

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ See attached.

18 Can any resulting loss be recognized? ▶ See attached.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ See attached.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ [Handwritten Signature] Date ▶ JAN 16/2012
Print your name ▶ Shawn Van Spankeren
Vice-President, Finance & Controller

| | | | | | |
|-------------------------------|---|--|------------------|---|-----------------------|
| Paid Preparer Use Only | Print/Type preparer's name | Preparer's signature | Date | Check <input type="checkbox"/> if self-employed | PTIN |
| | <u>John D. Hollinrake Jr.</u> | <u>[Handwritten Signature]</u> | <u>1/16/2012</u> | | <u>PO1568530</u> |
| | Firm's name ▶ <u>Dorsey & Whitney LLP</u> | Firm's address ▶ <u>Columbia Center, 701 Fifth Avenue, Suite 6100, Seattle, Washington 98104</u> | | Firm's EIN ▶ | <u>41-0223337</u> |
| | | | | Phone no. | <u>(206) 903-8812</u> |

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

CREW ENERGY INC.

ATTACHMENT TO FORM 8937, PART II

REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES

Line 14. Information about and Date of Organizational Action

On July 1, 2011, Crew Energy Inc., an Alberta, Canada corporation (“*Crew*”), acquired Caltex Energy Inc., an Alberta, Canada corporation (“*Caltex*”), in a transaction pursuant to which the Caltex shareholders exchanged their Caltex common shares for Crew common shares (the “*Arrangement*”). Specifically, upon consummation of the Arrangement, all Caltex shareholders received 0.38 of one Crew common share for each Caltex common share held immediately prior to the Arrangement. Caltex and a wholly-owned subsidiary of Crew then amalgamated and continued as one corporation, which was wholly-owned by Crew (the Arrangement is described in full in the Information Circular dated May 27, 2011, which is available at www.SEDAR.com).

Line 15 – 16. Quantitative Effect of the Organizational Action on the Basis of Securities; Calculation

Subject to the discussion below, in general, the aggregate tax basis in the Crew shares that each U.S. Caltex shareholder received pursuant to the consummation of the Arrangement will equal such shareholder’s aggregate tax basis in the Caltex shares exchanged in the Arrangement.

Line 17. Applicable Internal Revenue Code Sections

Though it is not free from doubt, Crew believes that the exchange of Caltex common shares for Crew common shares and the subsequent amalgamation of Caltex and a Crew subsidiary pursuant to the Arrangement should be treated as a single integrated transaction qualifying as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the “*Code*”). Consequently, the federal income tax consequences to the former U.S. Caltex shareholders are determined under Code Sections 354, 358 and 1221.

If Caltex was classified as a passive foreign investment company as defined under Code Section 1297 (a “*PFIC*”) during any tax year in which a former Caltex shareholder held Caltex shares, the PFIC rules and Code Section 1291 would apply to such former Caltex shareholder.

Line 18. Recognition of Gain or Loss

If the Arrangement qualifies as a reorganization within the meaning of Code Section 368(a) as Crew believes that it does, then in general, each U.S. Caltex shareholder who received Crew common shares in the Arrangement will not recognize gain or loss. The holding period of

the Crew common shares received in the Arrangement will include the holding period during which the Caltex shares were held.

However, even if the Arrangement qualifies as a reorganization under Code Section 368, certain special rules may apply if Caltex was classified as a PFIC prior to the Arrangement that could make the transaction fully taxable. The PFIC rules are complex and are subject to differing interpretations. Consequently, U.S. shareholders should consult with their own tax advisors regarding the potential application of these rules.

Line 19. Other Information; Reportable Tax Year

In general, if any gain or loss is recognized by a U.S. shareholder, he or she should report such gain or loss for the taxable year which includes July 1, 2011 (e.g., a calendar-year shareholder would report the transaction on his or her federal income tax return filed for the 2011 calendar year).

No legal opinion from U.S. legal counsel or ruling from the Internal Revenue Service (the “IRS”) has been requested, or will be obtained, regarding the U.S. federal income tax consequences of the Arrangement described in this report. This report is not binding on the IRS, and the IRS and the U.S. courts could disagree with one or more of the positions described above.

The above information does not constitute tax advice. It does not address the tax consequences that may apply to any particular shareholder, and each shareholder is urged to consult his or her own tax advisor regarding the tax consequences of the Arrangement.