | **0.52** | 1.27 |
| – diluted | **0.03** | 0.65 | **0.49** | 1.19 |
| **Property, plant and equipment expenditures** | **104,045** | 53,560 | **163,863** | 115,982 |
| **Net property dispositions**[4] | **(20)** | (129,983) | **(1,016)** | (129,983) |
| **Net capital expenditures**[4] | **104,025** | (76,423) | **162,847** | (14,001) |

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

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

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

[1] See table in the Advisories for production breakdown by product type as defined in NI 51-101.

[2] Capital management measure that does not have any standardized meaning as prescribed by International Financial Reporting Standards, and therefore, may not be comparable with the calculations of similar measures for other entities. See "Advisories – Non-IFRS and Other Financial Measures" contained within this report.

[3] Supplementary financial measure that does not have any standardized meaning as prescribed by International Financial Reporting Standards, and therefore, may not be comparable with the calculations of similar measures for other entities. See "Advisories – Non-IFRS and Other Financial Measures" contained within this report.

[4] Non-IFRS financial measure or ratio that does not have any standardized meaning as prescribed by International Financial Reporting Standards, and therefore, may not be comparable with calculations of similar measures or ratios for other entities. See "Advisories – Non-IFRS and Other Financial Measures" contained within this report and in our most recently filed MD&A, available on SEDAR at www.sedar.com.

[5] Throughout this report, ngls comprise all natural gas liquids as defined in National Instrument 51-101, Standards of Disclosure for Oil and Gas Activities ("NI 51-101"), other than condensate, which is disclosed separately, and natural gas means conventional natural gas by NI 51-101 product type.

[6] Excludes condensate volumes which have been reported separately.

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

## EXTENSIVE DRILLING INVENTORY AND UNTAPPED GROWTH POTENTIAL

- Our Montney land base represents an expansive, contiguous and ideally situated asset that we believe can propel Crew into the next phase of growth.
- With balance sheet strength and financial flexibility, Crew is in an advantageous position that offers significant optionality across targeted geological zones, commodity mix, transportation egress and markets for our products. This affords the Company multiple levers to respond to macro-economic factors as well as corporate developments.
- Commodity mix optionality was demonstrated during Q3/23 as the Company pivoted to drill condensate-rich/light oil targets comprising 14% of total production and 48% of total sales, that provide superior returns to natural gas in the current environment. Based on current forward curve pricing, Crew's focus on condensate-rich drilling targets is expected to continue into 2024.
- Medium to longer-term, the Company's multi-zone development opportunities underpin an internally identified drilling inventory estimated to include over 2,500 net potential drilling locations[8] across Montney layers at Groundbirch, Monias, Greater Septimus and Tower, with the potential to support a significantly larger production base.

[8] See "Drilling Locations" in the Advisories.

- From a market access perspective, Crew has a strategically positioned resource with extensive end-market optionality for our products. The Company's operations are proximal to the Coastal Gas Link Pipeline; have access to multiple Canadian and US sales hubs; benefit from potential coastal liquids egress with our proximity to the CN Rail line; and are ideally positioned for the anticipated start-up of LNG Canada in 2025, the country's first liquified natural gas ("LNG") export terminal located on the coast of BC.
- The possibility of increased demand due to Canada's future LNG export capabilities provides a supportive backdrop for the potential to increase our productive capacity to over 60,000 boe per day, pending expansion of our gas processing infrastructure.
  - Groundbirch development depends on several key factors including securing additional pipeline and well permitting, a supportive commodity price and capital cost environment and requisite financing that would enable Crew to retain an adequate level of liquidity through the project while maintaining conservative debt leverage metrics.
  - Ongoing volatility in natural gas markets has continued to impact current spot and future strip prices, and the Company continues to monitor price movements that signal additional hedging opportunities. Active exploration of a variety of project financing options is also underway while additional regulatory approvals are pending.

## OPERATIONS UPDATE & AREA OVERVIEW

### NE BC Montney (Greater Septimus)

- During Q3/23, Crew drilled six (6.0 net) wells at our 1-24 pad, two (2.0 net) wells on the North Septimus 7-18 UCR pad and one (1.0 net) disposal well at West Septimus. Further, we completed five (5.0 net) UCR wells at the 4-32 pad, the last well on our 11-27 pad and one disposal well at Greater Septimus.
- Over the first 30 days on production ("IP30"), five (5.0 net) UCR natural gas wells which were completed on the 4-32 pad have produced average wellhead rates of 2,207 mcf per day of natural gas and 953 bbls per day of condensate.
- Key infrastructure projects in the Greater Septimus area continued to progress during Q3/23, including the completion of the condensate stabilization and waste heat recovery projects at Crew's Septimus gas plant, which are expected to increase the plant's condensate capacity from 1,000 to 5,000 bbls per day and facilitate expanded development of our UCR area while reducing GHG emissions intensity. We also continued to advance the electrification of infrastructure at West Septimus.
- Crew has been notified by a third party pipeline operator that a sales pipeline is expected to be shutdown for maintenance for an estimated 10 days during Q4/23. Approximately 7,400 boe per day of production is estimated to be affected by the shutdown, or 800 boe per day when averaged over Q4/23.

### Groundbirch

- Crew recently received final BCER approval for the 180 mmcf per day Groundbirch gas plant and 60 additional well authorization permits near the initial 4-17 pad development, taking the total well authorizations at Groundbirch to 85.
- Detailed design and long lead items procurement is progressing for Crew's proposed Groundbirch plant which would expand our gas processing infrastructure, supporting the Company's longer range plans to double current production following commissioning.

- The original three (3.0 net) wells on the 4-17 pad have produced an average of 3.59 bcf of natural gas over the first 600 days, exceeding our independent reserve evaluator's year-end 2022 proved plus probable type curve by approximately 33% to date.
- The five (5.0 net) extended reach horizontal ("ERH") wells in the second phase of development at Crew's 4-17 pad with a three-zone development continue to exceed internal type curve estimates, with an average per well raw gas production rate over 365 days ("IP365") of 5,432 mcf per day, averaging 1.94 bcf of natural gas per well which is in line with our independent reserve evaluator's year-end 2022 proved plus probable, 12 bcf type curve.

**Other NE BC Montney**

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

## RISK MANAGEMENT PROFILE

To secure a base level of AFF[2] to fund planned capital projects, Crew continues to utilize hedging to limit exposure to fluctuations in commodity prices and foreign exchange rates, while allowing for participation in spot commodity prices.

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

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

## SUSTAINABILITY AND ESG FOCUS

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

- For the first time in Crew's history, **1,000,000** person hours of work were executed to the end of Q3/23 **without a single recordable injury**. We are extremely proud of the dedicated team at Crew who have demonstrated this unprecedented level of commitment to undertake work both safely and efficiently.
- Crew continued to strive for top-tier emissions intensity through the successful implementation of waste heat recovery at our Septimus gas plant, and the use of re-spoolable produced water transfer, with over 185,000 $m^3$ transferred during the third quarter, removing over 160,000 kilometers of truck traffic and preventing approximately 470 tonnes of $CO_2e$ emissions.
- Achieved re-certification under the Equitable Origin EO100 standard for responsible energy development in September 2023.
- The Company maintains a comprehensive water management strategy that includes stringent planning related to water usage and responsible sourcing, which ensures highly efficient water utilization across our operations, while optimizing recycling and treatment to reduce the use of freshwater.
- Directed a total of $0.5 million to abandonment and reclamation activities.
- Invested 153 volunteer hours to date in 2023 as part of our "Crew Cares" initiative and made financial contributions into community support initiatives and not-for-profit organizations, largely geared towards fostering the health, well-being and resilience of our local communities and their economies.

## OUTLOOK

- **2023 Guidance** – Since April of 2023, Crew has been utilizing a high-spec triple drilling rig which has led to efficiency improvements and cost savings given in-field rig moves and the continuity in employing both the same rig and crews to drill our wells. Given that these specialized rigs are in high demand, Crew plans to continue drilling with this rig into 2024. As such, we have brought forward approximately $20 million of 2024 capital and increased our 2023 capital expenditure budget to a range of $220 to $230 million by drilling an additional five (5.0 net) wells over and above the Q2/23 budget update, in addition to paying deposits on long lead items for the planned electrification of our West Septimus and proposed Groundbirch gas plants.
    - As outlined above, Crew has been notified by a third party pipeline operator of an estimated 10 day shutdown for maintenance of a sales pipeline, affecting an estimated 7,400 boe per day of production, or an average of 800 boe per day over Q4/23.
- Crew's updated 2023 annual net capital investment program is forecasted to deliver the following:
    - Generate 2023 average production of **30,000** to **31,000** boe per day[1], which reflects the above mentioned third party pipeline shutdown anticipated in Q4/23;
    - Increase light oil and condensate production to reach **over 7,000 bbls per day** in Q4/23;
    - Drill a total of **22 (22.0 net)** liquids rich Montney wells, representing an increase of five (5.0 net) wells from our Q2 budget update, and drill one disposal well;

- Complete **12 (12.0 net)** wells and equip and place on production 12 (12.0 net) UCR wells, which is one (1.0 net) fewer well than indicated in the Q2/23 budget update and one (1.0 net) horizontal water disposal well; and
- Maintain an inventory of **17 (17.0 net)** drilled and uncompleted Montney wells at year end 2023, representing a 55% increase from the 11 (11.0 net) wells outlined in our Q2 2023 budget update.

- **Q4 Outlook** – Net capital expenditures[4] in Q4/23 are forecast at **$60** to **$70 million** with average production of **30,000** to **32,000** boe per day[1]. Our Q4/23 capital program includes plans to:
  - Complete six (6.0 net) UCR wells; and
  - Drill nine (9.0 net) Montney wells.
- **2024 Preliminary Outlook** – The Company's anticipated 2024 capital expenditures are expected to focus on developing our **high value, liquids-rich natural gas assets** at Septimus and West Septimus along with progressing further electrification and expansion of our gas processing facilities, all of which are designed to support the successful execution of Crew's growth plan. Crew plans on releasing our 2024 annual budget early in 2024.
- The following table sets forth Crew's revised and updated guidance and underlying material assumptions:

| | Previous 2023 Guidance and Assumptions | **Updated 2023 Guidance and Assumptions[9]** |
|---|---|---|
| Net capital expenditures[4] ($Millions) | 190-210 | **220-230** |
| Annual average production[1] (boe/d) | 30,000–32,000 | **30,000–31,000** |
| Adjusted funds flow[2] ($Millions) | 240-260 | **240-260** |
| Free adjusted funds flow[4] ($Millions) | 30-70 | **10-40** |
| EBITDA[4] ($Millions) | 250-270 | **250-270** |
| Oil price (WTI)($US per bbl) | 75.00 | **79.00** |
| Natural gas price (NYMEX) ($US per mmbtu) | 3.20 | **2.75** |
| Natural gas price (AECO 5A) ($C per mcf) | 2.85 | **2.75** |
| Natural gas price (Crew est. wellhead) ($C per mcf) | 3.30 | **2.95** |
| Foreign exchange ($US/$CAD) | 0.74 | **0.74** |
| Royalties | 9–11% | **9–11%** |
| Net operating costs[4] ($ per boe) | 4.50–5.00 | **4.50–5.00** |
| Net transportation costs[4] ($ per boe) | 3.50–4.00 | **3.50–4.00** |
| G&A ($ per boe) | 1.00–1.20 | **1.00–1.20** |
| Effective interest rate on long-term debt | 6.5–7.5% | **6.5–7.5%** |

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

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

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

[9] The actual results of operations of Crew and the resulting financial results will likely vary from the estimates and material underlying assumptions set forth in this guidance by the Company and such variation may be material. The guidance and material underlying assumptions have been prepared on a reasonable basis, reflecting management's best estimates and judgments.

## ADVISORIES

### Forward-Looking Information and Statements

This report contains certain forward–looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "project", "should", "believe", "plans", "intends" “forecast” “targets” and similar expressions are intended to identify forward-looking information or statements. In particular, but without limiting the foregoing, this report contains forward-looking information and statements pertaining to the following: the ability to execute on its Four-Year Plan and underlying strategy, plans, goals and targets, all as more particularly outlined and described in this report; our 2023 annual and Q4 capital budget range (the "2023 Budget"), associated drilling, completion and infrastructure plans, the anticipated timing thereof, and all associated near term initiatives, goals and targets, along with all guidance and underlying assumptions related to the 2023 Budget as outlined in the “Outlook” section in this report; preliminary 2024 plans as outlined in the “Outlook” section in this report; production and type-curve estimates and targets under the 2023 Budget and balance of the Four-Year Plan; infrastructure plans and anticipated benefits outlined in this report including construction of the Groundbirch plant and anticipated benefits thereof including associated longer range plans to double our production; completion of the Company’s waste heat recovery and condensate stabilization projects at its Septimus Gas Plant and anticipated benefits thereof; the planned conversion of our West Septimus gas processing facility to electric drive and anticipated timing and benefits thereof; anticipated timing, costs and assumed receipt of all regulatory approvals required in connection therewith; our ability to secure financing for the Groundbirch plant and timing thereof; continued improvement in debt and leverage metrics; commodity price expectations and assumptions; Crew's commodity risk management programs and future hedging plans; marketing and transportation and processing plans and requirements; estimates of processing capacity and requirements; estimated potential drilling locations; anticipated reductions in GHG emissions and decommissioning obligations; future liquidity and financial capacity and ability to finance our Four-Year Plan; future results from operations and operating and leverage metrics; targeted debt levels and leverage metrics over the course of the Four-Year Plan; world supply and demand projections and long-term impact on pricing; future development, exploration, acquisition, disposition and infrastructure activities (including our capital investment model through 2026 and associated drilling and completion plans, associated receipt of all required regulatory permits for our Four-Year Plan, development timing and cost estimates); the potential to serve a Canadian LNG market including the anticipated start-up of LNG-Canada in 2025; the potential of our Groundbirch area to be a core area of future development for potentially decades, and the anticipated commerciality of up to four potential prospective zones to be drilled; the successful implementation of our ESG initiatives as set forth herein and in our updated ESG Report; and significant emissions intensity improvements going forward; the amount and timing of capital projects; and anticipated improvement in our long-term sustainability and the expected positive attributes discussed herein attributable to our Four-Year Plan.

The internal projections, expectations, or beliefs underlying our Board approved 2023 Budget and associated guidance, as well as management's preliminary strategy, and associated plans, goals and targets in respect of the balance of its Four-Year Plan, are subject to change in light of, without limitation, the Russia/Ukraine conflict, war in the middle east and any related actions taken by businesses and governments, ongoing results, prevailing economic circumstances, volatile commodity prices, resulting changes in our underlying assumptions, goals and targets provided herein and changes in industry conditions and regulations. Crew's financial outlook and guidance provides shareholders with relevant information on management's expectations for results of operations, excluding any potential acquisitions or dispositions, for such time periods based upon the key assumptions outlined herein. In this report reference is made to the Company's longer range 2024 and beyond internal plan and associated economic model. Such information reflects internal goals and targets used by management for the purposes of making capital investment decisions and for internal long-range planning and future budget preparation. Readers are cautioned that events or circumstances and updates to underlying assumptions could cause capital plans and associated results to differ materially from those predicted and Crew's guidance for 2023, and more particularly its internal plan, goals and targets for 2024 and beyond which are not based upon Board approved budget(s) at this time, may not be appropriate for other purposes. Accordingly, undue reliance should not be placed on same.

In addition, forward-looking statements or information are based on several material factors, expectations or assumptions of Crew which have been used to develop such statements and information, but which may prove to be incorrect. Although Crew believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because Crew can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified herein, assumptions have been made regarding, among other things: that Crew will continue to conduct its operations in a manner consistent with past operations; results from drilling and development activities consistent with past operations; the quality of the reservoirs in which Crew operates and continued performance from existing wells; the continued and timely development of infrastructure in areas of new production; the accuracy of the estimates of Crew's reserve volumes; certain commodity price and other cost assumptions; continued availability of debt and equity financing and cash flow to fund Crew's current and future plans and expenditures; the impact of increasing competition; the general stability of the economic and political environment in which Crew operates; that future business, regulatory and industry conditions will be within the parameters expected by Crew; the general continuance of current industry conditions; the timely receipt of any required regulatory approvals; the ability of Crew to obtain qualified staff, equipment and services in a timely and cost efficient manner; drilling results; the ability of the operator of the projects in which Crew has an interest in to operate the field in a safe, efficient and effective manner; the ability of Crew to obtain financing on acceptable terms; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development and exploration; the timing and cost of pipeline, storage and facility construction and expansion and the ability of Crew to secure adequate product transportation; future commodity prices; currency, exchange and interest rates; regulatory framework regarding royalties, taxes, environmental and indigenous matters in the jurisdictions in which Crew operates; that regulatory authorities in British Columbia continue granting approvals for oil and gas activities on time frames, and on terms and conditions, consistent with past practices; and the ability of Crew to successfully market its oil and natural gas products.

The forward-looking information and statements included in this report 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: the continuing and uncertain impact of pandemics; the Russia / Ukraine conflict and war in the middle east; changes in commodity prices; changes in the demand for or supply of Crew's products, the early stage of development of some of the evaluated areas and zones and the potential for variation in the quality of the Montney formation; interruptions, unanticipated operating results or production declines; changes in tax or environmental laws, royalty rates; climate change regulations, or other regulatory matters; changes in development plans of Crew or by third party operators of Crew's properties, increased debt levels or debt service requirements; inaccurate estimation of Crew's oil and gas reserve volumes and identified drilling inventory; limited, unfavourable or a lack of access to capital markets; increased costs; a lack of adequate insurance coverage; the impact of competitors; and certain other risks detailed from time-to-time in Crew's public disclosure documents (including, without limitation, those risks identified in this report and Annual Information Form).

This report contains future-oriented financial information and financial outlook information (collectively, "FOFI") about Crew's prospective capital expenditures and associated guidance, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the above paragraphs. The actual results of operations of Crew and the resulting financial results will likely vary from the amounts set forth in this report and such variation may be material. Crew and its management believe that the FOFI has been prepared on a reasonable basis, reflecting management's best estimates and judgments. However, because this information is subjective and subject to numerous risks, it should not be relied on as necessarily indicative of future results. Except as required by applicable securities laws, Crew undertakes no obligation to update such FOFI. FOFI contained in this report was made as of the date of this report and was provided for the purpose of providing further information about Crew's anticipated future business operations. Readers are cautioned that the FOFI contained in this report should not be used for purposes other than for which it is disclosed herein.

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

**Risk Factors to the Company's Four-Year Plan**

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

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

**Information Regarding Disclosure on Oil and Gas Operational Information**

All amounts in this report are stated in Canadian dollars unless otherwise specified. This report contains metrics commonly used in the oil and natural gas industry. Each of these metrics are determined by Crew as specifically set forth in this report. These terms do not have standardized meanings or standardized methods of calculation and therefore may not be comparable to similar measures presented by other companies, and therefore should not be used to make such comparisons. Such metrics have been included to provide readers with additional information to evaluate the Company's performance however, such metrics are not reliable indicators of future performance and therefore should not be unduly relied upon for investment or other purposes. See "Non-IFRS and Other Financial Measures" below for additional disclosures.

**Drilling Locations**

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

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

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

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

### Test Results and Initial Production Rates

A pressure transient analysis or well-test interpretation has not been carried out and thus certain of the test results provided herein should be preliminary until such analysis or interpretation has been completed. Test results and initial production ("IP") rates disclosed herein, particularly those short in duration, may not necessarily be indicative of long-term performance or of ultimate recovery.

### BOE and Mcfe Conversions

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

### Non-IFRS and Other Financial Measures

Throughout this report and other materials disclosed by the Company, Crew uses certain measures to analyze financial performance, financial position and cash flow. These non-IFRS and other specified financial measures do not have any standardized meaning prescribed under IFRS and therefore may not be comparable to similar measures presented by other entities. The non-IFRS and other specified financial measures should not be considered alternatives to, or more meaningful than, financial measures that are determined in accordance with IFRS as indicators of Crew's performance. Management believes that the presentation of these non-IFRS and other specified financial measures provides useful information to shareholders and investors in understanding and evaluating the Company's ongoing operating performance, and the measures provide increased transparency and the ability to better analyze Crew's business performance against prior periods on a comparable basis.

#### *Capital Management Measures*

**a) Funds from Operations and Adjusted Funds Flow**

Funds from operations represents cash provided by operating activities before changes in operating non-cash working capital, accretion of deferred financing charges and transaction costs on property dispositions. Adjusted funds flow represents funds from operations before decommissioning obligations settled (recovered). The Company considers these metrics as key measures that demonstrate the ability of the Company's continuing operations to generate the cash flow necessary to maintain production at current levels and fund future growth through capital investment and to service and repay debt. Management believes that such measures provide an insightful assessment of the Company's operations on a continuing basis by eliminating certain non-cash charges, actual settlements of decommissioning obligations and transaction costs on property dispositions, the timing of which is discretionary. Funds from operations and adjusted funds flow should not be considered as an alternative to or more meaningful than cash provided by operating activities as determined in accordance with IFRS as an indicator of the Company's performance. Crew's determination of funds from operations and adjusted funds flow may not be comparable to that reported by other companies. Crew also presents adjusted funds flow per share whereby per share amounts are calculated using weighted average shares outstanding consistent with the calculation of income per share. The applicable reconciliation to the most directly comparable measure, cash provided by operating activities, is contained under "free adjusted funds flow" below.

**b) Net Debt and Working Capital Surplus (Deficiency)**

Crew closely monitors its capital structure with a goal of maintaining a strong balance sheet to fund the future growth of the Company. The Company monitors net debt as part of its capital structure. The Company uses net debt (bank debt plus working capital deficiency or surplus, excluding the current portion of the fair value of financial instruments) as an alternative measure of outstanding debt. Management considers net debt and working capital deficiency (surplus) an important measure to assist in assessing the liquidity of the Company.

### *Non-IFRS Financial Measures and Ratios*

**a) Net Property Acquisitions (Dispositions)**

Net property acquisitions (dispositions) equals property acquisitions less property dispositions and transaction costs on property dispositions. Crew uses net property acquisitions (dispositions) to measure its total capital investment compared to the Company's annual capital budgeted expenditures. The most directly comparable IFRS measures to net property acquisitions (dispositions) are property acquisitions and property dispositions.

**b) Net Capital Expenditures**

Net capital expenditures equals property, plant and equipment expenditures less net property acquisitions (dispositions). Crew uses net capital expenditures to measure its total capital investment compared to the Company's annual capital budgeted expenditures. The most directly comparable IFRS measure to net capital expenditures is property, plant and equipment expenditures.

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

**c) EBITDA**

EBITDA is calculated as consolidated net income (loss) before interest and financing expenses, income taxes, depletion, depreciation and amortization, adjusted for certain non-cash, extraordinary and non-recurring items primarily relating to unrealized gains and losses on financial instruments and impairment losses. The Company considers this metric as key measures that demonstrate the ability of the Company's continuing operations to generate the cash flow necessary to maintain production at current levels and fund future growth through capital investment and to service and repay debt. The most directly comparable IFRS measure to EBITDA is cash provided by operating activities.

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

**d) Free Adjusted Funds Flow**

Free adjusted funds flow represents adjusted funds flow less capital expenditures, excluding acquisitions and dispositions. The Company considers this metric a key measure that demonstrates the ability of the Company's continuing operations to fund future growth through capital investment and to service and repay debt. The most directly comparable IFRS measure to free adjusted funds flow is cash provided by operating activities.

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

## e) Net Operating Costs

Net operating costs equals operating expenses net of processing revenue. Management views net operating costs as an important measure to evaluate its operational performance. The most directly comparable IFRS measure for net operating costs is operating expenses.

| ($ thousands, except per boe) | **Three months ended Sept. 30, 2023** | Three months ended June 30, 2023 | Three months ended Sept. 30, 2022 | **Nine months ended Sept. 30, 2023** | Nine months ended Sept. 30, 2022 |
|---|---|---|---|---|---|
| Operating expenses | **12,372** | 12,712 | 12,580 | **37,642** | 36,644 |
| Processing revenue | **(557)** | (610) | (520) | **(1,803)** | (2,825) |
| Net operating costs | **11,815** | 12,102 | 12,060 | **35,839** | 33,819 |
| Per boe | **4.79** | 4.43 | 4.12 | **4.39** | 3.71 |

## f) Net Operating Costs per boe

Net operating costs per boe equals net operating costs divided by production. Management views net operating costs per boe as an important measure to evaluate its operational performance. The calculation of Crew's net operating costs per boe can be seen in the non-IFRS measure entitled "Net Operating Costs" above.

## g) Net Transportation Costs

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

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

## h) Net Transportation Costs per boe

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

## i) Operating Netback per boe

Operating netback per boe equals petroleum and natural gas sales including realized gains and losses on commodity related derivative financial instruments, marketing income, less royalties, net operating costs and transportation costs calculated on a boe basis. Management considers operating netback per boe an important measure to evaluate its operational performance as it demonstrates its field level profitability relative to current commodity prices.

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

**j) Cash costs per boe**

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

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

**k) Interest expenses on debt per boe**

Interest expenses on debt per boe is comprised of the sum of interest on bank loan and other, interest on senior notes and accretion of deferred financing charges, divided by production. Management views interest expenses on debt per boe as an important measure to evaluate its cost of debt financing.

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

***Supplementary Financial Measures***

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

**"Adjusted funds flow per basic share"** is comprised of adjusted funds flow divided by the basic weighted average common shares.

**"Adjusted funds flow per diluted share"** is comprised of adjusted funds flow divided by the diluted weighted average common shares.

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

**"Average realized commodity price"** is comprised of commodity sales from production, as determined in accordance with IFRS, divided by the Company's production. Average prices are before deduction of net transportation costs and do not include gains and losses on financial instruments.

**"Average realized light crude oil price"** is comprised of light crude oil commodity sales from production, as determined in accordance with IFRS, divided by the Company's light crude oil production. Average prices are before deduction of net transportation costs and do not include gains and losses on financial instruments.

**"Average realized ngl price"** is comprised of ngl commodity sales from production, as determined in accordance with IFRS, divided by the Company's ngl production. Average prices are before deduction of net transportation costs and do not include gains and losses on financial instruments.

**“Average realized condensate price”** is comprised of condensate commodity sales from production, as determined in accordance with IFRS, divided by the Company’s condensate production. Average prices are before deduction of net transportation costs and do not include gains and losses on financial instruments.

**"Average realized natural gas price"** is comprised of natural gas commodity sales from production, as determined in accordance with IFRS, divided by the Company's natural gas production. Average prices are before deduction of net transportation costs and do not include gains and losses on financial instruments.

**"Net debt to last twelve months (“LTM”) EBITDA"** is calculated as net debt at a point in time divided by EBITDA earned from that point back for the trailing twelve months.

### Supplemental Information Regarding Product Types

References to gas or natural gas and ngls in this report refer to conventional natural gas and natural gas liquids product types, respectively, as defined in National Instrument 51-101, Standards of Disclosure for Oil and Gas Activities ("NI 51-101"), except where specifically noted otherwise.

The following is intended to provide the product type composition for each of the production figures provided herein, where not already disclosed within tables above:

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

Notes:
1) Excludes condensate volumes which have been reported separately.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

## ABOUT CREW

Crew Energy Inc. ("Crew" or the "Company") is a Canadian liquids-rich natural gas producer committed to pursuing sustainable per share growth through a balanced mix of financially responsible exploration and development. The Company's operations are focused in northeast British Columbia ("NE BC") and include a large contiguous land base with a vast Montney formation resource. Crew's liquids-rich natural gas areas of Septimus and West Septimus ("Greater Septimus") are complemented by the vast dry-gas resource at Groundbirch offering significant development potential over the long-term. The Company has access to diversified markets with operated infrastructure and access to multiple pipeline egress options. Crew adheres to safe and environmentally responsible operations while remaining committed to sound environmental, social and governance practices which underpin Crew's fundamental business tenets. Crew's common shares are listed for trading on the Toronto Stock Exchange ("TSX") under the symbol "CR".

## BASIS OF PRESENTATION

Management's discussion and analysis ("MD&A") is the explanation of the financial performance for the period covered by the financial statements along with an analysis of the financial position of the Company. Comments relate to and should be read in conjunction with the unaudited condensed interim financial statements of the Company for the three and nine months period ended September 30, 2023 and 2022. The unaudited condensed interim financial statements have been prepared in accordance with IAS 34 - Interim Financial Reporting of the International Financial Reporting Standards ("IFRS"). There have been no significant changes to the critical estimates disclosed in the Company's audited financial statements for the year ended December 31, 2022. All figures provided herein and in the September 30, 2023 unaudited condensed interim financial statements are reported in Canadian dollars ("CDN"). This MD&A is dated November 8, 2023.

## RESULTS OF OPERATIONS

### Quarterly Overview

Crew's third quarter 2023 production averaged 26,834 boe per day, within the Company's previous guidance of 26,000 to 28,000 boe per day, reflecting shut-in production for off-set completion activities, natural production declines and planned pipeline and processing maintenance in the period. The Company's third quarter property, plant and equipment expenditures program was one the busiest quarters in our history with expenditures totaling $104.0 million. Capital investment was directed to drilling and completion activities, including drilling six wells at the 1-24 pad, two wells on the 7-18 pad and one disposal well at West Septimus. In addition, the Company completed five natural gas wells at the 4-32 pad, the last well on the 11-27 pad and completed one disposal well at Septimus. Key infrastructure projects continued to progress, including the engineering work and procurement of long lead items for the West Septimus gas plant electrification, and waste heat recovery and condensate stabilization at the Septimus gas plant which was brought online in September.

Petroleum and natural gas sales increased 6% in the third quarter as compared to the previous quarter, mainly due to a 17% increase in the Company's realized commodity price to $28.48 per boe from $24.37 per boe in the second quarter of 2023. This was offset by lower production due to shut-in production from completion operations, a six day shutdown at our Septimus gas plant to enable the final tie-in and construction of our waste heat and condensate stabilization project and a third-party processing facility shutdown that impacted the quarter by greater than 500 boe per day. Natural gas markets remained weak in the third quarter as European and North American natural gas inventories continued to build, fueled by higher North American production rates, soft U.S. LNG exports and sluggish industrial demand. Despite this weakness, natural gas prices did increase in the quarter as compared to the previous quarter as warmer temperatures increased power generation and cooling demand across North America and Europe. Crew's natural gas price increased 12% to $2.71 per mcf in the third quarter from $2.41 per mcf in the second quarter of 2023. Crude oil and liquids prices strengthened through the quarter, a result of the continued impact of the Russia-Ukraine conflict and Russian crude oil embargos, combined with OPEC and its allies scaling back production, impacting the Crude oil market. The Company's combined liquids pricing, including crude oil, condensate, and other natural gas liquids ("ngl"), averaged $72.00 per barrel, a 13% increase over the prior quarter.

Adjusted funds flow ("AFF")[1] for the third quarter totaled $45.3 million, a decrease over the previous quarter, primarily due to lower production as compared to the second quarter of 2023 and a one time $11.8 million gain recognized on the monetization of derivative financial instruments in the second quarter of 2023. This decrease was partially offset by increases in commodity prices. Cash costs per boe[1] increased by 5% as compared to the prior quarter as a result of higher net operating and net transportation costs per boe due to lower production, partially offset by reduced financing expenses due to the reduction in net debt in the second quarter of 2023.

With the significant investment in drilling, completion and infrastructure projects in the quarter, the Company's net debt increased to $124.6 million, including a 24% draw on our credit facility at quarter end. Subsequent to quarter end, the Company successfully increased its credit facility to $250 million from $200 million to help fund future capital programs. Net debt to last twelve months EBITDA[2] remained strong at 0.5 times, with the Company focused on keeping this ratio below 1.0 times.

Notes:
(1) Non-IFRS measure or ratio that does not have any standardized meaning as prescribed by International Financial Reporting Standards, and therefore, may not be comparable with the calculations of similar measures or ratios for other entities. See "Non-IFRS and Other Financial Measures" contained within this MD&A.
(2) Supplementary measure. See "Non-IFRS and Other Financial Measures" contained within this MD&A.

**Production[1]**

| | **Three months ended Sept. 30, 2023** | Three months ended June 30, 2023 | Three months ended Sept. 30, 2022 | **Nine months ended Sept. 30, 2023** | Nine months ended Sept. 30, 2022 |
|---|---|---|---|---|---|
| Light crude oil (bbl/d) | **85** | 74 | 83 | **77** | 102 |
| Condensate (bbl/d) | **3,754** | 3,671 | 4,731 | **3,996** | 4,745 |
| Natural gas liquids (bbl/d) | **2,040** | 2,342 | 2,692 | **2,244** | 2,884 |
| Natural gas (mcf/d) | **125,729** | 143,752 | 145,715 | **141,647** | 154,041 |
| Total (boe/d) | **26,834** | 30,046 | 31,792 | **29,925** | 33,405 |

Notes:
(1) Throughout this MD&A unless otherwise specified, light crude oil refers to light and medium crude oil product type as defined by National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("NI 51-101"). Condensate is a natural gas liquid as defined by NI 51-101. Throughout this MD&A, references to ngls comprise all natural gas liquids as defined by NI 51-101 other than condensate, which is disclosed separately. Throughout this MD&A, references to natural gas comprise all conventional natural gas as defined by NI 51-101.

*Third quarter 2023 compared to second quarter 2023:*

Production during the third quarter of 2023 decreased 11% when compared to the previous quarter, mainly due to higher levels of shut-in production from offset completions, a planned third-party gas plant maintenance shutdown that impacted the quarter by greater than 500 boe per day combined with expected production declines, partially offset by the addition of six new producing wells in the Greater Septimus area for a part of the quarter.

*Third quarter 2023 compared to third quarter 2022:*

Production during the third quarter of 2023 was 16% lower than the same period in 2022 as a result of shut-in production due to offset completions and a planned third-party gas plant maintenance, and production declines, partially offset by the successful execution of drilling and completion activities that included the addition of 11 new producing wells in the Greater Septimus area over the past year.

*Nine months ended 2023 compared to nine months ended 2022:*

Production during the first nine months of 2023 was 10% lower when compared to the same period in 2022 as a result of higher shut-in production levels and production declines, partially offset by the successful execution of the aforementioned drilling and completion activities in Greater Septimus over the past year.

### Petroleum and Natural Gas Sales

| | **Three months ended Sept. 30, 2023** | Three months ended June 30, 2023 | Three months ended Sept. 30, 2022 | **Nine months ended Sept. 30, 2023** | Nine months ended Sept. 30, 2022 |
|---|---|---|---|---|---|
| **Petroleum and natural gas sales(1) ($ thousands)** | | | | | |
| Light crude oil | **735** | 562 | 798 | **1,838** | 3,208 |
| Condensate | **33,243** | 29,639 | 46,201 | **103,341** | 153,212 |
| Natural gas liquids | **4,965** | 4,945 | 10,229 | **18,133** | 36,632 |
| Natural gas | **31,374** | 31,477 | 75,722 | **114,309** | 268,569 |
| Total | **70,317** | 66,623 | 132,950 | **237,621** | 461,621 |
| | | | | | |
| **Average realized(2)** | | | | | |
| Light crude oil price ($/bbl) | **94.38** | 83.30 | 104.30 | **87.80** | 114.75 |
| Condensate price ($/bbl) | **96.25** | 88.72 | 106.15 | **94.73** | 118.27 |
| Natural gas liquids price ($/bbl) | **26.46** | 23.20 | 41.30 | **29.59** | 46.52 |
| Natural gas price ($/mcf) | **2.71** | 2.41 | 5.65 | **2.96** | 6.39 |
| Commodity price ($/boe) | **28.48** | 24.37 | 45.46 | **29.09** | 50.62 |
| | | | | | |
| **Benchmark pricing** | | | | | |
| Light crude oil – WTI (Cdn $/bbl) | **110.38** | 99.11 | 119.46 | **104.13** | 125.77 |
| Condensate – Condensate @ Edmonton (Cdn $/bbl) | **104.66** | 97.17 | 113.87 | **103.25** | 124.62 |
| Natural Gas: | | | | | |
| AECO 5A daily index (Cdn $/mcf) | **2.60** | 2.45 | 4.16 | **2.76** | 5.38 |
| AECO 7A monthly index (Cdn $/mcf) | **2.39** | 2.35 | 5.81 | **3.02** | 5.56 |
| Alliance 5A (Cdn $/mcf) | **2.42** | 1.94 | 4.53 | **2.45** | 5.75 |
| Chicago City-Gate at NIT (Cdn $/mcf) | **1.85** | 1.41 | 8.39 | **1.86** | 6.90 |
| Chicago Interstates at ATP (Cdn $/mcf) | **2.33** | 1.93 | 8.84 | **2.37** | 7.37 |
| Dawn at NIT (Cdn $/mcf) | **2.02** | 1.73 | 8.59 | **2.13** | 7.12 |
| Henry Hub Close (Cdn $/mcf) | **3.42** | 2.82 | 10.72 | **3.62** | 8.72 |
| Station 2 (Cdn $/mcf) | **2.19** | 1.89 | 3.10 | **2.32** | 5.08 |
| | | | | | |
| **Natural gas sales portfolio** | | | | | |
| AECO 5A | **52%** | 55% | 66% | **57%** | 66% |
| Alliance 5A | **9%** | 8% | 11% | **8%** | 10% |
| Chicago City-Gate at NIT | **7%** | 6% | 5% | **5%** | 5% |
| Chicago Interstates at ATP | **7%** | 6% | - | **6%** | - |
| Dawn at NIT | **11%** | 10% | 5% | **9%** | 5% |
| Henry Hub | **3%** | 3% | - | **2%** | - |
| Station 2 | **11%** | 12% | 13% | **13%** | 14% |

Notes:

(1) Throughout this MD&A, light crude oil refers to light and medium crude oil product type as defined by National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("NI 51-101"). Condensate is a natural gas liquid as defined by NI 51-101. Throughout this MD&A, references to other natural gas liquids or ngls comprise all natural gas liquids as defined by NI 51-101 other than condensate, which is disclosed separately. Throughout this MD&A, references to natural gas comprise all conventional natural gas as defined by NI 51-101.

(2) Supplementary measure. See "Non-IFRS and Other Financial Measures" contained within this MD&A.

*Third quarter 2023 compared to second quarter 2023:*

In the third quarter of 2023, the Company's petroleum and natural gas sales increased 6% as compared to the previous quarter mainly due to a 17% increase in the average realized commodity price, partially offset by the aforementioned decline in production.

The Company's third quarter average realized light crude oil price increased 13% as compared to the previous quarter, which was consistent with the 11% increase in the Company's West Texas Intermediate ("WTI") benchmark price.

The Company's third quarter average realized condensate price increased 8% over the previous quarter, which was consistent with the 8% increase in the Condensate at Edmonton benchmark price. Crew's average realized ngl price increased 14% in the third quarter as compared to the previous quarter, due to increases in the value of component pricing across North America.

Crew's average realized natural gas price increased 12% in the third quarter of 2023 as compared to the previous quarter, which is consistent with the 11% increase in the Company's natural gas sales portfolio weighted benchmark price.

*Third quarter 2023 compared to third quarter 2022:*

Third quarter 2023 petroleum and natural gas sales decreased 47% as compared to the same period in 2022, due to the 37% decrease in the average realized commodity price, combined with the aforementioned decline in production.

The Company's third quarter average realized light crude oil price decreased 10% over the third quarter of 2022, which was consistent with the 8% decrease in the Company's WTI benchmark.

The Company's third quarter average realized condensate price decreased 9% over the same period in 2022, which was consistent with the 8% decrease in the Condensate at Edmonton benchmark price. Crew's average realized ngl price decreased 36% in the third quarter as compared to the same period in 2022, due to significant decreases in the value of ngl component pricing across North America.

Crew's average realized natural gas price decreased by 52% in the third quarter of 2023 as compared to the same period in 2022, which was slightly higher than the 46% decrease in the Company's natural gas sales portfolio weighted benchmark price as a result of fixed price physical delivery contracts that negatively impacted the Company's realized natural gas price in the third quarter of 2023.

*Nine months ended 2023 compared to nine months ended 2022:*

The first nine months of 2023 petroleum and natural gas sales decreased 49% as compared to the same period in 2022, as a result of a 43% decrease in realized wellhead pricing, combined with the aforementioned decline in production.

The Company's first nine months realized light crude oil price decreased 24% over the first nine months of 2022, which was higher than the Company's WTI benchmark decrease of 17%, largely due to an increase in the differential between Crew's realized Canadian crude oil prices and the Company's WTI benchmark.

The Company's first nine months realized condensate price decreased 20% over the same period in 2022, which is consistent with the 17% decrease in the Condensate at Edmonton benchmark price. Crew's ngl realized price decreased 36% in the first nine months of 2023 as compared to the same period in 2022, due to decreases in the value of component pricing across North America combined with ngl production sold under a new agreement starting April 1, 2023 at lower net pricing.

Crew's realized natural gas price decreased by 54% in the first nine months of 2023 as compared to the same period in 2022, which is consistent with the 53% decrease in the Company's natural gas sales portfolio weighted benchmark price.

**Royalties**

| ($ thousands, except per boe) | **Three months ended Sept. 30, 2023** | Three months ended June 30, 2023 | Three months ended Sept. 30, 2022 | **Nine months ended Sept. 30, 2023** | Nine months ended Sept. 30, 2022 |
|---|---|---|---|---|---|
| Royalties | **6,158** | 5,345 | 20,057 | **23,768** | 41,113 |
| Per boe | **2.49** | 1.95 | 6.86 | **2.91** | 4.51 |
| Percentage of petroleum and natural gas sales | **8.8%** | 8.0% | 15.1% | **10.0%** | 8.9% |

For the third quarter of 2023, royalties per boe and as a percentage of petroleum and natural gas sales increased as compared to the previous quarter due to increases in realized commodity prices that attracted higher sliding scale royalty rates. For the third quarter and first nine months of 2023, royalties per boe decreased as compared to the same periods in 2022 due to decreases in realized commodity prices.

Royalties as a percentage of petroleum and natural gas sales decreased in the third quarter of 2023 as compared to the same period in 2022 largely due to the aforementioned decreases in realized commodity prices, combined with new production on wells with royalty holiday incentives. Royalties as a percentage of petroleum and natural gas sales increased in the first nine months as compared to the same period in 2022 due to the full utilization of the royalty holiday incentives on several high production wells in 2022 and 2023, resulting in higher royalty rates on these same wells in the current periods.

**Derivative Financial Instruments**

Commodities

The Company enters into derivative and physical risk management contracts in order to reduce volatility in financial results and to ensure a certain level of cash flow to fund planned capital projects. Crew's strategy focuses on the use of puts, costless collars, swaps and fixed price contracts to limit exposure to fluctuations in commodity prices, interest rates and foreign exchange rates, while allowing for participation in spot commodity prices. The Company's financial derivative trading activities are conducted pursuant to the Company's Risk Management Policy, approved by the Board of Directors.

These contracts had the following impact on the statements of income and comprehensive income:

| ($ thousands) | **Three months ended Sept. 30, 2023** | Three months ended June 30, 2023 | Three months ended Sept. 30, 2022 | **Nine months ended Sept. 30, 2023** | Nine months ended Sept. 30, 2022 |
|---|---|---|---|---|---|
| Realized gain (loss) on derivative financial instruments | **6,127** | 24,241 | (13,544) | **44,370** | (68,610) |
| Per boe | **2.48** | 8.87 | (4.63) | **5.43** | (7.52) |
| Unrealized (loss) gain on derivative financial instruments | **(15,532)** | (17,961) | 15,289 | **(25,255)** | (5,815) |

Included in the nine months ended September 30, 2023 realized gain on derivative financial instruments is a gain of $11.8 million earned in the second quarter of 2023 on the monetization of a portion of the Company's natural gas derivative contracts covering an average of 25,700 gj per day for the June through December 2023 period.

As at September 30, 2023, the Company held derivative commodity contracts as follows:

| Notional Quantity | Term | Strike Price | Option Traded | Fair Value |
|---|---|---|---|---|
| *Natural Gas CDN$ – AECO Daily Index:* | | | | |
| 5,000 gj/day | October 1, 2023 - October 31, 2023 | $4.51/gj | Swap | $ 339 |
| 27,500 gj/day | October 1, 2023 - December 31, 2023 | $4.46/gj | Swap | 4,618 |
| *Natural Gas CDN$ – AECO Monthly Index:* | | | | |
| 10,000 gj/day | October 1, 2023 - December 31, 2023 | $4.00 - $5.18/gj | Collar(1) | 1,297 |
| 7,500 gj/day | October 1, 2023 - December 31, 2023 | $4.72/gj | Swap | 1,435 |
| *Natural Gas USD$ – AECO Monthly Index to NYMEX Basis Differential:* | | | | |
| 2,500 mmbtu/day | October 1, 2023 - October 31, 2023 | ($1.25/mmbtu) | Swap | (23) |
| *Crude Oil – CDN$ WTI:* | | | | |
| 500 bbl/day | October 1, 2023 - October 31, 2023 | $108.55/bbl | Swap | (501) |
| 500 bbl/day | October 1, 2023 - March 31, 2024 | $100.18/bbl | Swap | (1,470) |
| 250 bbl/day | January 1, 2024 - June 30, 2024 | $113.50/bbl | Swap | 99 |
| *CDN$ Edmonton C5 Blended Index:* | | | | |
| 1,250 bbl/day | October 1, 2023 - December 31, 2023 | $100.25/bbl | Swap | (2,189) |
| 500 bbl/day | November 1, 2023 - December 31, 2023 | $120.25/bbl | Swap | 33 |
| 250 bbl/day | January 1, 2024 - June 30, 2024 | $104.25/bbl | Swap | (305) |
| 1,750 bbl/day | January 1, 2024 - December 31, 2024 | $104.05/bbl | Swap | (1,987) |
| **Total** | | | | **$ 1,346** |

Note:
(1) The referenced contract is a costless collar whereby the Company receives $4.00/gj when the market price is below $4.00/gj ,and receives $5.18/gj when the market price is above $5.18/gj.

Subsequent to September 30, 2023, the Company entered into the following derivative commodity contracts:

| Notional Quantity | Term | Strike Price | Option Traded |
|---|---|---|---|
| *Natural Gas CDN$ – AECO Daily Index:* | | | |
| 2,500 gj/day | January 1, 2024 - March 31, 2024 | $2.84/gj | Swap |
| 2,500 gj/day | April 1, 2024 - June 30, 2024 | $2.45/gj | Swap |
| 2,500 gj/day | July 1, 2024 - September 30, 2024 | $2.46/gj | Swap |
| 2,500 gj/day | October 1, 2024 - December 31, 2024 | $3.30/gj | Swap |
| *Crude Oil – CDN$ WTI:* | | | |
| 250 bbl/day | January 1, 2024 - December 31, 2024 | $110.50/bbl | Swap |

**Net Operating Costs[1]**

| ($ thousands, except per boe) | **Three months ended Sept. 30, 2023** | Three months ended June 30, 2023 | Three months ended Sept. 30, 2022 | **Nine months ended Sept. 30, 2023** | Nine months ended Sept. 30, 2022 |
|---|---|---|---|---|---|
| Operating expenses | **12,372** | 12,712 | 12,580 | **37,642** | 36,644 |
| Processing revenue | **(557)** | (610) | (520) | **(1,803)** | (2,825) |
| Net operating costs[1] | **11,815** | 12,102 | 12,060 | **35,839** | 33,819 |
| Per boe[1] | **4.79** | 4.43 | 4.12 | **4.39** | 3.71 |

Note:
(1) Non-IFRS measure or ratio that does not have any standardized meaning as prescribed by International Financial Reporting Standards, and therefore, may not be comparable with the calculations of similar measures or ratios for other entities. See "Non-IFRS and Other Financial Measures" contained within this MD&A.

For the third quarter of 2023 and first nine months of 2023, net operating costs per boe increased as compared to the previous quarter and the same periods in 2022 primarily due to the aforementioned decreases in production volumes. Net operating costs for the third quarter decreased slightly as compared to the previous quarter and the same period in 2022 due to reduced production volumes. Net operating costs for the first nine months of 2023 increased when compared to the same period in 2022 primarily due to an increase in the British Columbia provincial government carbon tax levy and inflation on maintenance and operating costs.

**Net Transportation Costs[1]**

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

Note:
(1) Non-IFRS measure or ratio that does not have any standardized meaning as prescribed by International Financial Reporting Standards, and therefore, may not be comparable with the calculations of similar measures or ratios for other entities. See "Non-IFRS and Other Financial Measures" contained within this MD&A.

Net transportation costs decreased in the third quarter and first nine months of 2023 as compared to the previous quarter and same periods in 2022, as a result of reduced charges from trucked liquids volumes combined with firm service natural gas pipeline capacity mitigation to a third party on a short-term basis. Net transportation costs per boe increased in the third quarter and first nine months of 2023 as compared to the same periods in 2022 due to long-term fixed natural gas transportation charges with lower natural gas production.

Transportation revenue is derived from the assignment of a portion of the Company's committed long-term natural gas transportation to a third-party who manages the transportation and markets an equivalent volume of the Company's natural gas sales on Crew's behalf.

**Operating Netbacks[1]**

| ($/boe) | **Three months ended Sept. 30, 2023** | Three months ended June 30, 2023 | Three months ended Sept. 30, 2022 | **Nine months ended Sept. 30, 2023** | Nine months ended Sept. 30, 2022 |
|---|---|---|---|---|---|
| Petroleum and natural gas sales | **28.48** | 24.37 | 45.46 | **29.09** | 50.62 |
| Royalties | **(2.49)** | (1.95) | (6.86) | **(2.91)** | (4.51) |
| Realized gain (loss) on derivative financial instruments | **2.48** | 8.87 | (4.63) | **5.43** | (7.52) |
| Net operating costs[1] | **(4.79)** | (4.43) | (4.12) | **(4.39)** | (3.71) |
| Net transportation costs[1] | **(3.74)** | (3.43) | (3.42) | **(3.47)** | (3.29) |
| Operating netbacks[1] | **19.94** | 23.43 | 26.43 | **23.75** | 31.59 |
| Production (boe/d) | **26,834** | 30,046 | 31,792 | **29,925** | 33,405 |

Note:
(1) Non-IFRS measure or ratio that does not have any standardized meaning as prescribed by International Financial Reporting Standards, and therefore, may not be comparable with the calculations of similar measures or ratios for other entities. See "Non-IFRS and Other Financial Measures" contained within this MD&A.

Operating netbacks for the third quarter of 2023 decreased 15% from the previous quarter, primarily as a result of lower realized gains on derivative financial instruments, higher royalties and higher net operating and net transportation costs, partially offset by higher petroleum and natural gas sales.

Operating netbacks for the third quarter and first nine months of 2023 decreased 25% each respectively, over the same periods in 2022 as a result of lower petroleum and natural gas sales, higher net operating costs and net transportation costs, partially offset by realized gains on derivative financial instruments and lower royalties.

**Other Income**

Included in other income for the three and nine months ended September 30, 2023 is a $29.0 million non-refundable third-party payment under an existing development framework agreement for the contractual settlement of a particular capital obligation, for which no future performance is required by either party.

**General and Administrative**

| ($ thousands, except per boe) | **Three months ended Sept. 30, 2023** | Three months ended June 30, 2023 | Three months ended Sept. 30, 2022 | **Nine months ended Sept. 30, 2023** | Nine months ended Sept. 30, 2022 |
|---|---|---|---|---|---|
| Gross costs | **4,254** | 4,534 | 4,542 | **13,946** | 13,500 |
| Operators' recoveries | **(8)** | 5 | (23) | **(7)** | (80) |
| Capitalized costs | **(1,434)** | (1,551) | (1,619) | **(4,743)** | (5,003) |
| General and administrative expenses | **2,812** | 2,988 | 2,900 | **9,196** | 8,417 |
| Per boe | **1.14** | 1.09 | 0.99 | **1.13** | 0.92 |

Gross general and administrative ("G&A") costs decreased in the third quarter as compared to the same period in 2022, due to a decrease in compensation costs partially offset by increases due to inflationary pressures. Gross G&A costs for the first nine months of 2023 increased as compared to the same period in 2022 as a result of the aforementioned inflationary pressures. G&A per boe increased in the third quarter and first nine months of 2023 as compared to the previous quarter and same periods in 2022 as a result of the aforementioned inflationary pressures, combined with a decrease in production.

**Share-Based Compensation**

| ($ thousands) | **Three months ended Sept. 30, 2023** | Three months ended June 30, 2023 | Three months ended Sept. 30, 2022 | **Nine months ended Sept. 30, 2023** | Nine months ended Sept. 30, 2022 |
|---|---|---|---|---|---|
| Gross costs | **4,231** | 3,454 | 3,814 | **13,164** | 8,808 |
| Capitalized costs | **(1,951)** | (1,630) | (1,903) | **(6,200)** | (4,430) |
| Share-based compensation expenses | **2,280** | 1,824 | 1,911 | **6,964** | 4,378 |

In the third quarter and first nine months of 2023, the Company's share-based compensation expenses increased as compared to the previous quarter and same periods in 2022 as a result of additional share-based compensation expenses recorded as a result of an increase in the estimated performance multiplier applied to outstanding performance awards in recognition of the Company's positive operational performance.

**Depletion and Depreciation**

| ($ thousands, except per boe) | **Three months ended Sept. 30, 2023** | Three months ended June 30, 2023 | Three months ended Sept. 30, 2022 | **Nine months ended Sept. 30, 2023** | Nine months ended Sept. 30, 2022 |
|---|---|---|---|---|---|
| Depletion and depreciation expenses | **20,604** | 21,847 | 24,369 | **65,744** | 74,619 |
| Per boe | **8.35** | 7.99 | 8.33 | **8.05** | 8.18 |

Depletion and depreciation expenses have decreased overall as a result of lower production in the third quarter and first nine months of 2023 as compared to the previous quarter and same periods in 2022, along with a change in the production mix between areas, where there was increased production in areas that yield lower depletion rates than the corporate average.

At September 30, 2023, the Company did not identify any indicators of impairment, and therefore, an impairment test was not performed.

**Financing**

| ($ thousands, except per boe) | **Three months ended Sept. 30, 2023** | Three months ended June 30, 2023 | Three months ended Sept. 30, 2022 | **Nine months ended Sept. 30, 2023** | Nine months ended Sept. 30, 2022 |
|---|---|---|---|---|---|
| Interest on bank loan and other | **1,120** | 1,127 | 154 | **2,155** | 2,317 |
| Interest on senior unsecured notes | **-** | 827 | 4,607 | **3,584** | 14,277 |
| Interest on lease obligations | **20** | 21 | 26 | **64** | 81 |
| Accretion of deferred financing charges | **-** | 49 | 214 | **199** | 705 |
| Accretion of the decommissioning obligation | **329** | 318 | 341 | **1,093** | 901 |
| Loss on redemption of 2024 Notes | **-** | 813 | 1,941 | **813** | 1,941 |
| Financing expenses | **1,469** | 3,155 | 7,283 | **7,908** | 20,222 |
| Average long-term debt level(1) | **29,294** | 95,651 | 285,994 | **98,481** | 339,096 |
| Average drawings on bank loan(1) | **29,294** | 45,618 | 2,690 | **24,766** | 44,723 |
| Average senior unsecured notes outstanding(1) | **-** | 51,033 | 283,304 | **73,714** | 294,373 |
| Effective interest rate on senior unsecured notes | **-** | 6.5% | 6.5% | **6.5%** | 6.5% |
| Effective interest rate on long-term debt | **8.8%** | 7.5% | 6.5% | **7.0%** | 6.2% |
| Interest expense on debt per boe(2) | **0.45** | 0.73 | 1.70 | **0.73** | 1.90 |

Notes:
(1) Supplementary measure. See "Non-IFRS and Other Financial Measures" contained within this MD&A.
(2) Non-IFRS measure or ratio that does not have any standardized meaning as prescribed by International Financial Reporting Standards, and therefore, may not be comparable with the calculations of similar measures or ratios for other entities. See "Non-IFRS and Other Financial Measures" contained within this MD&A.

The Company's financing expenses decreased in the third quarter and first nine months of 2023 as compared to the previous quarter and same periods in 2022, due to the reduction in outstanding long-term debt over the past year as a result of the generation of Free AFF[1] over the periods which facilitated the redemption of $172 million of 2024 Notes in the second quarter of 2023 and the $130 million non-core asset sale that facilitated the redemption of $128 million of 2024 Notes in the third quarter of 2022.

Notes:
(1) Non-IFRS measure or ratio that does not have any standardized meaning as prescribed by International Financial Reporting Standards, and therefore, may not be comparable with the calculations of similar measures or ratios for other entities. See "Non-IFRS and Other Financial Measures" contained within this MD&A.

### Deferred Tax

In the third quarter and first nine months of 2023, the provision for deferred tax expense was $1.7 million and $28.3 million respectively, as compared to deferred tax expense of $34.8 million in the third quarter of 2022 and $66.5 million in the first nine months of 2022. The decrease in deferred tax expense in the third quarter and first nine months of 2023 was due to lower net income before income taxes in the periods, mainly due to the decrease in petroleum and natural gas sales as a result of weaker commodity prices in the third quarter and first nine months of 2023 as compared to the same periods in 2022.

### Cash Provided by Operating Activities, Adjusted Funds Flow and Net Income

| ($ thousands, except per share amounts) | | **Three months ended Sept. 30, 2023** | Three months ended June 30, 2023 | Three months ended Sept. 30, 2022 | **Nine months ended Sept. 30, 2023** | Nine months ended Sept. 30, 2022 |
|---|---|---|---|---|---|---|
| Cash provided by operating activities | | **46,056** | 69,952 | 82,322 | **182,652** | 254,767 |
| Adjusted funds flow | | **45,313** | 59,035 | 69,417 | **178,865** | 262,351 |
| Per share[1] | -basic | **0.29** | 0.38 | 0.46 | **1.16** | 1.72 |
| | -diluted | **0.28** | 0.36 | 0.43 | **1.11** | 1.62 |
| Net income | | **4,878** | 33,729 | 105,658 | **79,961** | 192,976 |
| Per share | -basic | **0.03** | 0.22 | 0.69 | **0.52** | 1.27 |
| | -diluted | **0.03** | 0.21 | 0.65 | **0.49** | 1.19 |

Note:
(1) Supplementary measure. See "Non-IFRS and Other Financial Measures" contained within this MD&A.

Cash provided by operating activities decreased in the third quarter and first nine months of 2023 as compared to the previous quarter and same period in 2022, predominantly due to significant decreases in operations related accounts receivable partially offset by decreases in operations related accounts payable and accrued liabilities. For the third quarter and first nine months of 2023, AFF decreased as compared to the previous quarter and same periods in 2022 mainly due to lower petroleum and natural gas sales, partially offset by realized gains on derivative financial instruments in the third quarter and first nine months of 2023, whereas the Company recognized realized losses on derivative financial instruments in the same periods in 2022. Net income decreased in the third quarter and first nine months of 2023 as compared to the previous quarter and same periods in 2022 mainly due to lower petroleum and natural gas sales and lower gains on divestiture of property, plant and equipment.

**Capital Expenditures, Property Acquisitions and Dispositions**

| ($ thousands) | **Three months ended Sept. 30, 2023** | Three months ended June 30, 2023 | Three months ended Sept. 30, 2022 | **Nine months ended Sept. 30, 2023** | Nine months ended Sept. 30, 2022 |
|---|---|---|---|---|---|
| Land | **391** | 286 | 428 | **931** | 1,084 |
| Seismic | **160** | 194 | 133 | **465** | 457 |
| Drilling and completions | **79,662** | 26,007 | 39,677 | **119,127** | 88,773 |
| Facilities, equipment and pipelines | **22,158** | 9,391 | 11,643 | **38,066** | 20,485 |
| Other | **1,674** | 1,779 | 1,679 | **5,274** | 5,183 |
| Total property, plant and equipment expenditures | **104,045** | 37,657 | 53,560 | **163,863** | 115,982 |
| Net property dispositions(1) | **(20)** | (996) | (129,983) | **(1,016)** | (129,983) |
| Net capital expenditures(1) | **104,025** | 36,661 | (76,423) | **162,847** | (14,001) |

Note:
(1) Non-IFRS measure or ratio that does not have any standardized meaning as prescribed by International Financial Reporting Standards, and therefore, may not be comparable with the calculations of similar measures or ratios for other entities. See "Non-IFRS and Other Financial measures" contained within this MD&A.

In the third quarter of 2023, the Company invested a total of $104.0 million on property, plant and equipment expenditures, focused on the continued development of the Company's Montney assets. During the quarter, $79.7 million was spent on drilling and completion activities, $22.2 million on facilities, equipment and pipelines and $2.1 million on land, seismic, and other miscellaneous amounts.

During the third quarter of 2023, the Company drilled a total of eight (8.0 net) natural gas wells and one (1.0 net) disposal well and completed six (6.0 net) natural gas wells and one (1.0 net) disposal well in the Greater Septimus area. Progress continued on key infrastructure projects including the completion of the Septimus gas plant waste heat recovery and condensate stabilization projects, along with the electrification of infrastructure at Greater Septimus.

## GUIDANCE

The following table sets forth Crew's guidance and underlying material assumptions.

| | Previous 2023 guidance and assumptions(1) | Revised 2023 guidance and assumptions(1) |
|---|---|---|
| Property, plant and equipment expenditures ($Millions) | 190–210 | 220–230 |
| Net capital expenditures(2) ($Millions) | 190–210 | 220–230 |
| Annual average production (boe/d) | 30,000–32,000 | 30,000–31,000 |
| Adjusted funds flow ($Millions) | 240–260 | 240–260 |
| Free adjusted funds flow(2) ($Millions) | 30–70 | 10–40 |
| EBITDA(2) ($Millions) | 250–270 | 250–270 |
| Oil price (WTI)($US per bbl) | $75.00 | $79.00 |
| Natural gas price (NYMEX) ($US per mmbtu) | $3.20 | $2.75 |
| Natural gas price (AECO 5A) ($C per mcf) | $2.85 | $2.75 |
| Natural gas price (Crew est. wellhead) ($C per mcf) | $3.30 | $2.95 |
| Foreign exchange ($US/$CAD) | $0.74 | $0.74 |
| Royalties | 9–11% | 9–11% |
| Net operating costs(2) ($ per boe) | $4.50–$5.00 | $4.50–$5.00 |
| Net transportation costs(2) ($ per boe) | $3.50–$4.00 | $3.50–$4.00 |
| G&A ($ per boe) | $1.00–$1.20 | $1.00–$1.20 |
| Effective interest rate on long-term debt | 6.5–7.5% | 6.5–7.5% |

Notes:

(1) The actual results of operations of Crew and the resulting financial results will likely vary from the estimates and material underlying assumptions set forth in this guidance by the Company and such variation may be material. The guidance and material underlying assumptions have been prepared on a reasonable basis, reflecting management's best estimates and judgments.

(2) Non-IFRS measure or ratio that does not have any standardized meaning as prescribed by International Financial Reporting Standards, and therefore, may not be comparable with the calculations of similar measures or ratios for other entities. See "Non-IFRS Measures" contained within this MD&A.

Since April of 2023, the Company has had a high-spec triple drilling rig under contract which has led to efficiency improvements and cost savings given the continuity in employing both the same rig and the same crews to drill our wells. Given that these specialized rigs are in high demand, the Company plans to continue drilling with this rig into 2024. As such, the Company has increased its 2023 capital expenditure budget to $220 to $230 million by drilling an additional five (5.0 net) wells from the second quarter of 2023 budget update, in addition to paying deposits for the electrification of our West Septimus and planned Groundbirch gas plants. In addition, an unplanned third-party pipeline shutdown in the fourth quarter of 2023 is expected to impact fourth quarter 2023 production by 800 boe per day, which resulted in the Company revising its annual average production guidance. Finally, commodity price guidance has been updated to reflect actual prices to the end of the third quarter and an updated forecast for the fourth quarter.

## LIQUIDITY AND CAPITAL RESOURCES

### Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with the financial liabilities. To meet these obligations, the Company maintains a strong liquidity profile with undrawn capacity on the revolving credit facility, which is subject to annual renewal by the lenders and has a contractual maturity in 2025, if not extended. The Company monitors its cash flow and available liquidity to ensure that funds are available to finance operating expenses, planned capital expenditures and to settle long term obligations. Crew does not pay dividends.

### Capital Management

The Company considers its capital structure to include working capital, long-term debt (including the bank loan and other long-term obligations) and shareholders' equity. Crew's primary capital management objective is to maintain a strong financial position in order to continue to fund the Company's sustainability. Crew monitors its capital structure on an ongoing basis and makes adjustments in order to maintain the flexibility needed to achieve the Company's long-term objectives. To manage its capital structure, the Company may adjust capital spending, hedge future revenue through commodity contracts, issue new equity, arrange for additional debt or raise funds through asset sales.

The Company's financial position remains strong, with sufficient liquidity to fund the Company's on-going operations and settle its financial liabilities. The Company will continue to monitor debt levels and, if necessary, it will consider divesting of non-core properties, adjust its annual capital expenditure program or may consider other forms of financing to improve its financial position.

### Net Debt

Capital management includes the monitoring of net debt as part of the Company's capital structure.

The following tables outline Crew's calculation of working capital and net debt:

| ($ thousands) | **September 30, 2023** | December 31, 2022 |
|---|---|---|
| Cash and cash equivalents | **-** | 54,737 |
| Accounts receivable | **25,839** | 62,900 |
| Accounts payable and accrued liabilities | **(83,511)** | (95,793) |
| Working capital (deficiency) surplus | **(57,672)** | 21,844 |

| ($ thousands) | **September 30, 2023** | December 31, 2022 |
|---|---|---|
| Other long-term obligations | **(18,223)** | - |
| Bank loan | **(48,683)** | - |
| Senior unsecured notes | **-** | (171,298) |
| Working capital (deficiency) surplus | **(57,672)** | 21,844 |
| Net debt | **(124,578)** | (149,454) |

### Working Capital

The capital intensive nature of Crew's activities generally results in the Company carrying a working capital deficit. Working capital includes cash and cash equivalents and accounts receivable less accounts payable and accrued liabilities.

The Company ensures that sufficient drawings are available from its credit facility to satisfy working capital requirements. At September 30, 2023, the Company had a working capital deficiency of $57.7 million, with $48.7 million of drawings on its $200 million Facility described below.

**Bank Loan**

As at September 30, 2023, the Company's bank facility consists of a revolving line of credit of $170 million and an operating line of credit of $30 million (collectively, the "Facility"). Subsequent to September 30, 2023, the revolving line of credit was increased to $220 million. The Facility revolves for a 364 day period and will be subject to its next 364 day extension by May 31, 2024. If not extended, the Facility will cease to revolve, the margins thereunder will increase by 0.50 per cent and all outstanding advances thereunder will become repayable in one year from the extension date. The available lending limits of the Facility (the "Borrowing Base") are reviewed semi-annually and are based on the bank syndicate's interpretation of the Company's reserves and future commodity prices. As the Borrowing Base of the Facility is based on the Company's reserves and future commodity prices and costs, there can be no assurance that the amount of the available Facility will not be adjusted at the next scheduled Borrowing Base review on or before May 31, 2024. The Facility is secured by a floating charge debenture and a general securities agreement on all the assets of the Company.

Advances under the Facility are available by way of prime rate loans with interest rates between 2.00 percent and 5.50 percent over the bank's prime lending rate and bankers' acceptances and LIBOR loans, which are subject to stamping fees and margins ranging from 3.00 percent to 6.50 percent depending upon the secured debt to EBITDA ratio of the Company calculated at the Company's previous quarter end. Standby fees are charged on the undrawn Facility at rates ranging from 0.75 percent to 1.63 percent depending upon the secured debt to EBITDA ratio. As at September 30, 2023, the Company's applicable pricing included a 2.00 percent margin on prime lending, a 3.00 percent stamping fee and margin on bankers' acceptances and LIBOR loans along with a 0.75 percent per annum standby fee on the portion of the Facility that is not drawn. Borrowing margins and fees are reviewed annually as part of the bank syndicate's annual renewal.

At September 30, 2023, the Company had issued letters of credit totaling $9.4 million (December 31, 2022 - $11.0 million).

**Senior Unsecured Notes**

In March 2017, the Company issued $300 million of 6.5% senior unsecured notes, due March 14, 2024 (the "2024 Notes"). The 2024 Notes were guaranteed, jointly and severally, on an unsecured basis, by each of the Company's current and future restricted subsidiaries. Interest on the 2024 Notes accrued at the rate of 6.5% per year and was payable semi-annually.

On September 19, 2022, the Company redeemed and extinguished $128 million of principal amount of the 2024 Notes at a redemption price of $1,010.40 per $1,000 of principal amount, plus accrued and unpaid interest. A loss on redemption of $1.9 million consisting of a redemption premium of $1.3 million and unamortized deferred financing costs of $0.6 million were expensed in financing costs as a result of the redemption.

On April 28, 2023, the Company redeemed and extinguished the remaining principal amount of $172 million of 2024 Notes at par, plus accrued and unpaid interest. A loss on redemption of $0.8 million consisting of fees of $0.3 million and unamortized deferred financing costs of $0.5 million were expensed in financing costs as a result of the redemption.

**Share Capital**

Crew is authorized to issue an unlimited number of common shares. As at November 8, 2023, there were 157,575,677 common shares of the Company issued and outstanding, which includes 3,143,131 common shares held in trust for the potential future settlement of awards issued under the Company's Restricted and Performance Award Incentive Plan. In addition, there were 2,999,749 restricted awards and 4,767,621 performance awards outstanding.

The Company provides funds to an independent trustee to acquire common shares in the open market, which are held in trust for the potential future settlement of Restricted and Performance award values. The common shares held in trust are netted out of share capital, including the cumulative purchase cost, until they are distributed for future settlements. For the nine months ended September 30, 2023, the trustee purchased 2,597,000 common shares for a total cost of $13.5 million and as at September 30, 2023, the trustee held 3,098,000 common shares in trust.

**Related-Party and Off-Balance-Sheet Transactions**

Crew was not involved in any off-balance-sheet transactions or related party transactions during the quarter ended September 30, 2023.

**Contractual Obligations**

Throughout the course of its ongoing business, the Company enters into various contractual obligations such as credit agreements, purchase of services, royalty agreements, operating agreements, transportation agreements, processing agreements, right of way agreements and lease obligations for office space. All such contractual obligations reflect market conditions prevailing at the time of contract and none are with related parties. The Company believes it has adequate sources of capital to fund all contractual obligations as they come due. The following table lists the Company's obligations with a fixed term.

| ($ thousands) | 2023 | 2024 | 2025 | 2026 | 2027 | Thereafter |
|---|---|---|---|---|---|---|
| Bank loan (note 1) | - | - | 48,683 | - | - | - |
| Other long-term obligations | - | - | 18,223 | - | - | - |
| Lease obligations | 174 | 696 | 696 | 232 | - | 353 |
| Firm transportation agreements | 8,821 | 43,806 | 44,614 | 42,809 | 34,831 | 94,923 |
| Firm processing agreement | 4,718 | 18,752 | 18,718 | 18,718 | 10,425 | 77,409 |
| **Total** | **13,713** | **63,254** | **130,934** | **61,759** | **45,256** | **172,685** |

Notes:

(1) Based on the existing terms of the Company's Facility, the first possible repayment date may come in 2025. However, it is expected that the Facility will be extended and no repayment will be required in the near term.

Other long-term obligations relate to an incentive received from the British Columbia provincial government that will be applied against certain capital projects that are anticipated to be completed in 2025. Failure to complete these capital projects will result in repayment of the full amount of the other long-term obligations plus accrued interest.

Lease obligations relate primarily to the Company's commitment to a third party for the lease of office space.

Firm transportation agreements include commitments to third parties to transport condensate, ngl and natural gas from gas processing facilities in NE BC.

Firm processing agreements include commitments to process natural gas through the Septimus gas processing facility and West Septimus gas processing facility ("Greater Septimus Processing Complex") in NE BC.

## ADDITIONAL DISCLOSURES

### Risks and Uncertainties

Crew's activities expose it to a variety of financial and operational risks and uncertainties that arise as a result of its exploration, development, production, and financing activities. Crew's business could also be affected by additional risks and uncertainties not currently known to the Company or that it currently deems to be immaterial. If any of these risks actually occur, it could materially harm Crew's business, financial condition, results of operations, cash flows or impair the Company's ability to implement business plans or complete development activities as scheduled. While the following sections discuss some of these risks, they should not be construed as exhaustive. For additional information on the risks relating to Crew's business, see the "Risk Factors" section contained in Crew's most recent Annual Information Form filed on SEDAR (www.sedar.com).

**a) Volatility in the Oil and Natural Gas Industry**

The volatility of the oil and natural gas industry may affect petroleum and natural gas sales, the value of Crew's reserves, and restrict its cash flow and ability to access capital to fund the development of its properties.

Market events and conditions, including global excess oil and natural gas supply, aggression by Russia towards Ukraine and other neighboring nations and the actions, including sanctions, taken by NATO nations against this aggression, actions or inaction taken by the Organization of the OPEC+ nations, announcements by Saudi Arabia to adjust quotas, sanctions against Iran and Venezuela, slowing growth in China and emerging economies, weakened global relationships, conflict between the U.S. and Iran, isolationist and punitive trade policies, U.S. shale production, sovereign debt levels and political upheavals in various countries including a growing anti-fossil fuel sentiment and the impact of novel coronavirus ("COVID-19") and travel bans, have caused significant weakness and volatility in commodity prices. These events and conditions have caused significant variability in the valuation of Crew's reserves and a decrease in confidence in the oil and natural gas industry. These difficulties have been exacerbated in Canada by political and other actions resulting in uncertainty surrounding regulatory, tax, royalty changes, Indigenous land claims and environmental regulation. In addition, the difficulties encountered by midstream proponents to obtain on a timely basis or continue to maintain the necessary approvals to build pipelines, liquefied natural gas plants and other facilities to provide better access to markets for the oil and natural gas industry in Western Canada has led to additional downward price pressure on oil, ngl and natural gas produced in Western Canada.

Lower commodity prices may also affect the volume and value of Crew's reserves. In addition, lower commodity prices restrict the Company's cash flow resulting in less funds from operations being available to fund Crew's capital expenditure budget. Any decrease in value of Crew's reserves may reduce the Borrowing Base under its Facility, which, depending on the level of the Company's indebtedness, could result in Crew having to repay a portion of its indebtedness. Lower commodity prices may also result in a decrease in the value of Crew's infrastructure and facilities, all of which could also have the effect of requiring a write down of the carrying value of the Company's crude oil and gas assets on its balance sheet and the recognition of an impairment charge in its income statement. Given the current market conditions and the lack of confidence in the Canadian oil and natural gas industry, the Company may have difficulty raising additional funds or if it is able to do so, it may be on unfavourable and highly dilutive terms. If these conditions persist, Crew's cash flow may not be sufficient to continue to fund its operations and to satisfy its obligations when due and the Company's ability to continue as a going concern and discharge its obligations will require additional equity or debt financing or proceeds or reduction in liabilities from asset sales. There can be no assurance that such equity or debt financing will be available on terms that are satisfactory to Crew or at all. Similarly, there can be no assurance that the Company will be able to realize sufficient proceeds or reduction in liabilities from asset sales to discharge its obligations and continue as a going concern.

**b) Impact of the Global Pandemics**

The emergence of the COVID-19 pandemic resulted in emergency actions by governments worldwide, and has impacted Crew's past results, business, financial and operating conditions, and has negatively impacted the Canadian, U.S., and global economies; disrupted Canadian, U.S., and global supply chains; disrupted financial markets; contributed to a decrease in interest rates; resulted in ratings downgrades, credit deterioration and defaults in many industries; forced the closure of many businesses, led to loss of revenues, increased unemployment and bankruptcies; and necessitated the imposition of quarantines, physical distancing, business closures, travel restrictions, and sheltering-in-place requirements in Canada, the U.S., and other countries. If the pandemic re-emerges, including through subsequent waves, or if additional variants of COVID-19 emerge which are more transmissible or cause more severe disease, or if other diseases emerge with similar effects, the adverse impact on the economy could worsen. Moreover, it remains uncertain how the macroeconomic environment, and societal and business norms will be impacted as the recovery continues. As a result, the Company's business, financial and operational conditions, AFF, EBITDA, reputation, access to capital, cost of borrowing, access to liquidity, and/or business plans may, in particular, and without limitation, be adversely impacted as a result of the pandemic and/or decline in commodity prices.

**c) Indigenous Land and Rights Claims**

Opposition by Indigenous groups to the conduct of Crew's operations, development, or exploratory activities may negatively impact Crew.

Opposition by Indigenous groups to the conduct of our operations, development, or exploratory activities in any of the jurisdictions in which Crew conducts business may negatively impact it in terms of public perception, diversion of management's time and resources, legal and other advisory expenses, and could adversely impact the Company's progress and ability to explore and develop properties.

Some Indigenous groups have established or asserted Indigenous treaty, title, and rights to portions of Canada. There are outstanding Indigenous and treaty rights claims, which may include Indigenous title claims, on lands where Crew operates, and such claims, if successful, could have a material adverse impact on its operations or pace of growth. No certainty exists that any lands currently unaffected by claims brought by Indigenous groups will remain unaffected by future claims.

The Canadian federal and provincial governments have a duty to consult with Indigenous people when contemplating actions that may adversely affect the asserted or proven Indigenous or treaty rights and, in certain circumstances, accommodate their concerns. The scope of the duty to consult by federal and provincial governments varies with the circumstances and is often the subject of ongoing litigation. The fulfillment of the duty to consult Indigenous people and any associated accommodations may adversely affect the Company's ability to, or increase the timeline to, obtain or renew, permits, leases, licences and other approvals, or to meet the terms and conditions of those approvals. For example, regulatory authorities in British Columbia ceased granting approvals, and, in some cases, revoked existing approvals, for, among other things crude oil and natural gas activities relating to drilling, completions, testing, production, and transportation infrastructure following a British Columbia Supreme Court decision that the cumulative impacts of government-sanctioned industrial development on the traditional territories of an Indigenous group in northeast British Columbia breached that group's treaty rights. Following that decision, the Government of British Columbia signed an implementation agreement with that Indigenous group to address cumulative effects of development on that group's claim area through restoration work, establishment of areas protected from industrial development, and a constraint on development activities. These measures, which are expected to form the basis of similar arrangements with other Indigenous groups in British Columbia, are expected to remain in place while a long- term cumulative effects management regime is implemented. The long-term impacts of, and associated risks with, the court decision and arrangements with Indigenous groups to address the cumulative effects of development on claimed lands on the Canadian crude oil and natural gas industry and Crew remain uncertain.

In addition, the federal government has introduced legislation to implement the United Nations Declaration on the Rights of Indigenous Peoples ("UNDRIP"). Other Canadian jurisdictions, including British Columbia, have also introduced or passed similar legislation, or begun considering the principles and objectives of UNDRIP, or may do so in the future. The means and timelines associated with UNDRIP's implementation by government is uncertain; additional processes may be created or legislation amended or introduced associated with project development and operations, further increasing uncertainty with respect to project regulatory approval timelines and requirements.

**d) Operational Risks**

Oil and natural gas operations involve many risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome. The long-term commercial success of Crew depends on its ability to find, acquire, develop and commercially produce oil and natural gas reserves. Without the continual addition of new reserves, the Company's existing reserves, and the production from them, will decline over time as the Company produces from such reserves.

Drilling hazards, environmental damage and various field operating conditions could greatly increase the cost of operations and adversely affect the production from successful wells. Crew maintains diligent oversight and maintenance over operations to mitigate these risks, including responsible well supervision, effective maintenance operations and the development of enhanced recovery technologies that contribute to maximizing production rates over time. It is not possible to eliminate production delays and declines from normal field operating conditions, which can negatively affect revenue and cash flow levels to varying degrees.

Oil and natural gas exploration, development and production operations are subject to all the risks and hazards typically associated with such operations, including, but not limited to, fire, explosion, blowouts, cratering, sour gas releases, spills and other environmental hazards. These typical risks and hazards could result in substantial damage to oil and natural gas wells, production facilities, other property and the environment and cause personal injury or threaten wildlife.

Oil and natural gas production operations are also subject to geological and seismic risks, including encountering unexpected formations or pressures, premature decline of reservoirs and the invasion of water into producing formations. Losses resulting from the occurrence of any of these risks may have a material adverse effect on Crew's business, financial condition, results of operations and prospects.

As part of Crew's rigorous risk assessment, insurance is obtained to protect against major asset destruction or business interruptions. Although the Company maintains liability insurance and business interruption insurance in an amount that it considers consistent with industry practice, liabilities associated with certain risks could exceed policy limits or not be covered. In either event, the Company could incur significant costs.

The COVID-19 pandemic also created additional operational risks for Crew, including the need to provide enhanced safety measures for its employees and customers; comply with rapidly changing regulatory guidance; address the risk of, attempted fraudulent activity and cybersecurity threat behavior; and protect the integrity and functionality of the Company's systems, networks, and data as a larger number of employees work remotely. The Company is also exposed to human capital risks due to issues related to health and safety matters, and other environmental stressors as a result of measures implemented in response to the pandemic, as well as the potential for a significant proportion of the Company's employees, including key executives, to be unable to work effectively, because of illness, quarantines, sheltering-in-place arrangements, government actions or other restrictions in connection with the recent pandemic or future pandemics.

**e) Commodity Price Volatility**

Volatile oil, ngl and natural gas prices make it difficult to estimate the value of producing properties for acquisitions and dispositions, and often cause disruption in the market for oil, ngl and natural gas producing properties, as buyers and sellers have difficulty agreeing on such value. Price volatility also makes it difficult to budget for, and project the return on, asset transactions and development and exploitation projects. As a result, Crew may enter into physical or financial agreements to receive fixed prices on its crude oil and liquids and natural gas production intended to mitigate the effect of commodity price volatility and to support Crew's capital budgeting and expenditure plans. However, to the extent that Crew engages in price risk management activities to protect itself from commodity price declines, it may also be prevented from realizing the full benefits of price increases above the levels of the derivative instruments used to manage price risk. In addition, Crew's risk management arrangements may expose it to the risk of financial loss in certain circumstances, including instances in which:

- production falls short of the contracted volumes or prices fall significantly lower than projected;
- there is a widening of price-basis differentials between delivery points for production and the delivery point assumed in the arrangement;
- counterparties to the arrangements or other price risk management contracts fail to perform under those arrangements; or
- a sudden unexpected event materially impacts crude oil and liquids and natural gas prices.

On the other hand, failure to protect against a decline in commodity prices exposes Crew to reduced liquidity when prices decline. A sustained lower commodity price environment would result in lower realized prices for unprotected volumes and reduce the prices at which Crew would enter into derivative contracts on future volumes. This could make such transactions unattractive, and, as a result, some or all of Crew's production volumes forecasted for 2023 and beyond may not be protected by derivative arrangements.

Similarly, from time to time, Crew may enter into agreements to fix the exchange rate of Canadian to US dollars in order to offset the risk of revenue losses if the Canadian dollar increases in value compared to other currencies. However, if the Canadian dollar declines in value compared to such fixed currencies, Crew will not benefit from the fluctuating exchange rates.

**f) Inflation Risk**

The general rate of inflation in Canada and many other countries saw a significant increase during 2022 and continuing in 2023, with some regions experiencing multi-decade highs. These increases reflect imbalances between supply and demand recoveries from the pandemic. The underlying factors include, but are not limited to, global supply chain disruptions, shipping bottlenecks, labor market constraints, geopolitical instability, and side effects from monetary and fiscal expansions. The global economic recovery remains uncertain. Prices for services and materials continue to evolve in response to fast-changing commodity markets, industry activities, supply chain dynamics, and government policies impacting operating and capital costs. The Company closely monitors market trends and works to mitigate cost impacts in all price environments through its economies of scale in procurement, efficient project management practices, and general productivity improvements. The global economic recovery and rising inflationary trends are widely expected to result in rising interest rates. The ongoing invasion of Ukraine is another factor that could influence inflation or other parts of the Canadian and global economy. Since March 2, 2022, the Bank of Canada has raised its benchmark interest rates for the first time since 2018. Further interest rate increases are possible over the next twelve months.

**g) Changing Regulation**

Emissions, carbon and other regulations impacting climate and climate-related matters are constantly evolving. With respect to environmental, social and governance ("ESG") and climate reporting, the International Sustainability Standards Board has issued an IFRS Sustainability Disclosure Standard with the aim to develop sustainability disclosure standards that are globally consistent, comparable and reliable. In addition, the Canadian Securities Administrators have issued a proposed National Instrument 51-107 Disclosure of Climate-related Matters. The cost to comply with these standards, and others that may be developed or evolve over time, is not quantifiable at this time.

Changes to royalty regimes may also negatively impact the Company's cash flows. There can be no assurance that the governments in the jurisdictions in which the Company has assets will not adopt new royalty regimes or modify the existing royalty regimes which may have an impact on the economics of the Company's projects. An increase in royalties would reduce the Company's earnings and could make future capital investments, or the Company's operations, less economic.

**h) Climate Change**

Global climate issues continue to attract public and scientific attention. Numerous reports, including reports from the Intergovernmental Panel on Climate Change, have engendered concern about the impacts of human activity, especially hydrocarbon combustion, on global climate issues. In turn, increasing public, government, and investor attention is being paid to global climate issues and to emissions of GHG, including emissions of carbon dioxide and methane from the production and use of oil, NGL and natural gas. The majority of countries across the globe, including Canada, have agreed to reduce their carbon emissions in accordance with the Paris Agreement. In addition, during the course of the 2021 United Nations Climate Change Conference in Glasgow, Scotland, Canada's Prime Minister Justin Trudeau made several pledges aimed at reducing Canada's GHG emissions and environmental impact. The Company faces both transition risks and physical risks associated with climate change and climate change policy and regulations.

**i) Gathering and Processing Facilities, Pipeline Systems, Trucking and Rail**

Lack of capacity and/or regulatory constraints on gathering and processing facilities, pipeline systems and railway lines may have a negative impact on the Company's ability to produce and sell its oil, ngl and natural gas.

The Company delivers its products through gathering and processing facilities, pipeline systems and, in certain circumstances, by truck and rail. The amount of oil, ngl and natural gas that the Company can produce and sell is subject to the accessibility, availability, proximity and capacity of these gathering and processing facilities, pipeline systems, trucking and railway lines. Unexpected shutdowns or curtailment of capacity of pipelines for maintenance or integrity work or because of actions taken by regulators could also affect the Company's production, operations and financial results.

A portion of the Company's production may, from time to time, be processed through facilities owned by third parties and over which the Company does not have control. From time to time, these facilities may discontinue or decrease operations either as a result of normal servicing requirements or as a result of unexpected events. A discontinuation or decrease of operations could have a material adverse effect on the Company's ability to process its production and deliver the same to market. Midstream and pipeline companies may take actions to maximize their return on investment, which may in turn adversely affect producers and shippers, especially when combined with a regulatory framework that may not always align with the interests of particular shippers.

**j) Information Technology Systems and Cyber-Security**

Crew has become increasingly dependent upon the availability, capacity, reliability, and security of our information technology infrastructure and our ability to expand and continually update this infrastructure to conduct daily operations. Crew depends on various information technology systems to estimate reserve quantities, process and record financial data, manage the Company's land base, manage financial resources, analyze seismic information, administer contracts with operators and lessees, and communicate with employees and third-party partners.

Further, Crew is subject to a variety of information technology and system risks as a part of its normal course operations, including potential breakdown, invasion, virus, cyber-attack, cyber-fraud, security breach, and destruction or interruption of the Company's information technology systems by third parties or insiders. Unauthorized access to these systems by employees or third parties could lead to corruption or exposure of confidential, fiduciary or proprietary information, interruption to communications or operations or disruption to business activities, or Crew's competitive position. In addition, cyber-phishing attempts, in which a malicious party attempts to obtain sensitive information such as usernames, passwords, credit card and banking details, or approval of wire transfer requests by disguising as a trustworthy entity in an electronic communication, have become more widespread and sophisticated in recent years.

If Crew becomes a victim to a cyber-phishing attack it could result in a loss or theft of the Company's financial resources or critical data and information or could result in a loss of control of Crew's technological infrastructure or financial resources. The Company's employees are often the targets of such cyber-phishing attacks, as they are and will continue to be targeted by parties using fraudulent "spoof" emails to misappropriate information or to introduce viruses or other malware through "Trojan horse" programs to Crew's computers. These emails appear to be legitimate emails, but direct recipients to fake websites operated by the sender of the email or request recipients to send a password or other confidential information through email or to download malware.

Crew maintains policies and procedures that address and implement employee protocols with respect to electronic communications and electronic devices and conducts regular cyber-security risk assessments and training and education programs for its employees. Despite the Company's efforts to mitigate such cyber-phishing attacks through education and training, cyber-phishing activities remain a serious problem that may damage its information technology infrastructure. The Company applies technical and process controls in line with industry-accepted standards to protect its information, assets and systems, including a incident response plan for responding to a cyber- security incident. However, these controls may not adequately prevent cyber-security breaches. Disruption of critical information technology services, or breaches of information security, could have a negative effect on the Company's performance and earnings, as well as its reputation, and any damages sustained may not be adequately covered by Crew's current insurance coverage, or at all. The significance of any such event is difficult to quantify but may in certain circumstances be material and could have a material adverse effect on the Company's business, financial condition, and results of operations.

**Historical Analysis**

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

| *($ thousands, except per share amounts)* | **Sep. 30 2023** | June 30 2023 | Mar. 31 2023 | Dec. 31 2022 | Sep. 30 2022 | June 30 2022 | Mar. 31 2022 | Dec. 31 2021 |
|---|---|---|---|---|---|---|---|---|
| Total daily production (boe/d) | **26,834** | 30,046 | 32,963 | 32,893 | 31,792 | 35,044 | 33,399 | 29,142 |
| Property, plant and equipment expenditures | **104,045** | 37,657 | 22,161 | 60,639 | 53,560 | 7,061 | 55,361 | 42,341 |
| Net property dispositions[(1)] | **(20)** | (996) | - | (7) | (129,780) | - | - | (460) |
| Average realized commodity price ($/boe) | **28.48** | 24.37 | 33.94 | 45.25 | 45.46 | 62.16 | 43.39 | 38.47 |
| Petroleum and natural gas sales | **70,317** | 66,623 | 100,681 | 136,948 | 132,950 | 198,239 | 130,432 | 103,153 |
| Cash provided by operating activities | **46,056** | 69,952 | 66,644 | 62,570 | 82,322 | 117,363 | 55,082 | 45,747 |
| Adjusted funds flow | **45,313** | 59,035 | 74,517 | 74,994 | 69,417 | 115,274 | 77,660 | 46,833 |
| Per share[(2)] – basic | **0.29** | 0.38 | 0.48 | 0.49 | 0.46 | 0.76 | 0.51 | 0.31 |
| – diluted | **0.28** | 0.36 | 0.46 | 0.46 | 0.43 | 0.71 | 0.48 | 0.29 |
| Net income (loss) | **4,878** | 33,729 | 41,354 | 71,383 | 105,658 | 88,695 | (1,377) | 50,901 |
| Per share – basic | **0.03** | 0.22 | 0.27 | 0.47 | 0.69 | 0.58 | (0.01) | 0.33 |
| – diluted | **0.03** | 0.21 | 0.26 | 0.44 | 0.65 | 0.55 | (0.01) | 0.31 |

Notes:
(1) Non-IFRS measure or ratio that does not have any standardized meaning as prescribed by International Financial Reporting Standards, and therefore, may not be comparable with the calculations of similar measures or ratios for other entities. See "Non-IFRS Measures" contained within this MD&A.
(2) Supplementary measure. See "Non-IFRS and Other Financial Measures" contained within this MD&A.

Towards the end of 2020, in conjunction with the recovery of oil and gas prices, Crew developed a strategic two-year development plan to enhance long-term sustainability and create meaningful value. The strategic plan included increased capital expenditures beginning in the fourth quarter of 2020, continuing through 2021 and 2022, in order to increase production, improve net backs and improve the Company's overall sustainability. The successful execution of this plan combined with increased commodity prices have significantly increased production, petroleum and natural gas sales, cash provided by operating activities, AFF and net income over the last eight quarters.

In the third quarter of 2022, non-core assets at Attachie and Portage in northeast British Columbia were disposed of for cash proceeds of $130.0 million, resulting in a gain on disposition of $84.2 million. In connection with this disposition, the Company redeemed $128 million of 2024 Notes on September 19, 2022. This disposition has strengthened the balance sheet and helped position the Company for long-term sustainability. In the second quarter of 2023, the Company early redeemed and extinguished the remaining $172 million of 2024 Notes.

Significant volatility in commodity prices has historically impacted cash provided by operating activities, adjusted funds flow and net income (loss) throughout the past eight quarters. The Company has reduced the financial impact of volatile commodity prices by entering into derivative and physical risk management contracts, which can cause significant fluctuations in quarterly income due to unrealized gains and losses recognized on the derivative contracts. During times of reduced adjusted funds flow due to lower commodity prices, the Company will sustain financial flexibility by reducing capital expenditures.

**New Accounting Pronouncements**

On June 26, 2023, the International Sustainability Standards Board ("ISSB") issued IFRS S1 "General Requirements for Disclosure of Sustainability-related Financial Information" and IFRS S2 "Climate-related Disclosures". IFRS S1 and IFRS S2 are effective for annual reporting periods beginning on or after January 1, 2024. The sustainability standards as issued by the ISSB provide for transition relief in IFRS S1 that allow a reporting entity to report only on climate-related risks and opportunities, as set out in IFRS S2, in the first year of reporting under the sustainability standards.

The Canadian Securities Administrators ("CSA") are responsible for determining the reporting requirements for public companies in Canada and are responsible for decisions related to the adoption of the sustainability disclosure standards, including the effective annual reporting dates. The CSA issued proposed National Instrument ("NI 51-107 – Disclosure of Climate-related Matters") in October 2021. The CSA has indicated it will consider the ISSB sustainability standards and developments in the United States in its decisions related to developing climate-related disclosure requirements for reporting issuers in Canada. The CSA will involve the Canadian Sustainability Standards Board ("CSSB") for their combined review of the ISSB issued sustainability standards for their suitability for adoption in Canada. Until such time as the CSA and CSSB make decisions on sustainability standard adoption here in Canada, there is no requirement for public companies in Canada to adopt the sustainability standards. The Company is actively evaluating the potential effects of the ISSB issued sustainability standards; however, at this time, the Company is not able to determine the impact on future financial statements, nor the potential costs to comply with these sustainability standards.

**Application of Critical Accounting Estimates**

Crew's significant accounting policies are disclosed in note 4 of the Company's December 31, 2022 consolidated financial statements. Certain accounting policies require that management make appropriate decisions with respect to the formulation of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Crew continuously refines its management and reporting systems to ensure that accurate, timely and useful information is gathered and disseminated. Crew's financial and operating results incorporate certain estimates including the following:

- Estimated accruals for revenues, royalties, operating expenses and general administrative expenses where actual revenues and costs have not been received;
- Estimated capital expenditures where actual costs have not been received or for projects that are in progress;
- Estimated depletion, depreciation and amortization charges are based on estimates of oil and gas reserves that Crew expects to recover in the future. As a key component in the depletion, depreciation and amortization calculation, the reserve estimates have a significant impact on net earnings and the Company's financial results could differ if there is a revision in our estimate of reserve quantities;
- Estimated future recoverable value of property, plant and equipment and any related impairment charges or recoveries are assessed for impairment when circumstances suggest the carrying amount may exceed its recoverable amount. The recoverable amount calculation requires the use of estimates which are subject to change as new information becomes available. Changes in assumptions used in determining the recoverable amount could affect the carrying value of the related assets;
- Estimated fair values of derivative contracts, which are used to manage commodity price, foreign currency and interest rate swaps, are determined using valuation models which require assumptions regarding the amount and timing of future

cash flows and discount rates. As the Company's assumptions rely on external market data, the resulting fair value estimates may not be indicative of the amounts realized or settled and are therefore subject to market uncertainty;

- Decommissioning obligations are based on assumptions which take into consideration current economic factors and experience to date which Crew believes are reasonable. The actual cost of the Company's decommissioning obligations may change in response to numerous factors;
- Estimated deferred income tax assets and liabilities are based on current tax interpretations, regulations and legislation which are subject to change. As a result, there are usually a number of tax matters under review and therefore income taxes are subject to measurement uncertainty.

Crew hires employees and engages consultants who have the expertise to ensure these estimates are accurate and ensures departments with the most knowledge of the activity are responsible for the estimates. Past estimates are reviewed and analyzed regularly to ensure future estimates continue to track actuals. The emergence of new information and changed circumstances may result in actual results or changes to estimate amounts that differ materially from current estimates.

**Disclosure Controls and Procedures and Internal Controls over Financial Reporting**

The Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") have designed, or caused to be designed under their supervision, disclosure controls and procedures to provide reasonable assurance that: (i) material information relating to the Company is made known to the Company's CEO and CFO by others, particularly during the period in which the annual and interim filings are being prepared; and (ii) information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time period specified in securities legislation.

The Company's CEO and CFO have designed, or caused to be designed under their supervision, internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company is required to disclose herein any change in the Company's internal controls over financial reporting that occurred during the period beginning on July 1, 2023 and ended on September 30, 2023 that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting. No material changes in the Company's internal controls over financial reporting were identified during such period that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

It should be noted that a control system, including the Company's disclosure and internal controls and procedures, no matter how well conceived, can provide only reasonable, but not absolute assurance that the objectives of the control system will be met and it should not be expected that the disclosure and internal controls and procedures will prevent all errors or fraud.

## ADVISORIES

### Conversions

The oil and gas industry commonly expresses production volumes and reserves on a "barrel of oil equivalent" basis ("boe"), whereby natural gas volumes are converted at the ratio of six thousand cubic feet to one barrel of oil. The intention is to sum crude oil, condensate, ngl and natural gas measurement units into one basis for improved analysis of results and comparisons with other industry participants.

Throughout this MD&A, Crew has used the 6:1 boe measure which is the approximate energy equivalency of the two commodities at the burner tip. Boe does not represent a value equivalency at the wellhead nor at the plant gate which is where Crew sells its production volumes and therefore may be a misleading measure, particularly if used in isolation. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a 6:1 conversion may be misleading as an indication of value.

### Non-IFRS and Other Financial Measures

Throughout this MD&A and other materials disclosed by the Company, Crew uses certain measures to analyze financial performance, financial position and cash flow. These non-IFRS and other financial measures do not have any standardized meaning prescribed under IFRS and therefore may not be comparable to similar measures presented by other entities. The non-IFRS and other financial measures should not be considered alternatives to, or more meaningful than, financial measures that are determined in accordance with IFRS as indicators of Crew's performance. Management believes that the presentation of these non-IFRS and other financial measures provides useful information to shareholders and investors in understanding and evaluating the Company's ongoing operating performance, and the measures provide increased transparency and the ability to better analyze Crew's business performance against prior periods on a comparable basis.

***Capital Management Measures***

**a) Funds from Operations and Adjusted Funds Flow**

Funds from operations represents cash provided by operating activities before changes in operating non-cash working capital, accretion of deferred financing costs and transaction costs on property dispositions. Adjusted funds flow represents funds from operations before decommissioning obligations settled. The Company considers these metrics as key measures that demonstrate the ability of the Company's continuing operations to generate the cash flow necessary to maintain production at current levels and fund future growth through capital investment and to service and repay debt. Management believes that such measures provide an insightful assessment of the Company's operations on a continuing basis by eliminating certain non-cash charges, actual settlements of decommissioning obligations and transaction costs on property dispositions, the timing of which is discretionary. Funds from operations and adjusted funds flow should not be considered as an alternative to or more meaningful than cash provided by operating activities as determined in accordance with IFRS as an indicator of the Company's performance. Crew's determination of funds from operations and adjusted funds flow may not be comparable to that reported by other companies. Crew also presents adjusted funds flow per share whereby per share amounts are calculated using weighted average shares outstanding consistent with the calculation of income per share.

**b) Net debt and Working Capital Deficiency (Surplus)**

Crew closely monitors its capital structure with a goal of maintaining a strong balance sheet to fund the future growth of the Company. The Company monitors net debt as part of its capital structure. The Company uses net debt (bank debt plus working capital deficiency or surplus, excluding the current portion of the fair value of financial instruments) as an alternative measure of outstanding debt. Management considers net debt and working capital deficiency (surplus) an important measure to assist in assessing the liquidity of the Company.

***Non-IFRS Measures and Ratios***

**a) Net Property Acquisitions (Dispositions)**

Net property acquisitions (dispositions) equals property acquisitions less property dispositions and transaction costs on property dispositions. Crew uses net property acquisitions (dispositions) to measure its total capital investment compared to the Company's annual capital budgeted expenditures. The most directly comparable IFRS measures to net property acquisitions (dispositions) are property acquisitions and property dispositions.

| ($ thousands) | **Three months ended Sept. 30, 2023** | Three months ended June 30, 2023 | Three months ended Sept. 30, 2022 | **Nine months ended Sept. 30, 2023** | Nine months ended Sept. 30, 2022 |
|---|---|---|---|---|---|
| Property acquisitions | **-** | - | - | **-** | - |
| Property dispositions | **(20)** | (996) | (129,983) | **(1,016)** | (129,983) |
| Transaction costs on property dispositions | **-** | - | 203 | **-** | 203 |
| Net property dispositions | **(20)** | (996) | (129,780) | **(1,016)** | (129,780) |

**b) Net Capital Expenditures**

Net capital expenditures equals property, plant and equipment expenditures less net property acquisitions (dispositions). Crew uses net capital expenditures to measure its total capital investment compared to the Company's annual capital budgeted expenditures. The most directly comparable IFRS measure to net capital expenditures is property, plant and equipment expenditures.

**c) EBITDA**

EBITDA is calculated as consolidated net income (loss) before interest and financing expenses, income taxes, depletion, depreciation and amortization, adjusted for certain non-cash, extraordinary and non-recurring items primarily relating to unrealized gains and losses on financial instruments and impairment losses. The Company considers this metric as key measures that demonstrate the ability of the Company's continuing operations to generate the cash flow necessary to maintain production at current levels and fund future growth through capital investment and to service and repay debt. The most directly comparable IFRS measure to EBITDA is cash provided by operating activities.

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

**d) Free Adjusted Funds Flow**

Free adjusted funds flow represents adjusted funds flow less property, plant and equipment expenditures. The Company considers this metric a key measure that demonstrates the ability of the Company's continuing operations to fund future growth through capital investment and to service and repay debt. The most directly comparable IFRS measure to free adjusted funds flow is cash provided by operating activities.

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

**e) Net Operating Costs**

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

**f) Net Operating Costs per boe**

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

**g) Net transportation costs**

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

**h) Net transportation costs per boe**

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

**i) Operating Netback per boe**

Operating netback per boe equals petroleum and natural gas sales including realized gains and losses on commodity related derivative financial instruments, marketing income, less royalties, net operating costs and transportation costs calculated on a boe basis. Management considers operating netback per boe an important measure to evaluate its operational performance as it demonstrates its field level profitability relative to current commodity prices. The calculation of Crew's operating netbacks per boe can be seen in the section entitled "Operating Netbacks" of this MD&A.

**j) Cash costs per boe**

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

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

**k) Interest expense on debt per boe**

Interest expense on debt per boe is comprised of the sum of interest on bank loan and other, interest on senior notes and accretion of deferred financing charges, divided by production. Management views interest expense on debt per boe as an important measure to evaluate its cost of debt financing.

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

***Supplementary Measures***

**"Adjusted funds flow per basic share"** is comprised of adjusted funds flow divided by the basic weighted average common shares.

**"Adjusted funds flow per diluted share"** is comprised of adjusted funds flow divided by the diluted weighted average common shares.

**"Average realized commodity price"** is comprised of commodity sales from production, as determined in accordance with IFRS, divided by the Company's production. Average prices are before deduction of transportation costs and do not include gains and losses on financial instruments.

**"Average realized light crude oil price"** is comprised of light crude oil commodity sales from production, as determined in accordance with IFRS, divided by the Company's light crude oil production. Average prices are before deduction of transportation costs and do not include gains and losses on financial instruments.

**"Average realized ngl price"** is comprised of ngl commodity sales from production, as determined in accordance with IFRS, divided by the Company's ngl production. Average prices are before deduction of transportation costs and do not include gains and losses on financial instruments.

**"Average realized condensate price"** is comprised of condensate commodity sales from production, as determined in accordance with IFRS, divided by the Company's condensate production. Average prices are before deduction of transportation costs and do not include gains and losses on financial instruments.

**"Average realized natural gas price"** is comprised of natural gas commodity sales from production, as determined in accordance with IFRS, divided by the Company's natural gas production. Average prices are before deduction of transportation costs and do not include gains and losses on financial instruments.

**"Average drawings on bank loan"** is calculated as the average daily bank loan balance for the selected period.

**"Average senior unsecured notes outstanding"** is calculated as the average daily senior unsecured notes outstanding balance for the selected period.

**"Average long-term debt level"** is comprised of the sum of the average drawings on bank loan and average senior unsecured notes outstanding.

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

**"Net debt to annualized quarterly EBITDA"** is calculated as net debt at a point in time divided by the annualized quarterly EBITDA.

**"Net debt to last twelve months ("LTM") EBITDA"** is calculated as net debt at a point in time divided by EBITDA earned from that point back for the trailing twelve months.

**Forward Looking Statements**

This MD&A 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", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends", "strategy" and similar expressions are intended to identify forward looking information or statements. In particular, but without limiting the foregoing, this MD&A contains forward looking information and statements pertaining to the following: Crew's 2023 annual guidance , underlying assumptions and associated information contained under the heading "Guidance" herein; future plans and operations, including budget estimates, drilling plans and the timing thereof, plans for the completion and tie-in of wells and anticipated on-stream dates, facility and pipeline plans and construction timelines; the Company's capital management objectives and planned capital expenditures, timing of capital expenditures and methods of financing capital expenditures and the ability to fund financial liabilities; production estimates, expected commodity mix and prices, future net operating costs, future net transportation costs, expected royalty rates, expected interest rates and other financing charges, debt levels and targeted debt levels, expected funds from operations; the timing of and impact of implementing accounting policies, expectations in regards to the Company's credit facilities; the potential for further asset divestures and the anticipated impact of potential future transactions; and similar statements.

The forward looking information and statements included in this MD&A are not guarantees of future performance and should not be unduly relied upon. Such information and statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward looking information or statements including, without limitation: risks and uncertainties associated with oil and gas exploration, development, exploitation, production, marketing and transportation, changes in commodity prices, inflation, changes in the demand for or supply of Crew's products, public health crises and any related actions taken by governments and businesses, potential regulatory and industry changes stemming from the results of court actions affecting regions in which Crew holds assets, risks and uncertainties related to operations on indigenous lands, suspension of or changes to capital plans and guidance and the associated impact to forecast metrics including production and funds flow, changes to government regulations including royalty rates, taxes and environmental and climate change regulation, market access constraints or transportation interruptions, unanticipated operating results or production declines, changes in development plans, increased debt levels or debt service requirements, inaccurate estimation of Crew's reserve volumes and associated values, limited, unfavourable or a lack of access to capital markets, increased costs, a lack of adequate insurance coverage and certain other risks detailed in Crew's public disclosure documents. Readers should also carefully consider the risks discussed in the section "Risks and Uncertainties" in this MD&A.

Forward looking statements or information are based on a number of factors and assumptions 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 the Company can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified in this document and other documents filed by the Company, assumptions have been made regarding, among other things: that Crew will continue to conduct its operations in a manner consistent with past operations; the general stability of the economic and political environment in which Crew operates; that future business, regulatory and industry conditions will be within the parameters expected by Crew including with respect to prices, margins, demand, supply, product availability, supplier agreements, availability and cost of labour and interest, exchange and effect of tax rates, assumptions with respect to global economic conditions and the accuracy of Crew's market outlook, expectations for 2023 and beyond, the general continuance of current industry conditions, the continuance of existing (and in certain circumstances, the implementation of proposed) tax, royalty and regulatory regimes; the ability of the Company to obtain qualified staff, equipment and services in a timely and cost efficient manner; drilling results; potential changes in the Company's development plans; Crew's ability to obtain financing on acceptable terms; changes in the Company's banking facility; field production rates and decline rates; the timing and costs of pipeline, storage and facility construction and expansion; the ability of the Company to secure adequate product transportation; currency exchange and interest rates; the regulatory framework regarding royalties, taxes, environmental and indigenous matters in the jurisdictions in which the Company operates; and that regulatory authorities in BC will resume and continue, as the case may be, granting approvals for oil and gas activities on time frames, and on terms and conditions, consistent with past practices. 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).

The internal projections, expectations or beliefs underlying the Company's 2023 capital expenditure plans, budgets and associated guidance and corporate outlook for 2023 and beyond are subject to change in light of ongoing results, prevailing economic circumstances, commodity prices and industry conditions and regulations. Crew's outlook for 2023 and beyond provides shareholders with relevant information on Management's expectations for results of operations, excluding any potential acquisitions, dispositions or strategic transactions that may be completed in 2023 and beyond. Accordingly, readers are cautioned that events or circumstances could cause results to differ materially from those predicted and Crew's 2023 guidance and outlook may not be appropriate for other purposes.

The forward looking statements contained in this document are made as at the date of this document 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.

**Dated as of November 8, 2023**

## CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

| *(unaudited) (thousands)* | **September 30, 2023** | December 31, 2022 |
|---|---|---|
| **Assets** | | |
| Current Asset: | | |
| Cash and cash equivalents | **$ -** | $ 54,737 |
| Accounts receivable | **25,839** | 62,900 |
| Derivative financial instruments (note 4) | **3,678** | 26,601 |
| | **29,517** | 144,238 |
| Property, plant and equipment (note 5) | **1,588,421** | 1,487,276 |
| | **$ 1,617,938** | $ 1,631,514 |
| **Liabilities and Shareholders' Equity** | | |
| Current Liabilities: | | |
| Accounts payable and accrued liabilities | **$ 83,511** | $ 95,793 |
| Derivative financial instruments (note 4) | **2,189** | - |
| Decommissioning obligations (note 6) | **3,323** | 4,325 |
| | **89,023** | 100,118 |
| Derivative financial instruments (note 4) | **143** | - |
| Other long-term obligations (note 7) | **18,223** | - |
| Bank loan (note 8) | **48,683** | - |
| Senior unsecured notes (note 9) | **-** | 171,298 |
| Lease obligations (note 10) | **1,420** | 1,899 |
| Decommissioning obligations (note 6) | **37,608** | 43,257 |
| Deferred tax liability | **155,819** | 128,801 |
| | **261,896** | 345,255 |
| **Shareholders' Equity** | | |
| Share capital | **1,459,521** | 1,467,213 |
| Contributed surplus | **97,339** | 88,730 |
| Deficit | **(289,841)** | (369,802) |
| | **1,267,019** | 1,186,141 |
| Subsequent event (note 4,8) | | |
| Commitments (note 15) | | |
| | **$ 1,617,938** | $ 1,631,514 |

*See accompanying notes to the condensed interim financial statements.*

## CONDENSED INTERIM STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

| *(unaudited) (thousands, except per share amounts)* | **Three months ended Sept. 30, 2023** | Three months ended Sept. 30, 2022 | **Nine months ended Sept. 30, 2023** | Nine months ended Sept. 30, 2022 |
|---|---|---|---|---|
| **Revenue** | | | | |
| Petroleum and natural gas sales (note 12) | **$ 70,317** | $ 132,950 | **$ 237,621** | $ 461,621 |
| Royalties | **(6,158)** | (20,057) | **(23,768)** | (41,113) |
| Realized gain (loss) on derivative financial instruments | **6,127** | (13,544) | **44,370** | (68,610) |
| Unrealized (loss) gain on derivative financial instruments | **(15,532)** | 15,289 | **(25,255)** | (5,815) |
| Processing and transportation revenue (note 12) | **2,384** | 2,005 | **6,726** | 7,232 |
| | **57,138** | 116,643 | **239,694** | 353,315 |
| **Expenses** | | | | |
| Operating | **12,372** | 12,580 | **37,642** | 36,644 |
| Transportation | **11,053** | 11,482 | **33,308** | 34,419 |
| General and administrative | **2,812** | 2,900 | **9,196** | 8,417 |
| Share-based compensation | **2,280** | 1,911 | **6,964** | 4,378 |
| Depletion and depreciation (note 5) | **20,604** | 24,369 | **65,744** | 74,619 |
| | **49,121** | 53,242 | **152,854** | 158,477 |
| Income from operations | **8,017** | 63,401 | **86,840** | 194,838 |
| Financing (note 13) | **1,469** | 7,283 | **7,908** | 20,222 |
| Gain on divestiture of property, plant and equipment (note 5) | **-** | (84,214) | **(276)** | (84,214) |
| Other income (note 6,14) | **-** | (148) | **(29,026)** | (633) |
| Income before income taxes | **6,548** | 140,480 | **108,234** | 259,463 |
| Deferred tax expense | **1,670** | 34,822 | **28,273** | 66,487 |
| Net income and comprehensive income | **$ 4,878** | $ 105,658 | **$ 79,961** | $ 192,976 |
| Net income per share (note 11) | | | | |
| Basic | **$ 0.03** | $ 0.69 | **$ 0.52** | $ 1.27 |
| Diluted | **$ 0.03** | $ 0.65 | **$ 0.49** | $ 1.19 |

*See accompanying notes to the condensed interim financial statements.*

# CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

| *(unaudited) (thousands)* | Number of shares, net of shares in trust | Share capital | Contributed surplus | Deficit | Total Shareholders' equity |
|---|---|---|---|---|---|
| Balance, January 1, 2023 | 154,377 | $ 1,467,213 | $ 88,730 | $ (369,802) | $ 1,186,141 |
| Net income for the period | - | - | - | 79,961 | 79,961 |
| Share-based compensation expensed | - | - | 6,964 | - | 6,964 |
| Share-based compensation capitalized | - | - | 6,200 | - | 6,200 |
| Issued from treasury on vesting of share awards | 891 | 4,528 | (4,528) | - | - |
| Released from trust on vesting of share awards | 1,807 | 1,282 | (1,282) | - | - |
| Purchase of shares held in trust (note 11) | (2,597) | (13,502) | - | - | (13,502) |
| Tax deduction on excess value of share awards | - | - | 1,255 | - | 1,255 |
| **Balance, September 30, 2023** | **154,478** | **$ 1,459,521** | **$ 97,339** | **$ (289,841)** | **$ 1,267,019** |

| *(unaudited) (thousands)* | Number of shares, net of shares in trust | Share capital | Contributed surplus | Deficit | Total Shareholders' equity |
|---|---|---|---|---|---|
| Balance, January 1, 2022 | 152,480 | $ 1,481,450 | $ 71,865 | $ (634,161) | $ 919,154 |
| Net income for the period | - | - | - | 192,976 | 192,976 |
| Share-based compensation expensed | - | - | 4,378 | - | 4,378 |
| Share-based compensation capitalized | - | - | 4,430 | - | 4,430 |
| Issued from treasury on vesting of share awards | 57 | 99 | (99) | - | - |
| Released from trust on vesting of share awards | 2,758 | 2,054 | (2,054) | - | - |
| Purchase of shares held in trust (note 11) | (3,010) | (12,901) | - | - | (12,901) |
| Tax deduction on excess value of share awards | - | - | 5,577 | - | 5,577 |
| **Balance, September 30, 2022** | **152,285** | **$ 1,470,702** | **$ 84,097** | **$ (441,185)** | **$ 1,113,614** |

*See accompanying notes to the condensed interim financial statements.*

# CONDENSED INTERIM STATEMENTS OF CASH FLOWS

| *(unaudited) (thousands)* | **Three months ended Sept. 30, 2023** | Three months ended Sept. 30, 2022 | **Nine months ended Sept. 30, 2023** | Nine months ended Sept. 30, 2022 |
|---|---|---|---|---|
| **Cash provided by (used in):** | | | | |
| **Operating activities:** | | | | |
| Net income | **$ 4,878** | $ 105,658 | **$ 79,961** | $ 192,976 |
| Adjustments: | | | | |
| Unrealized loss (gain) on derivative financial instruments | **15,532** | (15,289) | **25,255** | 5,815 |
| Share-based compensation | **2,280** | 1,911 | **6,964** | 4,378 |
| Depletion and depreciation (note 5) | **20,604** | 24,369 | **65,744** | 74,619 |
| Financing expenses (note 13) | **1,469** | 7,283 | **7,908** | 20,222 |
| Interest expense (note 13) | **(1,120)** | (4,761) | **(5,739)** | (16,594) |
| Gain on divestiture of property, plant and equipment (note 5) | **-** | (84,214) | **(276)** | (84,214) |
| Transaction costs on property dispositions (note 5) | **-** | (203) | **-** | (203) |
| Non-operating other income (note 14) | **-** | - | **(29,000)** | - |
| Deferred tax expense | **1,670** | 34,822 | **28,273** | 66,487 |
| Decommissioning obligations settled (note 6) | **(495)** | (3,497) | **(5,310)** | (7,953) |
| Change in non-cash working capital | **1,238** | 16,243 | **8,872** | (766) |
| | **46,056** | 82,322 | **182,652** | 254,767 |
| **Financing activities:** | | | | |
| Increase (decrease) in bank loan (note 8) | **19,781** | (8,101) | **48,683** | (75,067) |
| Redemption of senior notes (note 9) | **-** | (129,331) | **(172,310)** | (129,331) |
| Payments on lease obligations (note 10) | **(175)** | (174) | **(524)** | (174) |
| Shares purchased and held in trust (note 11) | **(4,502)** | (4,499) | **(13,502)** | (12,901) |
| | **15,104** | (142,105) | **(137,653)** | (217,473) |
| **Investing activities:** | | | | |
| Property, plant and equipment expenditures (note 5) | **(104,045)** | (53,560) | **(163,863)** | (115,982) |
| Property dispositions (note 5) | **20** | 129,983 | **1,016** | 129,983 |
| Increase in other long-term obligations (note 7) | **-** | - | **18,223** | - |
| Non-operating other income (note 14) | **-** | - | **29,000** | - |
| Change in non-cash working capital | **42,865** | 23,517 | **15,888** | (11,138) |
| | **(61,160)** | 99,940 | **(99,736)** | 2,863 |
| Change in cash and cash equivalents | **-** | 40,157 | **(54,737)** | 40,157 |
| Cash and cash equivalents, beginning of period | **-** | - | **54,737** | - |
| Cash and cash equivalents, end of period | **$ -** | $ 40,157 | **$ -** | $ 40,157 |

*See accompanying notes to the condensed interim financial statements.*

# NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2023 and 2022

*(Unaudited) (Tabular amounts in thousands)*

**1. Reporting entity:**

Crew Energy Inc. ("Crew" or the "Company") is an oil and gas exploration, development and production company based in Calgary, Alberta, Canada. Crew conducts its operations in the Western Canada Sedimentary basin, focused in the province of British Columbia. Crew's principal place of business is located at Suite 800, 250 – 5th Street SW, Calgary, Alberta, Canada, T2P 0R4.

**2. Basis of preparation:**

These condensed financial statements (the "financial statements") have been prepared in accordance with IAS 34 – Interim Financial Reporting of the International Financial Reporting Standards ("IFRS"). The financial statements use the accounting policies which the Company applied in its annual consolidated financial statements for the year ended December 31, 2022. The financial statements do not include certain disclosures that are normally required to be included in annual financial statements which have been condensed or omitted. These financial statements are presented in Canadian dollars ("CDN"), which is the functional currency of the Company.

The financial statements were authorized for issuance by Crew's Board of Directors on November 8, 2023.

**3. Estimation uncertainty:**

Management makes judgments and assumptions about the future in deriving estimates used in preparation of these financial statements in accordance with IFRS. Sources of estimation uncertainty include estimates used to determine economically recoverable oil, natural gas, and natural gas liquids reserves, the recoverable amount of long-lived assets or cash-generating unit, the fair value of financial derivatives, the provision for decommissioning obligations and the provision for income taxes and the related deferred tax assets and liabilities.

A full list of the key sources of estimation uncertainty can be found in note 4 of the annual consolidated financial statements for the year ended December 31, 2022.

**4. Financial risk management:**

*Derivative contracts:*

In order to reduce the risk of future commodity price volatility, it is the Company's policy to hedge a portion of its petroleum and natural gas sales through various financial derivative forward sales contracts and physical sales contracts. The Company does not apply hedge accounting for these contracts. The Company's production is generally sold using "spot" or near term contracts, with prices fixed at the time of transfer of custody or on the basis of a monthly average market price. The Company, however, may give consideration in certain circumstances to using fixed price marketing contracts. The Company does not use commodity contracts other than to meet the Company's expected sale requirements.

The fair value of options and costless collars is based on option models that use published information with respect to volatility, prices and interest rates. The fair value of forward contracts and swaps is determined by discounting the difference between the contracted prices and published forward price curves as at the date of the statement of financial position, using the remaining contracted oil and natural gas volumes and a risk-free interest rate (based on published government rates).

At September 30, 2023, the Company held derivative commodity contracts as follows:

| Notional Quantity | Term | Strike Price | Option Traded | Fair Value |
|---|---|---|---|---|
| *Natural Gas CDN$ – AECO Daily Index:* | | | | |
| 5,000 gj/day | October 1, 2023 - October 31, 2023 | $4.51/gj | Swap | $ 339 |
| 27,500 gj/day | October 1, 2023 - December 31, 2023 | $4.46/gj | Swap | 4,618 |
| *Natural Gas CDN$ – AECO Monthly Index:* | | | | |
| 10,000 gj/day | October 1, 2023 - December 31, 2023 | $4.00 - $5.18/gj | Collar(1) | 1,297 |
| 7,500 gj/day | October 1, 2023 - December 31, 2023 | $4.72/gj | Swap | 1,435 |
| *Natural Gas USD$ – AECO Monthly Index to NYMEX Basis Differential:* | | | | |
| 2,500 mmbtu/day | October 1, 2023 - October 31, 2023 | ($1.25/mmbtu) | Swap | (23) |
| *Crude Oil – CDN$ WTI:* | | | | |
| 500 bbl/day | October 1, 2023 - October 31, 2023 | $108.55/bbl | Swap | (501) |
| 500 bbl/day | October 1, 2023 - March 31, 2024 | $100.18/bbl | Swap | (1,470) |
| 250 bbl/day | January 1, 2024 - June 30, 2024 | $113.50/bbl | Swap | 99 |
| *CDN$ Edmonton C5 Blended Index:* | | | | |
| 1,250 bbl/day | October 1, 2023 - December 31, 2023 | $100.25/bbl | Swap | (2,189) |
| 500 bbl/day | November 1, 2023 - December 31, 2023 | $120.25/bbl | Swap | 33 |
| 250 bbl/day | January 1, 2024 - June 30, 2024 | $104.25/bbl | Swap | (305) |
| 1,750 bbl/day | January 1, 2024 - December 31, 2024 | $104.05/bbl | Swap | (1,987) |
| **Total** | | | | **$ 1,346** |

(1) The referenced contract is a costless collar whereby the Company receives $4.00/gj when the market price is below $4.00/gj, and receives $5.18/gj when the market price is above $5.18/gj.

Subsequent to September 30, 2023, the Company entered into the following derivative commodity contracts:

| Notional Quantity | Term | Strike Price | Option Traded |
|---|---|---|---|
| *Natural Gas CDN$ – AECO Daily Index:* | | | |
| 2,500 gj/day | January 1, 2024 - March 31, 2024 | $2.84/gj | Swap |
| 2,500 gj/day | April 1, 2024 - June 30, 2024 | $2.45/gj | Swap |
| 2,500 gj/day | July 1, 2024 - September 30, 2024 | $2.46/gj | Swap |
| 2,500 gj/day | October 1, 2024 - December 31, 2024 | $3.30/gj | Swap |
| *Crude Oil – CDN$ WTI:* | | | |
| 250 bbl/day | January 1, 2024 - December 31, 2024 | $110.50/bbl | Swap |

*Liquidity risk:*

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with the financial liabilities. To meet these obligations, the Company maintains a strong liquidity profile with undrawn capacity on the revolving credit facility, as outlined in note 8, which is subject to annual renewal by the lenders and has a contractual maturity in 2025, if not extended. The Company monitors its cash flow and available liquidity to ensure that funds are available to finance operating expenses, planned capital expenditures and to settle long term obligations. Crew does not pay dividends.

*Capital management:*

The Company considers its capital structure to include working capital, long-term debt (including the bank loan and other long-term obligations) and shareholders' equity. Crew's primary capital management objective is to maintain a strong financial position in order to continue to fund the Company's sustainability. Crew monitors its capital structure on an ongoing basis and makes adjustments in order to maintain the flexibility needed to achieve the Company's long-term objectives. To manage its capital structure, the Company may adjust capital spending, hedge future revenue through commodity contracts, issue new equity, arrange for additional debt or raise funds through asset sales.

The Company's financial position remains strong, with sufficient liquidity to fund the Company's on-going operations and settle its financial liabilities. The Company will continue to monitor debt levels and, if necessary, it will consider divesting of non-core properties, adjust its annual capital expenditure program or may consider other forms of financing to improve its financial position.

*Net debt:*

Capital management includes the monitoring of net debt as part of the Company's capital structure.

The following table outlines Crew's calculation of net debt:

| | | **September 30, 2023** | | December 31, 2022 |
|---|---|---|---|---|
| Cash and cash equivalents | **$** | **-** | $ | 54,737 |
| Accounts receivable | | **25,839** | | 62,900 |
| Accounts payable and accrued liabilities | | **(83,511)** | | (95,793) |
| Working capital (deficiency) surplus | **$** | **(57,672)** | $ | 21,844 |
| Other long-term obligations | | **(18,223)** | | - |
| Bank loan | | **(48,683)** | | - |
| Senior unsecured notes | | **-** | | (171,298) |
| Net debt | **$** | **(124,578)** | $ | (149,454) |

The Company is not subject to externally imposed capital requirements.

The bank loan is subject to a semi-annual review of its Borrowing Base, which is directly impacted by the value of the Company's oil and gas reserves.

*Funds from operations and adjusted funds flow:*

To evaluate the Company's capital management, Crew uses funds from operations and adjusted funds flow benchmarks. Funds from operations represents cash provided by operating activities before changes in operating non-cash working capital, accretion of deferred financing costs and transaction costs on property dispositions. Adjusted funds flow represents funds from operations before decommissioning obligations settled excluding government grants. The Company considers these metrics as key measures that demonstrate the ability of the Company's continuing operations to generate the cash flow necessary to maintain production at current levels and fund future growth through capital investment and to service and repay debt. Management believes that such measures provide an insightful assessment of the Company's operations on a continuing basis by eliminating certain non-cash charges, actual settlements of decommissioning obligations and transaction costs on property dispositions, the timing of which is discretionary.

| | Three months ended Sept. 30, 2023 | Three months ended Sept. 30, 2022 | Nine months ended Sept. 30, 2023 | Nine months ended Sept. 30, 2022 |
|---|---|---|---|---|
| Cash provided by operating activities | **$ 46,056** | $ 82,322 | **$ 182,652** | $ 254,767 |
| Change in operating non-cash working capital | **(1,238)** | (16,243) | **(8,872)** | 766 |
| Accretion of deferred financing costs (note 13) | **-** | (214) | **(199)** | (705) |
| Transaction costs on property dispositions (note 5) | **-** | 203 | **-** | 203 |
| Funds from operations | **$ 44,818** | $ 66,068 | **$ 173,581** | $ 255,031 |
| Decommissioning obligations settled excluding grants (note 6) | **495** | 3,349 | **5,284** | 7,320 |
| Adjusted funds flow | **$ 45,313** | $ 69,417 | **$ 178,865** | $ 262,351 |

## 5. Property, plant and equipment:

| Cost | Total |
|---|---|
| Balance, January 1, 2022 | $ 2,300,994 |
| Additions | 176,621 |
| Divestitures | (65,328) |
| Change in decommissioning obligations (note 6) | 2,100 |
| Capitalized share-based compensation | 6,345 |
| Balance, December 31, 2022 | $ 2,420,732 |
| Additions | 163,863 |
| Divestitures | (740) |
| Change in decommissioning obligations (note 6) | (2,434) |
| Capitalized share-based compensation | 6,200 |
| **Balance, September 30, 2023** | **$ 2,587,621** |

| Accumulated depletion and depreciation | Total |
|---|---|
| Balance, January 1, 2022 | $ 852,472 |
| Depletion and depreciation expense | 99,786 |
| Divestitures | (18,802) |
| Balance, December 31, 2022 | $ 933,456 |
| Depletion and depreciation expense | 65,744 |
| **Balance, September 30, 2023** | **$ 999,200** |

| Net book value | Total |
|---|---|
| **Balance, September 30, 2023** | **$ 1,588,421** |
| Balance, December 31, 2022 | $ 1,487,276 |

The calculation of depletion and depreciation expense for the nine months ended September 30, 2023 included estimated future development costs of $1,438.1 million (December 31, 2022 - $1,480.7 million) associated with the development of the Company's proved plus probable reserves and excludes costs incurred since inception on certain capital projects under construction (note 7) of $6.7 million (December 31, 2022 – nil), salvage value of $43.6 million (December 31, 2022 - $42.4 million) and undeveloped land of $115.5 million (December 31, 2022 - $116.1 million) related to future development acreage with no associated reserves. Depletion and depreciation expense on development and production assets was $65.4 million (December 31, 2022 - $99.4 million) for the nine months ended September 30, 2023.

Included in depletion and depreciation expense for the nine months ended September 30, 2023 is $0.3 million (December 31, 2022 - $0.4 million) related to the right-of-use assets for the Company's leases. As at September 30, 2023, the net book value of these right-of-use assets is $1.4 million (December 31, 2022 - $1.7 million).

At September 30, 2023, the Company did not identify any indicators of impairment, and therefore, an impairment test was not performed.

During the second quarter of 2023, the Company disposed of fee simple surface land with a net book value of $0.7 million for cash proceeds of $1.0 million, resulting in a gain of $0.3 million on closing of the disposition.

During the third quarter of 2022, the Company disposed of certain non-core assets at Attachie and Portage in northeast British Columbia for cash proceeds of $130.0 million and incurred $0.2 million of related transaction costs. The disposition consisted of petroleum and natural gas properties and undeveloped land with a net book value of $46.6 million and associated decommissioning obligations of $1.0 million, resulting in a gain of $84.2 million on closing of the disposition.

## 6. Decommissioning obligations:

| | **Nine months ended September 30, 2023** | Year ended December 31, 2022 |
|---|---|---|
| Decommissioning obligations, beginning of period | **$ 47,582** | $ 58,214 |
| Obligations incurred | **1,026** | 1,185 |
| Obligations settled | **(5,310)** | (13,068) |
| Obligations divested | **-** | (953) |
| Change in estimated future cash outflows | **(3,460)** | 915 |
| Accretion of decommissioning obligations | **1,093** | 1,289 |
| Decommissioning obligations, end of period | **$ 40,931** | $ 47,582 |
| Current decommissioning obligations | **$ 3,323** | $ 4,325 |
| Long-term decommissioning obligations | **37,608** | 43,257 |
| Decommissioning obligations, end of period | **$ 40,931** | $ 47,582 |

The Company's decommissioning obligations result from its ownership interest in oil and natural gas assets, including well sites and facilities. The total decommissioning obligation is estimated based on the Company's net ownership interest in all wells and facilities, estimated costs to reclaim and abandon these wells and facilities and the estimated timing of the costs to be incurred in future years. The Company has estimated the net present value of the decommissioning obligations to be $40.9 million as at September 30, 2023 (December 31, 2022 – $47.6 million) based on an inflation adjusted undiscounted total future liability of $112.1 million (December 31, 2022 – $105.2 million). These payments are expected to be made over the next 50 years, with the majority of costs to be incurred between 2031 and 2071. The inflation rate applied to the liability is 1.8% (December 31, 2022 – 2.1%). The discount factor, being the risk-free rate related to the liability is 3.8% (December 31, 2022 – 3.3%). The $3.5 million (December 31, 2022 – $0.9 million) change in estimated future cash outflows is a result of a change in the inflation rate, discount factor and estimated future abandonment costs.

Included in decommissioning obligations settled during the nine months ended September 30, 2023 is $0.03 million (December 31, 2022 – $0.7 million) related to government grants earned for well site rehabilitation and recognized in other income.

## 7. Other long-term obligations:

Other long-term obligations relate to an incentive received from the British Columbia provincial government that will be applied against certain capital projects that are to be completed in 2025. Failure to complete these capital projects will result in repayment of the full amount of the other long-term obligations plus accrued interest.

## 8. Bank loan:

As at September 30, 2023, the Company's bank facility consists of a revolving line of credit of $170 million and an operating line of credit of $30 million (collectively, the "Facility"). Subsequent to September 30, 2023, the revolving line of credit was increased to $220 million. The Facility revolves for a 364 day period and will be subject to its next 364 day extension by May 31, 2024. If not extended, the Facility will cease to revolve, the margins thereunder will increase by 0.50 per cent and all outstanding advances thereunder will become repayable in one year from the extension date. The available lending limits of the Facility (the "Borrowing Base") are reviewed semi-annually and are based on the bank syndicate's interpretation of the

Company's reserves and future commodity prices. As the Borrowing Base of the Facility is based on the Company's reserves and future commodity prices and costs, there can be no assurance that the amount of the available Facility will not be adjusted at the next scheduled Borrowing Base review on or before May 31, 2024. The Facility is secured by a floating charge debenture and a general securities agreement on all the assets of the Company.

Advances under the Facility are available by way of prime rate loans with interest rates between 2.00 percent and 5.50 percent over the bank's prime lending rate and bankers' acceptances and LIBOR loans, which are subject to stamping fees and margins ranging from 3.00 percent to 6.50 percent depending upon the secured debt to EBITDA ratio of the Company calculated at the Company's previous quarter end. Standby fees are charged on the undrawn Facility at rates ranging from 0.75 percent to 1.63 percent depending upon the secured debt to EBITDA ratio. As at September 30, 2023, the Company's applicable pricing included a 2.00 percent margin on prime lending, a 3.00 percent stamping fee and margin on bankers' acceptances and LIBOR loans along with a 0.75 percent per annum standby fee on the portion of the Facility that is not drawn. Borrowing margins and fees are reviewed annually as part of the bank syndicate's annual renewal.

At September 30, 2023, the Company had issued letters of credit totaling $9.4 million (December 31, 2022 - $11.0 million).

**9. Senior unsecured notes:**

In March 2017, the Company issued $300 million of 6.5% senior unsecured notes, due March 14, 2024 (the "2024 Notes"). The 2024 Notes were guaranteed, jointly and severally, on an unsecured basis, by each of the Company's current and future restricted subsidiaries. Interest on the 2024 Notes accrued at the rate of 6.5% per year and was payable semi-annually.

On September 19, 2022, the Company redeemed and extinguished $128 million of principal amount of the 2024 Notes at a redemption price of $1,010.40 per $1,000 of principal amount, plus accrued and unpaid interest. A loss on redemption of $1.9 million consisting of a redemption premium of $1.3 million and unamortized deferred financing costs of $0.6 million were expensed in financing costs as a result of the redemption.

On April 28, 2023, the Company redeemed and extinguished the remaining principal amount of $172 million of 2024 Notes at par, plus accrued and unpaid interest. A loss on redemption of $0.8 million consisting of fees of $0.3 million and unamortized deferred financing costs of $0.5 million were expensed in financing costs as a result of the redemption.

**10. Lease obligations:**

| | **As at September 30, 2023** | As at December 31, 2022 |
|---|---|---|
| Less than 1 year | **$ 696** | $ 696 |
| 1 – 3 years | **1,102** | 1,392 |
| After 3 years | **353** | 587 |
| Total undiscounted future lease payments | **$ 2,151** | $ 2,675 |
| Total undiscounted future interest payments | **(96)** | (161) |
| Present value of lease obligations | **$ 2,055** | $ 2,514 |
| Current portion of lease obligations, included in accounts payable and accrued liabilities | **(635)** | (615) |
| Long-term portion of lease obligations | **$ 1,420** | $ 1,899 |

The Company's total undiscounted future lease payments of $2.2 million (December 31, 2022 – $2.7 million) equate to future lease obligations. This amount excludes commitments for firm transportation and processing agreements, as disclosed in note 15, as they do not meet the definition of a lease as the Company does not control the asset or receive substantially all of the asset's economic benefits.

## 11. Share capital:

At September 30, 2023, the Company was authorized to issue an unlimited number of common shares with the holders of common shares entitled to one vote per share.

*Restricted and performance award incentive plan:*

The Company has a Restricted and Performance Award Incentive Plan ("RPAP") which authorizes the Board of Directors to grant restricted awards ("RAs") and performance awards ("PAs") to directors, officers, employees, consultants or other service providers of Crew and its affiliates.

Subject to terms and conditions of the RPAP, each RA and PA entitles the holder to an award value typically vesting as to one-third on each of the first, second and third anniversaries of the date of grant. For the purpose of calculating share-based compensation, the fair value of each award is determined at the grant date using the closing price of the common shares. In the case of PAs, the award value is adjusted for a payout multiplier which can range from 0.0 to 2.0 and is dependent on the performance of the Company relative to pre-defined corporate performance measures for a particular period.

For RAs and PAs granted prior to May 20, 2021, the Company is eligible to settle the award value for any such grants either in cash or in common shares acquired by an independent trustee in the open market for such purposes. For RAs and PAs granted subsequent to May 20, 2021, the Company is, following shareholder approval, eligible to settle the award value of such grants either in common shares issued from treasury, subject to the treasury share maximum provided in the RPAP, or in common shares acquired by an independent trustee in the open market for such purposes.

Common shares are acquired in the open market by an independent trustee and are held in trust for the potential future settlement of award values and are netted out of share capital, including the cumulative purchase cost, until they are distributed for future settlements. For the nine months ended September 30, 2023, the trustee purchased 2,597,000 (September 30, 2022 – 3,010,000) common shares for a total cost of $13.5 million (September 30, 2022 - $12.9 million) and as at September 30, 2023, the trustee held 3,098,000 (September 30, 2022 – 4,395,000) common shares in trust.

Upon the vesting and settlement of 932,000 RAs and 925,000 PAs, when accounting for the earned multipliers for PAs, 891,000 common shares of the Company were issued from treasury and 1,807,000 common shares were released from trust for the nine months ended September 30, 2023.

The weighted average fair value of awards granted during the nine months ended September 30, 2023 was $4.77 (September 30, 2022 – $5.00) per RA granted and $4.76 (September 30, 2022 – $5.18) per PA granted.

The number of RAs and PAs outstanding are as follows:

| | Number of RAs | Number of PAs |
|---|---|---|
| Balance, January 1, 2023 | 3,029 | 4,303 |
| Granted | 1,016 | 1,537 |
| Vested | (932) | (925) |
| Forfeited | (87) | (86) |
| **Balance, September 30, 2023** | **3,026** | **4,829** |

*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 month period ended September 30, 2023 was 154,356,000 (September 30, 2022 – 152,378,000) and for the nine month period ended September 30, 2023, the weighted average number of shares outstanding was 154,123,000 (September 30, 2022 – 152,217,000).

In computing diluted earnings per share, the Company considers the dilutive impact of RAs and PAs. For the three month period ended September 30, 2023, 8,354,000 (September 30, 2022 – 9,925,000) shares were added to the weighted average common shares outstanding to account for the dilution of RAs and PAs and for the nine month period ended September 30, 2023, 7,623,000 (September 30, 2022 – 9,739,000) shares were added to the weighted average common shares for dilution. For the three month period ended September 30, 2023, there were 50,000 (September 30, 2022 – nil) RAs and PAs that were not included in the diluted earnings per share calculation because they were anti-dilutive. For the nine month period ended September 30, 2023, there were 50,000 (September 30, 2022 – nil) RAs and PAs that were not included in the diluted earnings per share calculation because they were anti-dilutive.

**12. Revenue:**

*Petroleum and natural gas sales:*

Crew sells its production pursuant to fixed or variable-price contracts. The transaction price for variable priced contracts is based on the commodity price, adjusted for quality, location or other factors, whereby each component of the pricing formula can be either fixed or variable, depending on the contract terms. Under the contracts, the Company is required to deliver a fixed or variable volume of crude oil, condensate, other natural gas liquids ("ngl") or natural gas to the customer. Revenue is recognized when a unit of production is delivered to the customer. The amount of revenue recognized is based on the agreed transaction price, whereby any variability in revenue relates specifically to the Company's efforts to transfer production, and therefore the resulting revenue is allocated to the production delivered in the period during which the variability occurs. As a result, none of the variable revenue is considered constrained.

Crude oil, condensate and ngl are sold under contracts of varying terms of up to one year. The Company's natural gas is sold through a combination of spot sales, month ahead physical sales, short term and multi-year contracts. Revenues are typically collected on the 25th day of the month following production.

The following table summarizes the Company's petroleum and natural gas sales, all of which are from revenue with contracts with customers:

| | **Three months ended Sept. 30, 2023** | Three months ended Sept. 30, 2022 | **Nine months ended Sept. 30, 2023** | Nine months ended Sept. 30, 2022 |
|---|---|---|---|---|
| Light crude oil | **$ 735** | $ 798 | **$ 1,838** | $ 3,208 |
| Natural gas liquids | **4,965** | 10,229 | **18,133** | 36,632 |
| Condensate | **33,243** | 46,201 | **103,341** | 153,212 |
| Natural gas | **31,374** | 75,722 | **114,309** | 268,569 |
| | **$ 70,317** | $ 132,950 | **$ 237,621** | $ 461,621 |

*Processing and transportation revenue:*

The following table summarizes the Company's processing and transportation revenue:

| | **Three months ended Sept. 30, 2023** | Three months ended Sept. 30, 2022 | **Nine months ended Sept. 30, 2023** | Nine months ended Sept. 30, 2022 |
|---|---|---|---|---|
| Processing revenue | **$ 557** | $ 520 | **$ 1,803** | $ 2,825 |
| Transportation revenue | **1,827** | 1,485 | **4,923** | 4,407 |
| | **$ 2,384** | $ 2,005 | **$ 6,726** | $ 7,232 |

For the three and nine months ended September 30, 2023, the Company recognized transportation revenue of $1.8 million and $4.9 million respectively, with an offsetting amount of transportation expenses on contracted pipeline capacity novated to third parties.

## 13. Financing:

| | Three months ended Sept. 30, 2023 | Three months ended Sept. 30, 2022 | Nine months ended Sept. 30, 2023 | Nine months ended Sept. 30, 2022 |
|---|---|---|---|---|
| Interest expense | **$ 1,120** | $ 4,761 | **$ 5,739** | $ 16,594 |
| Interest on lease obligations | **20** | 26 | **64** | 81 |
| Accretion of deferred financing costs | **-** | 214 | **199** | 705 |
| Accretion of decommissioning obligations | **329** | 341 | **1,093** | 901 |
| Loss on redemption of 2024 Notes | **-** | 1,941 | **813** | 1,941 |
| | **$ 1,469** | $ 7,283 | **$ 7,908** | $ 20,222 |

## 14. Other income:

Included in other income for the three and nine months ended September 30, 2023 is a $29.0 million non-refundable third-party payment under an existing development framework agreement for the contractual settlement of a particular capital obligation, for which no future performance is required by either party.

## 15. Commitments:

| | 2023 | 2024 | 2025 | 2026 | 2027 | Thereafter |
|---|---|---|---|---|---|---|
| Firm transportation agreements | $ 8,821 | $ 43,806 | $ 44,614 | $ 42,809 | $ 34,831 | $ 94,923 |
| Firm processing agreements | 4,718 | 18,752 | 18,718 | 18,718 | 10,425 | 77,409 |
| **Total** | **$ 13,539** | **$ 62,558** | **$ 63,332** | **$ 61,527** | **$ 45,256** | **$172,332** |

Firm transportation agreements include commitments to third parties to transport condensate, ngl and natural gas from gas processing facilities in northeast British Columbia.

Firm processing agreements include commitments to process natural gas through the Greater Septimus Processing Complex in northeast British Columbia.

# DIRECTORS & OFFICERS

## OFFICERS

Dale O. Shwed
*President and Chief Executive Officer*

John G. Leach, CPA, CA
*Executive Vice President and Chief Financial Officer*

James Taylor
*Chief Operating Officer*

Jamie L. Bowman
*Senior Vice President, Marketing & Originations*

Kurtis Fischer
*Vice President, Planning & Development*

Paul Dever
*Vice President, Government & Stakeholder Relations*

Kevin G. Evers, P. Geol.
*Vice President, Geosciences*

Mark Miller
*Vice President, Land & Negotiations*

Craig Turchak, CPA, CGA
*Vice President, Finance and Controller*

## BOARD OF DIRECTORS

John A. Brussa
*Chairman, Director*

Karen Nielsen, ICD.D
*Director*

Ryan Shay, CPA, CA
*Director*

Gail Hannon
*Director*

John Hooks
*Director*

Brad Virbitsky
*Director*

Dale O. Shwed
*President, CEO and Director*

## CORPORATE SECRETARY

Michael D. Sandrelli
*Partner, Burnet, Duckworth & Palmer LLP*

# 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
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