ANNUAL INFORMATION FORM

For the year ended December 31, 2012
(September 1, 2012 to December 31, 2012)

Dated: April 24, 2013

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ABBREVIATIONS

Crude Oil and Natural Gas Liquids

Bbls	barrels
Bbls/d	barrels per day
Mbbl	thousand barrels
BOE	barrels of oil equivalent of natural gas, on the basis of 1 BOE for 6 Mcf of natural gas
MBOE	thousands of barrels of oil equivalent
MmBOE	millions of barrels of oil equivalent
BOE/d	barrels of oil equivalent per day
Bopd	barrels of oil per day
NGLs	natural gas liquids
stb	standard stock tank barrel

Natural Gas

Mcf	thousand cubic feet
Mmcf	million cubic feet
Bcf	billion cubic feet
Mcfe	thousand cubic feet equivalent, on the basis of 1 barrel to 6 thousand cubic feet
Mcf/d	thousand cubic feet per day
Mmcf/d	million cubic feet per day
GJ	gigajoule
GJs/d	gigajoules per day
Btu	British thermal unit
MBtu	thousand British thermal unit
Mmbtu	million British thermal units

Other

AECO	The natural gas storage facility located at Suffield, Alberta
API	American Petroleum Institute
°API	an indication of the specific gravity of crude oil measured on the API gravity scale
m3	cubic metres
$000s or $M	thousands of dollars
NGLs	natural gas liquids
WTI	West Texas Intermediate, the reference price paid in U.S. dollars at Cushing, Oklahoma for crude oil of standard grade

CONVERSION

The following table sets forth certain standard conversions from Standard Imperial units to the International System of Units (or metric units).

To Convert From	To	Multiply By
Mcf	thousand cubic metres ("$\mathbf{10^3m^3}$")	0.0282
thousand cubic metres	Mcf	35.494
Bbls	cubic metres ("$\mathbf{m^3}$")	0.159
cubic metres	Bbls	6.290
feet	metres	0.305
metres	feet	3.281
miles	kilometres	1.609
kilometres	miles	0.621
acres	hectares	0.405
hectares	acres	2.471

GLOSSARY OF TERMS

Unless the context otherwise requires, the following terms shall have the respective meanings set out below when used in this annual information form:

"**2-D**" means two dimensional;

"**3-D**" means three dimensional;

"**ABCA**" means the *Business Corporations Act* (Alberta), including the regulations promulgated thereunder, as amended from time to time;

"**AIF**" means this annual information form;

"**Albanesi**" means Albanesi S.A. an Argentine company involved in the trading and transportation of natural gas and the operation, construction and maintenance of gas pipelines;

"**Antrim**" means Antrim Energy Inc.;

"**Antrim Argentina**" means Antrim Argentina S.A.;

"**Antrim Arrangement**" has the meaning ascribed to such term under the heading "*General Development of the Business – Three Year History – Fiscal Year Ended August 31, 2012*";

"**BCBCA**" means the *Business Corporations Act* (British Columbia), including the regulations promulgated thereunder, as amended from time to time;

"**Board**" means the board of directors of the Corporation;

"**Cammesa**" means Compañía Administradora del Mercado Mayorista Eléctrico which is the administrator of the wholesale electricity market in Argentina;

"**Cañadón Ramirez Concession**" means Crown Point's exploitation concession in the CGSA-13 Cañadón Ramirez area of the Golfo San Jorge basin of Argentina;

"**CanAmericas**" means CanAmericas (Argentina) Energy Ltd.;

"**Cerro de Los Leones Permit**" means Crown Point's exploration permit in the Cerro de Los Leones area of the Neuquén basin of Argentina;

"**Committee**" has the meaning ascribed to such term under the heading "*Industry Conditions - Argentina - Oil and Natural Gas Industry Regulations*";

"**Common Shares**" means the common shares in the capital of Crown Point;

"**Decree**" has the meaning ascribed to such term under the heading "*Industry Conditions - Argentina - Oil and Natural Gas Industry Regulations*";

"**COGE Handbook**" means the Canadian Oil and Gas Evaluation Handbook prepared jointly by the Society of Petroleum Evaluation Engineers (Calgary chapter) and the Canadian Institute of Mining, Metallurgy & Petroleum;

"**Corporation**" or "**Crown Point**" means Crown Point Energy Inc.;

"**Crown Point Argentina**" means Crown Point Oil & Gas S.A.;

"**El Valle Area**" means Crown Point's interests in the El Valle area of the Golfo San Jorge basin of Argentina pursuant to the El Valle UTE;

"**El Valle Assignment and Transfer Agreement**" has the meaning ascribed to such term under the heading "*Description of the Business – Principal Properties – El Valle*";

"**El Valle Drilling and Option to Drill Agreement**" has the meaning ascribed to such term under the heading "*General Development of the Business – Three Year History – Fiscal Year Ended August 31, 2010*";

"**El Valle UTE**" means the UTE dated August 14, 1991 originally among Formicruz, Conipa S.A., Ingenrieria Alpa S.A., Ecofisa S.A. and Rio de la Plata S.R.L., as amended and assigned from time to time;

"**Finder's Options**" shall have the meaning ascribed to such term under the heading "*General Development of the Business - Three Year History - Fiscal Year Ended August 31, 2010*";

"**Finder's Units**" shall have the meaning ascribed to such term under the heading "*General Development of the Business - Three Year History - Fiscal Year Ended August 31, 2010*";

"**Fomicruz**" means Fomento Minero de Santa Cruz Sociedad del Estrado, a state owned company of the Province of Santa Cruz, Argentina;

"**Gas Plus**" has the meaning ascribed to such term under the heading "*Industry Conditions – Argentina – Pricing – Background*";

"**La Angostura Concession**" means Crown Point's exploitation concession in the La Angostura area of the Tierra del Fuego region of the Argentine Austral basin in southern Argentina;

"**Laguna de Piedra Permit**" means Crown Point's exploration permit in the Laguna de Piedra area of the Neuquén basin of Argentina;

"**Las Violetas Concession**" means Crown Point's exploitation concession in La Violetas area of the Tierra del Fuego region of the Argentine Austral basin in southern Argentina;

"**McDaniel**" means McDaniel & Associates Consultants Ltd.;

"**McDaniel Report**" means the reserves report dated April 12, 2013, evaluating the oil and natural gas reserves of the Corporation as at December 31, 2012 as prepared by McDaniel;

"**New Gas Incentive**" has the meaning ascribed to such term under the heading "*Industry Conditions – Argentina – Pricing – Recent Changes*";

"**NI 51-101**" means National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities*;

"**NI 51-102**" means National Instrument 51-102 *Continuous Disclosure Obligations*;

"**Petrobras**" means Petrobras Energia S.A.;

"**Preferred Shares**" means the Class "A" preferred shares in the capital of Crown Point;

"**Rio Cullen Concession**" means Crown Point's exploitation concession in the Rio Cullen area of the Tierra del Fuego region of the Argentine Austral basin in southern Argentina;

"**Series A Warrants**" shall have the meaning ascribed to such term under the heading "*General Development of the Business - Three Year History - Fiscal Year Ended August 31, 2010*";

"**Series B Warrants**" shall have the meaning ascribed to such term under the heading "*General Development of the Business - Three Year History - Fiscal Year Ended August 31, 2010*";

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval of the Canadian Securities Administrators;

"**Tierra del Fuego Concessions**" means, collectively, the Rio Cullen Concession, La Angostura Concession and Las Violetas Concession;

"**TSXV**" means the TSX Venture Exchange;

"**YPF**" means Yacimientos Petroliferos Fiscales S.E.;

"**Units**" shall have the meaning ascribed to such term under the heading "*General Developments of the Business – Three Year History – Fiscal Year Ended August 31, 2010*"; and

"**UTE**" means Union Transitoria de Empresas, which is a registered joint venture contract established under the laws of Argentina.

Certain other terms used herein but not defined herein are defined in NI 51-101 and, unless the context otherwise requires, shall have the same meanings herein as in NI 51-101.

CONVENTIONS

In this AIF, unless otherwise noted, all dollar amounts are expressed in Canadian dollars and references to "**$**" and "**CDN$**" are to Canadian dollars. References to "**US$**" are to United States dollars and references to "**ARS$**" are to Argentina pesos.

Disclosure provided herein in respect of BOE may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas in Argentina is significantly different from the energy equivalency of 6 Mcf:1 Bbl, utilizing a conversion on a 6 MCf:1 Bbl basis may be misleading as an indication of value.

Unless otherwise specified, information in this AIF is presented as at December 31, 2012, being the end of the Corporation's most recently completed financial year.

FORWARD-LOOKING STATEMENTS

This AIF and the documents incorporated by reference herein contain forward-looking information. This information relates to future events or the Corporation's future performance. All information and statements contained herein that are not clearly historical in nature constitute forward-looking information, and the words "may", "will", "should", "could", "expect", "plan", "intend", "anticipate", "believe", "estimate", "propose", "predict", "potential", "continue", or the negative of these terms or other comparable terminology are generally intended to identify forward-looking information. Such information represents the Corporation's internal projections, estimates, expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. This information involves known or unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. In addition, this AIF and the documents incorporated by reference herein may contain forward-looking information attributed to third party industry sources. Crown Point believes that the expectations reflected in this forward-looking information are reasonable; however, undue reliance should not be placed on this forward-looking information, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur.

This AIF contains forward-looking information pertaining to, among other things, the Corporation's intent to be an opportunistic exploiter and aggregator of low to medium risk, high growth oil and gas opportunities in South America; the expectation of implementing a low risk development plan on the Tierra del Fuego Concessions and in the El Valle Area and developing exploitation and exploration upside on the Cerro de Los Leones Permit, Laguna de Piedra Permit and on the Cañadón Ramirez Concession, which is expected to provide the Corporation with a visible and well defined growth profile; the intent of the Corporation to continue with its focus to develop and grow core business units in the Tierra del Fuego region and the Golfo San Jorge and Neuquén basins of Argentina; the expectation of continued development of oil prospects while actively pursuing other gas focused opportunities to take advantage of higher prices obtainable through participation in certain incentive programs in Argentina; the intent to continue to develop a strong Argentina based management and technical team; Crown Point's strategy to combine North American drilling, completion and production technologies and practices into its Argentina operations; the belief of management that the Corporation will be able to compete successfully with local and foreign competitors in Argentina; expectations with respect to future commodity prices; the timeline for developing undeveloped reserves; the expectation that funds for future development costs associated with the Corporation's reserves will be obtained from internally-generated cash flow and debt and/or equity financing and that the costs of obtaining such funding will not have a material effect on the reserves or future net revenues disclosed herein or the development thereof; management's belief that Crown Point's interests in the Tierra del Fuego Concessions are high quality natural gas weighted assets possessing the capability to deliver increased levels of production and reserves in an expected increasing natural gas price market; timing for and expectations relating to the Corporation's capital expenditure program, including plans relating to drilling and completing wells and seismic programs on the Tierra del Fuego Concessions, El Valle Area, Cañadón Ramirez Concession, Cerro de Los Leones Permit and Laguna de Piedra Permit; the ability to qualify for and the expected effects of the New Gas Incentive and Gas Plus program for future gas production from the Tierra del Fuego Concessions and the anticipated effect on future exploration and development activities; the belief that there are numerous offsetting additional potential drilling locations on the Cañadón Seco formation in the El Valle Area; the belief that the stratigraphic correlation and production performance of wells drilled in the El Valle Area all point to a single oil pool; management's belief that electrification and use of cavity pumps will improve Crown Point's field production volumes from the El Valle Area and that electrification will also permit the installation of surface measuring equipment and down-hole monitoring where deemed necessary to better evaluate production conditions and reservoir; the belief that potential exists for secondary recovery programs such as waterflood or horizontal drilling plus workovers and recompletions on existing wells in the El Valle Area; that a 10-year extension to the Cañadón Ramirez Concession may be granted if Crown Point Argentina is able to successfully renegotiate terms with the Province of Chubut and receive the necessary authorizations for the assignments of interests as described herein; the future work commitments and the status of such work commitments with respect to the Cerro de Los Leones Permit; that Crown Point may consider additional exploration and development drilling in the Cerro de Los Leones area, including the possibility of drilling vertical and horizontal tests in the Vaca Muerta shale play after the initial planned drilling is completed; the expected obligations with respect to abandonment costs and the timing of payment thereof; the future taxability of the Corporation; the demand for natural gas throughout the year and the expected effects on Crown's Point's delivery obligations and pricing thereof; the expected effects of the Decree and the establishment of the Committee and the intent of the Corporation to continue to evaluate such effects; Crown Point's belief that the nationalization of YPF or similar types of actions will not impact the Corporation; the ability of the Corporation to sell its oil production in the local market with competitive prices in comparison to the export market; and certain regulatory changes in Argentina and the potential effects on the Corporation and its business. The reader is cautioned that such information, although considered reasonable by the Corporation, may prove to be incorrect. Actual results achieved during the forecast period will vary from the information provided in this AIF and in the documents incorporated by reference herein as a result of numerous known and unknown risks and uncertainties and other factors which are discussed in this AIF.

Some of the risks and other factors which could cause actual results to differ materially from those expressed in the forward-looking information contained in this AIF and in certain documents incorporated by reference herein include, but are not limited to:

- the risks of the oil and gas industry generally, including the risks associated with the exploration, development and production of oil and gas;
- lack of diversification of the Corporation's assets;
- the impact of work disruption and labour unrest;
- the impact that negative cash flow from operating activities may have on future operations;
- risks associated with substantial capital requirements;
- risks associated with additional funding requirements;
- risks of Argentinean and foreign operations including changes in energy policies or personnel administering them, nationalization, currency fluctuations, exchange and export controls and royalty and tax rates;
- risk of nationalization of Argentina oil and gas assets;
- risks associated with Argentina sovereign debt issues;
- risks associated with economic and political developments in Argentina, including export controls;
- risks associated with failure to receive approval for extension of the Tierra del Fuego concessions;
- risks associated with acquisitions;
- incorrect assessments of the value of acquisitions;
- the failure to realize anticipated benefits of acquisitions and dispositions;
- the ability to replace reserves;
- risks associated with prices, markets and marketing of oil and natural gas;
- risks associated with global financial conditions;
- risks associated with reserve estimates;
- risks associated with foreign subsidiaries, including the ability to distribute cash flow from such entities to the Corporation;
- third party credit risk;
- risks associated with alternatives to and changing demand for petroleum products;
- risks associated with licensing and title of the Corporation's oil and gas assets;
- the ability to satisfy minimum work commitments on concessions;
- fluctuations in currency exchange rates;
- competition for equipment, labour and oil and gas assets;
- risks associated with conflicting interests with partners;
- the impact of changes in legislation;
- transportation costs and the effects on the Corporation's netbacks;
- the availability of drilling equipment and access;
- the impact of delays in business operations;
- the enforcement of civil liabilities in Argentina;
- the reliance on industry partners and operational independence;
- risks associated with reliance on key personnel;
- the ability to complete issuances of debt and borrowing when and if necessary and the effects thereof on the Corporation;
- risks associated with any potential hedging conducted or financial instruments entered into by the Corporation;
- the ability of the Corporation to satisfy all regulatory requirements;

- income tax reassessments and other risks associated with any taxes payable by the Corporation;
- sufficiency of the Corporation's insurance coverage;
- environmental risks including risks of spills, emissions and releases and the compliance with environmental regulations;
- risks associated with developing climate change regulations;
- conflicts of interest of the directors and officers of the Corporation;
- volatility of the market price of Common Shares;
- the potential dilution associated with future financings;
- the ability of management to manage growth;
- the intent of the Corporation not to pay dividends; and
- the other factors considered under "*Risk Factors*" in this AIF.

In addition, please note that information relating to reserves is deemed to be forward-looking information, as it involves the implied assessment, based on certain estimates and assumptions, that the reserves described can be economically produced in the future. With respect to forward-looking information contained or incorporated by reference in this AIF, the Corporation has made assumptions regarding: the impact of increasing competition; the general stability of the economic and political environment in which the Corporation operates; the timely receipt of any required regulatory approvals; the ability of the Corporation to obtain qualified staff, equipment and services in a timely and cost efficient manner; drilling results; the costs of obtaining equipment and personnel to complete the Corporation's capital expenditure program; the ability of the operator of the projects which the Corporation has an interest in to operate the field in a safe, efficient and effective manner; the ability of the Corporation to obtain financing on acceptable terms when and if needed; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development and exploration activities; the timing and costs of pipeline, storage and facility construction and expansion and the ability of the Corporation to secure adequate product transportation; future oil and natural gas prices; currency, exchange and interest rates; the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which the Corporation operates; and the ability of the Corporation to successfully market its oil and natural gas products. Management of Crown Point has included the above summary of assumptions and risks related to forward-looking information included in this AIF and the documents incorporated by reference herein in order to provide readers with a more complete perspective on the Corporation's future operations. Readers are cautioned that this information may not be appropriate for other purposes.

Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking information contained in this AIF, and the documents incorporated by reference herein, are expressly qualified by this cautionary statement.

This forward-looking information is made as of the date of this AIF, or in the case of documents incorporated by reference herein, as of the dates of such documents, and the Corporation disclaims any intent or obligation to update publicly any such forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable Canadian securities laws.

CORPORATE STRUCTURE

Name, Address and Incorporation

The Corporation was continued under the ABCA from the BCBCA on July 27, 2012. Pursuant to the continuation of the Corporation under the ABCA from the BCBCA, the name of the Corporation was changed from "Crown Point Ventures Ltd." to "Crown Point Energy Inc.". The Corporation was originally incorporated under the BCBCA on March 16, 1966.

The registered office of the Corporation is located at 2400, 525-8th Avenue S.W., Calgary, Alberta, T2P 1G1 and its head office is located at Suite 1600, 700 – 6th Avenue S.W., Calgary, Alberta, T2P 0T8.

Intercorporate Relationships

The following table provides the name, the percentage of votes attaching to all voting securities of Crown Point's subsidiaries beneficially owned, or controlled or directed, directly or indirectly by Crown Point, and the jurisdiction of incorporation, continuation, formation or organization of Crown Point's subsidiaries as at the date hereof:

	Percentage of securities held (directly or indirectly)	**Jurisdiction of Formation**
Antrim Argentina S.A.	100%	Argentina
Crown Point Oil & Gas S.A.	100%	Argentina
CanAmericas (Argentina) Energy Ltd.	100%	Alberta, Canada

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

Fiscal Year Ended August 31, 2010

On October 7, 2009, Arthur J. G. Madden was appointed Vice-President, Finance and Chief Financial Officer of Crown Point.

In November 2009, Crown Point completed its initial drilling program with respect to the El Valle UTE, which resulted in two producing oil wells and one natural gas well, thereby satisfying its obligations under the El Valle Assignment and Transfer Agreement. As a result, Crown Point earned a 70% interest in the production from the earning wells (after royalties and Fomicruz's carried interest) prior to recovery of the costs of drilling such wells, and 50% thereafter. Pursuant to the El Valle Assignment and Transfer Agreement, all future work on the block including drilling, workovers and recompletions was to be carried out with a 50% working interest.

In January 2010, Crown Point sold its interests located at Daly, Manitoba for gross proceeds of $707,560.

On January 28, 2010, Crown Point Argentina entered into a new agreement (the "**El Valle Drilling and Option to Drill Agreement**") with its working interest partners pursuant to the El Valle UTE (Ingenieria Alpa S.A., Conipa S.A. and Rio De la Plata S.R.L.), which agreement partially replaces the El Valle Assignment and Transfer Agreement. The El Valle Drilling and Option to Drill Agreement provides Crown Point Argentina with the ability to propose and drill new wells. Pursuant to the terms of the El Valle Drilling and Option to Drill Agreement, Crown Point Argentina must fund 100% of the costs associated with any new wells that it proposes to drill (unless the other parties decide to participate in the drilling of such wells) and is entitled to an 80% interest in production from such wells (after royalties and Fomicruz's carried interest) until Crown Point has recovered 300% of the costs associated with development wells (or, to the extent applicable, 500% of the costs associated with exploration wells). Once the production penalty has been paid out, Crown Point Argentina's working interest in any such wells will revert to 50% (after royalties and Fomicruz's carried interest).

On May 5, 2010, Crown Point issued 4,289,334 units of the Corporation (the "**Units**") pursuant to a non-brokered private placement at a price of $0.75 per Unit for aggregate gross proceeds of approximately $3.2 million. Each Unit consisted of one Common Share and one-half of one Common Share purchase warrant (each whole warrant, a "**Series A Warrant**"). Each Series A Warrant is exercisable for one Common Share and one additional Common Share purchase warrant (each whole warrant, a "**Series B Warrant**") at an exercise price of $1.00 per Series A Warrant until two years from the date of issue (subject to acceleration in certain circumstances). Each Series B Warrant is exercisable for one Common Share at an exercise price of $1.50 per Common Share for a period of three years from the date of closing of the issuance of the Units. On June 1, 2010, Crown Point closed the second tranche of the private placement, issuing 1,567,516 Units for additional aggregate gross proceeds of approximately $1.2 million. Pursuant to the private placement, the Corporation granted finder's options (the "**Finder's Options**") to certain parties who assisted the Corporation in locating subscribers for such private placement. Each Finder's Option entitles the holder to purchase one finder's unit (a "**Finder's Unit**") at a price of $0.75 per Finder's Unit for a period of two years from the closing date of the private placement. Each Finder's Unit consists of one Common Share and one-half of a Series A Warrant.

Fiscal Year Ended August 31, 2011

On October 14, 2010, Crown Point entered into an agreement to acquire a 49.9% interest in an approximate 306,646 acre area in the Neuquén Basin in the Province of Mendoza, Argentina pursuant to the Cerro de Los Leones Permit. Crown Point's interest in the Cerro de Los Leones Permit was acquired from two private Argentina companies for consideration consisting of (i) the reimbursement to the vendors of approximately $1,000,000 ($500,000 net to Crown Point) of exploration and development expenses; and (ii) the grant to the vendors of a 2.5% gross overriding royalty (1.25% net to Crown Point).

On December 14, 2010, Crown Point issued 7,750,594 Common Shares pursuant to a bought-deal private placement and a concurrent non-brokered private placement at a price of $1.55 per Common Share for aggregate gross proceeds of approximately $12 million.

On December 24, 2010, Crown Point issued 1,417,323 Common Shares pursuant to a non-brokered private placement at a price of $1.55 per Common Share for aggregate gross proceeds of approximately $2.2 million.

In January 2011, Crown Point completed the acquisition of CanAmericas. As consideration for the acquisition, the Corporation issued 258,065 Common Shares at a deemed value of $1.85 per Common Share and paid $50,000 in cash. The assets of CanAmericas included a 49% interest in the Cañadón Ramirez Concession and a 25% interest in the Laguna de Piedra Permit. In January 2011, the Corporation also completed a separate asset acquisition from the remaining working interest holders of the Cañadón Ramirez Concession of the other 51% working interest in the Cañadón Ramirez Concession. As consideration for the asset acquisition the Corporation paid US$25,000 in cash and undertook to reimburse certain costs incurred by the vendors. As a result of the two acquisitions, the Corporation now holds a 100% interest in the Cañadón Ramirez Concession and a 50% interest in the Laguna de Piedra Permit. In addition, pursuant to the acquisition the Corporation acquired 190 square kilometres of high quality 3-D seismic data over the entire Cañadón Ramirez Concession including the Mata Magallanes Oeste and Este fields.

On March 10, 2011, Crown Point issued 12,825,000 Common Shares on a bought-deal private placement basis at a price of $1.95 per Common Share, for aggregate gross proceeds of approximately $25 million.

Fiscal Year Ended August 31, 2012

On October 24, 2011 Crown Point announced the appointment of Carlos Olivieri of Buenos Aires, Argentina as a director of the Corporation.

On December 15, 2011 Crown Point completed a bought deal short form prospectus financing of 13,774,900 Common Shares at a price of $0.95 per Common Share, for aggregate gross proceeds of $13,086,155.

On April 19, 2012 Crown Point announced the appointment of Keith Turnbull of Calgary, Alberta as a director of the Corporation and the resignation of Martin Walter as a director of the Corporation.

On April 27, 2012, Crown Point announced that it had acquired an additional 50% interest in the Laguna de Piedra Concession through the exercise of rights of first refusal. The cost of the acquisition was US$500,000 and as a result of the acquisition Crown Point now holds a 100% operated interest in the Laguna de Piedra Concession.

On May 4, 2012 Crown Point announced the retirement of John Chulick as a director of the Corporation.

On May 28, 2012, Crown Point completed the acquisition of Antrim Argentina from Antrim pursuant to a plan of arrangement under the ABCA (the "**Antrim Arrangement**") under the terms and conditions of an arrangement agreement between Crown Point and Antrim dated March 23, 2012, which was subsequently amended and restated effective March 23, 2012. Pursuant to the terms of the Antrim Arrangement, Antrim received a cash payment of approximately $9.25 million and was issued 35,761,307 Common Shares. The Common Shares received by Antrim were distributed to holders of common shares of Antrim of record on June 4, 2012 on a pro rata basis.

The principal assets of Antrim Argentina are a 25.78% working interest in the Tierra del Fuego Concessions and an operated 50.1% working interest in the Cerro de Los Leones Permit. Pursuant to the Antrim Arrangement, Crown Point also assumed Antrim Argentina's working capital surplus of approximately $9 million.

As a result of the Antrim Arrangement, Crown Point holds an indirect 100% working interest in the Cerro de Los Leones Permit as prior to completion of the Antrim Arrangement Crown Point already held a 49.9% working interest in the Cerro de Los Leones Permit.

In accordance with the terms of the Antrim Arrangement, upon the completion of the Antrim Arrangement, Crown Point appointed Dr. Brian Moss, Antrim's former Executive Vice President, Latin America and a member of Antrim's Board of Directors, to the Board. Dr. Brian Moss was also subsequently appointed to the positions of Executive Vice-President and Chief Operating Officer of Crown Point.

On July 27, 2012, the Corporation was continued under the ABCA from the BCBCA. Pursuant to the continuation, the name of the Corporation was changed from "Crown Point Ventures Ltd." to "Crown Point Energy Inc." The continuance and the resultant name change were approved by shareholders at Crown Point's annual general and special meeting of shareholders held on July 27, 2012.

Fiscal Year Ended December 31, 2012 (September 1, 2012 to December 31, 2012)

On September 26, 2012, Crown Point announced that it had changed its financial year end from August 31 to December 31. The change in year end was completed to align Crown Point's financial reporting and enable it to streamline its annual budgeting and operations with the calendar year which is consistent with other peer companies in the oil and gas industry.

On October 25, 2012 the Parliament of the Province of Santa Cruz approved the extension of the exploitation rights of the Corporation and its partners under the El Valle UTE until January 2026, with the following key terms: (i) a payment of US$66,953 (net to Crown Point's interest) on November 25, 2012, which has already been paid by Crown Point; (ii) two further payments of US$18,321 (net of Crown Point's interest) prior to January 4, 2013 (which has already been paid) and July 3, 2013; (iii) an increase to the base royalty from 12% to 15%; (iv) an incremental royalty for oil of 5% of the difference between the sales price and a reference price of US$70/Bbl and for gas of 5% of the difference between the sales price and reference price of US$8/MMBtu; and (v) a requirement that 70% of manpower utilized for the El Valle UTE should be local. In addition, pursuant to the extension the Corporation and its partners under the El Valle UTE will have certain capital expenditure commitments as detailed under "*Statement of Reserves Data and Other Oil and Gas Information – Principal Properties*".

On December 20, 2012, Antrim Argentina signed a lending agreement with HSBC Bank Argentina S.A. for a development loan in the amount of ARS$26,800,000 (Cdn$5.4 million). The loan will bear compensatory interest at 15.01% and is repayable in 24 monthly installments commencing 396 days after the funds have been drawn on by the Corporation. The use of the loan is restricted to the acquisition of capital assets and/or the building of facilities necessary for the production and/or commercialization of oil and natural gas from the Tierra del Fuego Concessions and the loan may not be drawn until extensions of the Tierra Del Fuego Concessions have been ratified and approved. The loan must be drawn in one lump sum on or before June 30, 2013.

Significant Acquisitions

The acquisition of Antrim Argentina pursuant to the Antrim Arrangement represented a significant acquisition for Crown Point for the purposes of Part 8 of NI 51-102. For further information with respect to the acquisition of Antrim Argentina, see "*General Development of the Business – Three Year History – Fiscal Year Ended August 31, 2012*". Crown Point prepared a business acquisition report with the information prescribed by Form 51-102F4 under NI 51-102 for the acquisition of Antrim Argentina dated May 30, 2012 which is available on SEDAR at www.sedar.com. Crown Point did not complete any other acquisitions during its two most recently completed financial years that are significant acquisitions for the purposes of Part 8 of NI 51-102.

DESCRIPTION OF THE BUSINESS

General

Crown Point is an oil and gas exploration and development company which aims to be an opportunistic exploiter and aggregator of low to medium risk, high growth oil and gas opportunities in South America. All of the oil and gas assets of the Corporation are presently in Argentina. Crown Point's main assets are the Tierra del Fuego Concessions in the Tierra del Fuego region of the Argentina Austral basin, the El Valle Area and the Cañadón Ramirez Concession in the Golfo San Jorge basin, and the Cerro de Los Leones and Laguna de Piedra Permits in the Neuquén basin. The shares of Crown Point trade on the TSXV under the symbol "CWV".

The Corporation is implementing low risk development programs on the Tierra del Fuego Concession and in the El Valle Area and is developing exploitation and exploration upside on the Cerro de Los Leones Permit, Laguna de Piedra Permit and on the Cañadón Ramirez Concession, which is expected to provide the Corporation with a visible and well defined growth profile. Crown Point plans to continue with its focus to develop and grow core business units in the Tierra del Fuego region and the Golfo San Jorge and Neuquén basins.

Crown Point's primary focus is on operated high working interest properties with an emphasis on oil maintaining a low to medium risk profile, with a drilling depth range between 1,000 metres to 3,000 metres. While continuing with the development of oil prospects, the Corporation is actively pursuing other gas focused opportunities to take advantage of higher prices obtainable through participation in certain incentive programs in Argentina.

Crown Point intends to continue to develop a strong Argentina based management and technical team. Crown Point's strategy is to combine North American drilling, completion and production technologies and practices into its Argentina operations.

Specialized Skill and Knowledge

Operations in the oil and natural gas industry require professionals with skills and knowledge in diverse fields of expertise. In the course of its exploration, development and production activities, the Corporation requires the expertise of drilling engineers, exploration geophysicists and geologists and petroleum engineers. The Corporation has not to date experienced any difficulties in hiring and retaining the professionals and experts it requires for its operations.

Competitive Conditions

The oil and natural gas industry is inherently competitive. The Corporation faces competition in the areas of finance, technical facilities and acquisition of assets. While the Corporation has been successful in its ability to acquire properties from other organizations in the industry, there is no assurance that it will continue to do so. Nonetheless, the management of the Corporation believes that it will be able to compete successfully with local and foreign competitors in Argentina. See "*Risk Factors - Competition"*.

Seasonality

The level of activity in the oil and gas industry in certain areas of Argentina may be influenced by seasonal weather patterns; however, in general, most areas can be accessed year round. Certain localized areas may have restricted access during parts of the year for drilling and completion activity resulting from winter conditions and the presence of high winds. Seasonal factors and unexpected weather patterns may lead to delays in the Corporation's exploration, development and production plans. In addition, the demand for oil and natural gas in Argentina fluctuates throughout the year, which affects the prices the Corporation receives for its oil and natural gas production.

Employees

As of the date of this AIF, the Corporation had 3 full-time employees and 3 consultants at its head office in Calgary, Alberta, Canada and 17 full-time employees and 2 consultants at its operating offices in Buenos Aires, Argentina.

Foreign Operations

All of the Corporation's operations are located in Argentina. All of the Corporation's material exploration properties are located in Argentina. See "*Industry Conditions*" and "*Risk Factors*".

Environmental Protection

The oil and natural gas industry is subject to environmental laws and regulations under varied governmental legislation. Compliance with such obligations and requirements can mean significant expenditures and may constrain the Corporation's operations in the country. Breach of environmental obligations could lead to suspension or revocation of requisite environmental licenses and permits, civil liability for damages caused and possible fines and penalties, all of which may significantly and negatively impact the Corporation's position and competitiveness. See "*Industry Conditions*" and "*Risk Factors*".

Social or Environmental Policies

The Corporation has established guidelines and management systems to comply with the laws and regulations of the jurisdictions in which it conducts its business. The Corporation has dedicated employees responsible for all matters affecting the environment and local municipalities. While the Corporation endeavours to meet all of its environmental obligations, it cannot guarantee that it has and will be in compliance at all times. Nonetheless, management believes that operations are in substantial compliance with all material environmental laws and regulations. See "*Risk Factors*".

STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION

The effective date of this Statement of Reserves Data and Other Oil and Gas Information of Crown Point is December 31, 2012 and the preparation date, which is the most recent date to which information relating to the period ending on December 31, 2012 was considered in the preparation of the disclosure contained herein, is April 12, 2013.

The Report of Management and Directors on Oil and Gas Disclosure in Form 51-101F3 and the Report on Reserves Data by our independent qualified reserves evaluators in Form 51-101F2 are attached as Schedule "A" and Schedule "B" respectively, hereto.

Disclosure of Reserves Data (Forecast Prices and Costs)

The McDaniel Report provides an evaluation of the oil and natural gas reserves attributable to all of the properties of the Corporation as at December 31, 2012. As at December 31, 2012 the Corporation only had oil and gas properties in Argentina and the only properties of the Corporation which had any reserves were the El Valle Area and Tierra del Fuego Concessions. The Corporation does not have any heavy oil or non-conventional reserves.

The McDaniel Report also presents the estimated net present value of future net revenue of Crown Point's properties before and after taxes, at various discount rates. In this statement, all dollar amounts are expressed in United States dollars ("**US$**", and "**MUS$**" and "**MMUS$**" means thousands and millions of United States dollars, respectively) unless otherwise indicated.

The extent and nature of all information supplied by Crown Point and/or the operator of its properties, which may have included ownership data, well information, geological information, reservoir studies, timing of future production, current product prices, operating cost data, capital budget forecasts and future operating plans, have been relied upon by McDaniel in preparing the McDaniel Report and were for the most part accepted as represented but were independently verified where possible. In the absence of such information, McDaniel relied, with the concurrence of Crown Point, upon its opinion of reasonable practice in the industry. All information provided to McDaniel was as at December 31, 2012 and, accordingly, certain of such information may not be representative of current conditions.

The definitions of the various categories of reserves are those set out in NI 51-101 and in the COGE Handbook. The Corporation engaged McDaniel to provide an evaluation of the Corporation's proved, probable and possible reserves. The following are the definitions of proved, probable and possible reserves as set out in the COGE Handbook:

"**proved reserves**" are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves. At least a 90% probability that the quantities actually recovered will equal or exceed the estimated proved reserves is the targeted level of certainty.

"**probable reserves**" are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves. At least a 50% probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable reserves is the targeted level of certainty.

"**possible reserves**" are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves. At least a 10% probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable plus possible reserves is the targeted level of certainty.

In addition, the following are the definitions of gross and net as used herein and as used in NI 51-101 and the COGE Handbook:

"**gross**" means (a) in relation to the Corporation's interest in production or reserves, its "company gross reserves", which are the Corporation's working interest (operating or non-operating) share before deduction of royalties and without including any royalty interests of the Corporation; (b) in relation to wells, the total number of wells in which a Corporation has an interest; and (c) in relation to properties, the total area of properties in which a Corporation has an interest.

"**net**" means (a) in relation to the Corporation's interest in production or reserves, the Corporation's working interest (operating or non-operating) share after deduction of royalty obligations, plus the Corporation's royalty interests in production or reserves; (b) in relation to the Corporation's interest in wells, the number of wells obtained by aggregating the Corporation's working interest in each of its gross well; (c) in relation to the Corporation's interest in a property, the total area in which the Corporation has an interest multiplied by the working interest owned by the Corporation.

It should not be assumed that the present worth of estimated future net revenue represents the fair market value of the reserves. There is no assurance that the forecast price and cost assumptions contained in the McDaniel Report will be attained and variances could be material. The reserves and revenue estimates set forth below are estimates only and the actual reserves and realized revenue may be greater or less than those calculated.

Reserves Data (Forecast Prices and Costs)

The following table discloses, in the aggregate, the Corporation's gross and net proved, probable and possible reserves, estimated using forecast prices and costs, by product type.

SUMMARY OF OIL AND GAS RESERVES AS OF DECEMBER 31, 2012
(Forecast Prices & Costs)

	Light and Medium Oil (Mbbl)		Natural Gas (MMcf)		Natural Gas Liquids (Mbbl)	
	Gross	**Net**	**Gross**	**Net**	**Gross**	**Net**
Proved:						
Developed Producing	739	615	8,575	7,354	115	99
Developed Non-Producing	264	217	364	311	-	-
Undeveloped	342	289	7,860	6,711	74	63
Total Proved	1,345	1,121	16,799	14,377	190	162
Probable	1,182	978	9,423	8,043	69	59
Total Proved plus Probable	2,527	2,099	26,222	22,421	258	221
Possible	971	799	4,492	3,832	22	19
Total Proved plus Probable plus Possible	3,497	2,898	30,714	26,253	280	240

The following tables disclose, in the aggregate, the net present value of the Corporation's future net revenue attributable to the reserves categories in the previous table, estimated using forecast prices and costs, before and after deducting future income tax expenses, and calculated without discount and using discount rates of 5%, 10%, 15% and 20%.

SUMMARY OF NET PRESENT VALUE OF FUTURE NET REVENUE
AS OF DECEMBER 31, 2012
(Forecast Prices & Costs)

	Net Present Values of Future Net Revenue Before Income Taxes Discounted at (%/year)				
Reserves Category	**0% MUS$**	**5% MUS$**	**10% MUS$**	**15% MUS$**	**20% MUS$**
Proved:					
Developed Producing	18,083	16,971	15,968	15,077	14,287
Developed Non-Producing	8,113	6,891	5,943	5,193	4,588
Undeveloped	12,326	9,317	7,038	5,295	3,949
Total Proved	38,522	33,179	28,950	25,565	22,824
Probable	56,013	42,732	33,485	26,837	21,919
Total Proved plus Probable	94,535	75,910	62,435	52,402	44,743
Possible	50,356	36,616	27,601	21,445	17,092
Total Proved plus Probable plus Possible	144,891	112,526	90,036	73,848	61,835

Reserves Category	Net Present Values of Future Net Revenue After Income Taxes Discounted at (%/year) 0% MUS$	5% MUS$	10% MUS$	15% MUS$	20% MUS$
Proved:					
Developed Producing	18,083	16,971	15,968	15,077	14,287
Developed Non-Producing	8,113	6,891	5,943	5,193	4,588
Undeveloped	8,224	5,742	3,885	2,485	1,422
Total Proved	34,420	29,603	25,796	22,755	20,296
Probable	39,420	28,872	21,704	16,669	13,026
Total Proved plus Probable	73,840	58,475	47,500	39,424	33,322
Possible	33,210	23,409	17,059	12,779	9,792
Total Proved plus Probable plus Possible	107,051	81,884	64,560	52,203	43,114

The following table discloses, in the aggregate, certain elements of the Corporation's future net revenue attributable to proved reserves, proved plus probable reserves and proved plus probable plus possible reserves, estimated using forecast prices and costs, and calculated without discount.

Reserves Category	Revenue MUS$	Royalties MUS$	Operating Costs MUS$	Development Costs MUS$	Abandonment Costs MUS$	Future Net Revenue Before Income Taxes MUS$	Income Tax MUS$	Future Net Revenue After Income Taxes MUS$
Total proved	156,069	28,481	68,431	19,010	1,626	38,522	4,102	34,420
Total proved plus probable	289,203	55,025	100,103	37,416	2,124	94,535	20,695	73,840
Total proved plus probable plus possible	382,906	75,454	115,214	45,175	2,173	144,891	37,840	107,051

The following table discloses, by production group, the net present value of the Corporation's future net revenue attributable to its proved reserves, its proved plus probable reserves and its proved plus probable plus possible reserves, before deducting future income tax expenses, estimated using forecast prices and costs, and calculated using a 10% discount rate.

NET PRESENT VALUE OF FUTURE NET REVENUE BY PRODUCTION GROUP AS OF DECEMBER 31, 2012 (Forecast Prices & Costs)

Reserves Category	Production Group	Before Income Taxes Discounted (10%/Yr) Future Net Revenue (MUS$)	Unit Value (US$)
Proved	Light & Medium Crude Oil (including solution gas and other by-products)	8,822	7.87/Bbl
	Natural Gas	18,852	1.31/Mcf
	Natural Gas Liquids	1,276	7.87/Bbl
Proved plus Probable	Light & Medium Crude Oil (including solution gas and other by-products)	21,637	10.31/Bbl
	Natural Gas	38,521	1.72/Mcf
	Natural Gas Liquids	2,276	10.31/Bbl
Proved plus Probable plus Possible	Light & Medium Crude Oil (including solution gas and other by-products)	34,731	11.98/Bbl
	Natural Gas	52,433	2.00/Mcf
	Natural Gas Liquids	2,872	11.98/Bbl

Forecast Prices Used in Estimates

The following table sets forth the benchmark reference prices, as at December 31, 2012, provided by McDaniel which were McDaniel's then current forecast prices at the effective date of the McDaniel Report.

SUMMARY OF PRICING AND INFLATION RATE ASSUMPTIONS
AS OF DECEMBER 31, 2012 (Forecast Prices & Costs)

Year	WTI Crude Oil Price $US/Bbl	TDF[1] Oil Price $US/Bbl	El Valle Oil Price $US/Bbl	TDF[1] NGL Price $US/Bbl	TDF[1][3] Natural Gas Price $/Mcf	Inflation Rate[2] %
2013	92.50	69.38	63.83	28.55	2.80	2.0
2014	92.50	69.38	64.75	28.55	3.06	2.0
2015	93.60	70.20	66.46	28.78	3.12	2.0
2016	95.50	71.63	68.76	29.17	3.16	2.0
2017	97.40	74.02	71.10	29.57	3.15	2.0
2018	99.40	76.54	73.56	29.98	3.09	2.0
2019	101.40	79.09	76.05	30.40	3.27	2.0
2020	103.40	81.69	78.58	30.82	3.52	2.0
2021	105.40	84.32	81.16	31.23	3.81	2.0
2022	107.60	86.08	83.93	31.69	4.11	2.0
Thereafter	2%/year	2%/year	2%/year	2%/year	2%/year	2.0

Notes:

(1) "**TDF**" in the above table refers to Tierra del Fuego.
(2) Inflation rates for forecasting prices and costs.
(3) Represents a blended forecast price used for estimating proved reserves.

During the financial year ending December 31, 2012 (from September 1, 2012 to December 31, 2012), Crown Point received an average price of US$62.57/Bbl for light oil, US$3.02/Mcf for natural gas and US$6.52/Bbl for natural gas liquids (before transportation and marketing fees). The Corporation did not hedge any production in the year ended December 31, 2012. See "*Industry Conditions – Argentina - Marketing Arrangements*".

Reserves Reconciliation

The following table provides a reconciliation of Crown Point's gross reserves as at December 31, 2012 from August 31, 2012 based on forecast prices and costs.

RECONCILIATION OF COMPANY GROSS RESERVES BY PRINCIPLE PRODUCT TYPE

	Light and Medium Crude Oil (Mbbl)			Natural Gas (MMcf)			Natural Gas Liquids (Mbbl)		
	Gross Proved	Gross Probable	Gross Proved plus Probable	Gross Proved	Gross Probable	Gross Proved plus Probable	Gross Proved	Gross Probable	Gross Proved plus Probable
August 31, 2012	1,443	1,432	2,875	16,479	11,230	27,709	231	86	317
Extensions[1]	57	(57)	-	-	-	-	-	-	-
Infill Drilling	-	-	-	-	-	-	-	-	-
Improved recovery	-	-	-	-	-	-	-	-	-
Technical revisions	(80)	(192)	(273)	1,091	(1,807)	(716)	(30)	(18)	(48)
Discoveries	-	-	-	-	-	-	-	-	-
Acquisitions	-	-	-	-	-	-	-	-	-
Dispositions	-	-	-	-	-	-	-	-	-
Economic factors	-	-	-	-	-	-	-	-	-
Production	(75)	-	(75)	(771)	-	(771)	(11)	-	(11)
December 31, 2012[2]	1,345	1,182	2,527	16,799	9,423	26,222	190	68	258

Notes:

(1) The proved extensions represent a transfer of probable undeveloped reserves to proved undeveloped reserves for two undeveloped well locations.
(2) Totals may not add due to rounding.

Additional Information Relating to Reserves Data

Undeveloped Reserves

The following tables set forth the proved undeveloped gross reserves and the probable undeveloped gross reserves, each by product type, attributed to Crown Point's assets for the transition year ended December 31, 2012 and the financial years ended August 31, 2012 and August 31, 2011 and, in the aggregate, before that time based on forecast prices and costs.

SUMMARY OF COMPANY GROSS UNDEVELOPED RESERVES
(Forecast Prices & Costs)

	As of December 31, 2012					
	Light/Medium Oil		Natural Gas		Natural Gas Liquids	
Proved	First Attributed	Cumulative at Year End	First Attributed	Cumulative at Year End	First Attributed	Cumulative at Year End
Undeveloped	(Mbbl)	(Mbbl)	(MMcf)	(MMcf)	(Mbbl)	(Mbbl)
Prior thereto	202	202	-	-	-	-
August 31, 2011	66	66	-	-	-	-
August 31, 2012	20	263	7,140	7,140	69	69
December 31, 2012	58	342	-	7,860	-	74
Probable						
Undeveloped						
Prior thereto	409	409	-	-	-	-
August 31, 2011	696	1,086	-	-	-	-
August 31, 2012	191	612	5,634	5,634	-	-
December 31, 2012	-	546	-	6,063	-	-

The following discussion generally describes the basis on which Crown Point attributes proved and probable undeveloped reserves and its plans for developing those undeveloped reserves.

Proved Undeveloped Reserves

Proved undeveloped reserves are generally those reserves related to wells that have been tested and not yet tied-in, wells drilled near the end of the fiscal year or wells further away from gathering systems. In addition, such reserves may relate to planned infill-drilling locations. The majority of these reserves are planned to be on stream within a two-year timeframe.

Probable Undeveloped Reserves

Probable undeveloped reserves are generally reserves tested or indicated by analogy to be productive, infill drilling locations and lands contiguous to production. The majority of these reserves are planned to be on stream within a two-year timeframe.

Significant Factors or Uncertainties

The most significant economic factor or area of uncertainty affecting Crown Point's reserves data is commodity prices, as the Corporation currently sells all of its oil and natural gas production into the Argentine market which is subject to price controls imposed by the national government.

McDaniel conducted its independent engineering evaluation on Crown Point's reserves as at December 31, 2012. The process of establishing reserves requires significant judgments and decisions based on available geological, geophysical, engineering and economic data. These estimates may change substantially as additional data from ongoing development activities and production performance becomes available and as economic conditions impacting oil and gas prices and costs change.

As circumstances change and additional data become available, reserves estimates also change. Estimates made are reviewed and revised, either upward or downward, as warranted by the new information. Revisions are often required due to changes in well performance, prices, economic conditions and governmental restrictions.

Although every reasonable effort is made to ensure that reserves estimates are accurate, reserves estimation is an inferential science. As a result, the subjective decisions, new geological or production information and a changing environment may impact these estimates. Revisions to reserves estimates can arise from changes in year-end oil and gas prices, and reservoir performance.

Future Development Costs

The following table provides information regarding the development costs deducted in the estimation of future net revenue attributable to the Corporation's reserves.

FUTURE DEVELOPMENT COSTS (UNDISCOUNTED)(1)

	Forecast Prices and Costs		
Calendar Year	**Proved Reserves (MUS$)**	**Proved plus Probable Reserves (MUS$)**	**Proved plus Probable plus Possible Reserves (MUS$)**
2013	6,742	13,464	13,950
2014	5,180	8,225	14,336
2015	2,588	7,057	7,097
2016	1,933	4,390	5,080
2017	359	729	915
Thereafter	2,208	3,551	3,797
TOTAL	19,010	37,416	45,175

Note:

(1) Future Development Costs shown are associated with booked reserves in the McDaniel Report and do not necessarily represent the Corporation's full exploration and development budget.

The Corporation expects that such funds will be obtained from internally-generated cash flow and debt and/or equity financing. The Corporation does not anticipate that the cost of obtaining such funding will have a material effect on the reserves or future net revenues disclosed herein, nor does the Corporation expect that the cost of such funding could make the development of any of the Corporation's properties uneconomic.

Other Oil and Gas Information

Principal Properties

The following is a description of the Corporation's principal properties in Argentina as at December 31, 2012.

Tierra del Fuego

<u>Description of Tierra del Fuego Concessions</u>

In May 2012, upon the acquisition of Antrim Argentina pursuant to the Arrangement, Crown Point acquired an interest in producing oil and natural gas assets in the Tierra del Fuego region in southern Argentina. The assets consist of a 25.78% working interest in approximately 489,000 acres (126,000 net acres) pursuant to three producing exploitation concessions, which include the Rio Cullen Concession, the La Angostura Concession and the Las Violetas Concession.

Antrim Argentina originally acquired its interest in the Tierra del Fuego Concessions in February 2005. Production from the Tierra del Concessions is subject to a government royalty of 12% and a gross revenue tax of 2.0% for sales to Argentina with an average combined rate after deductions of approximately 11.7%.

The primary term of the Tierra del Fuego Concessions expires in November 2016; however, the Corporation and its partners have negotiated a ten year extension (to November 2026) with the provincial government authorities of Tierra del Fuego. The extension and its terms are currently awaiting ratification by the provincial legislature. See "*Risk Factors – Failure to Receive Approval for the Extension of the Tierra del Fuego Concession*".

Management believes that Crown Point's interests in the Tierra del Fuego Concessions are high quality natural gas weighted assets possessing the capability to deliver increased levels of production and reserves in an expected increasing natural gas price market. The main productive formation for the Tierra del Fuego Concessions is the Cretaceous Springhill formation, which consists of fluvial and shallow marine sandstones and shales that unconformably overlie volcanic and volcanoclastic rocks interbedded with non-marine sandstones and shales. The Springhill sandstones can range in thickness between 5 to 15 metres over the Tierra del Fuego Concessions and dip regionally from 1700m to over 2500m depth northeast to southwest across the Corporation's holdings.

<u>Recent Activity and Plans</u>

The bulk of the Corporation's production and reserves in the Tierra del Fuego area are located on the Las Violetas Concession. Antrim Argentina and its partners in the Tierra del Fuego Concession completed a fracture stimulation program on five wells on the Las Flamencos gas pool in the year ended August 31, 2012, which resulted in Antrim Argentina's net production at Tierra del Fuego increasing 15% over historical production levels. This fracture program primarily targeted wells eligible to receive the higher Gas Plus prices of $4.10/MMBtu (approximately $4.24/Mcf). The Corporation's daily average net sales volumes from the Tierra del Fuego Concessions for the period from the completion of the Antrim Argentina on May 28, 2012 to August 31, 2012 were 1,471 BOE/d (weighted approximately 7% oil, 5% NGL and 88% natural gas) and for the year ended December 31, 2012 (September 1, 2012 to December 31, 2012) were 1,743 BOE/d (weighted approximately 23% oil, 5% NGL and 72% natural gas).

Drilling operations and development work will only re-commence in Tierra del Fuego when and if the extensions for the Tierra del Fuego Concessions are approved by the provincial government of Tierra del Fuego. Provided that the extensions are approved, Crown Point and its partners plan to drill a minimum of six to eight new wells per year for the next three to four years. The majority of these wells are anticipated to be drilled in producing areas eligible for the Gas Plus program or in 3-D seismically defined gas pool extensions, which would also qualify for Gas Plus pricing at $4.10/MMBtu.

The Corporation and its partners also plan to acquire additional 3-D seismic data on the Las Violetas, Angostura Sur and Rio Cullen Exploitation Concessions starting in 2014. The proposed Las Violetas 3-D seismic program is designed to fully evaluate and identify drilling targets over areas and trends that have been mapped using older 2-D seismic. The Angostura Sur and Rio Cullen seismic programs are following up exploration leads from existing 2-D seismic and geological information. Crown Point currently estimates net capital expenditures in the Tierra del Fuego area for 2013 of $7.2 million. If the New Gas Incentive pricing program is available to Crown Point and its partners, it is likely that the Tierra del Fuego capital spending plans would be revised to include additional drilling and 3-D seismic acquisition to accelerate growth in production and reserves.

For details of the Corporation's marketing arrangements with respect to its production from the Tierra del Fuego Concessions, see "*Industry Conditions – Argentina – Marketing Arrangements – Tierra del Fuego*".

El Valle

<u>Description of the El Valle UTE</u>

The Corporation has a 50% working interest in an approximate 15,864 acre area in the El Valle Area of the Golfo San Jorge basin pursuant to the El Valle UTE. The El Valle Area is located in the south section of the Golfo San Jorge basin in the Province of Santa Cruz, Argentina.

Unlike standard hydrocarbon concessions existing in Argentina, the hydrocarbon mineral rights to the El Valle Area are not vested in any of the private party working interest members of the El Valle UTE, but in the province of Santa Cruz. Originally, the El Valle Area belonged to the Federal State of Argentina through YPF. As part of the deregulation of the industry and YPF privatization in October 1990, YPF and the federal government of Argentina assigned the El Valle Area to the Province of Santa Cruz. In turn, the Province of Santa Cruz delegated the execution and administration of the operations thereon to Fomicruz which then tendered the El Valle Area to private parties through a public bidding process.

The initial award of the El Valle Area was approved by Decree of the Province of Santa Cruz dated August 6, 1991 and the initial El Valle UTE was entered into on August 14, 1991. Various assignments of interests from the original private parties to the El Valle UTE were approved and authorized over time. In consideration for the award, the original private parties to the El Valle UTE paid a cash bonus and further committed and carried out the work program proposed by them for the initial three-year term of the El Valle UTE.

The El Valle UTE provides that 100% of the hydrocarbon mineral rights to the El Valle Area are held by Fomicruz but are contributed by Fomicruz to the El Valle UTE during the entire term of the UTE. Fomicruz also has a 12.25% carried interest under the El Valle UTE. In turn, the private-party group to the El Valle UTE have an 87.75% working interest thereunder, are required to fund Fomicruz's 12.25% carried interest and are entitled to a share of the production equal to their working interest under the El Valle UTE.

Similar to standard exploitation concession holders, the private-party group to the El Valle UTE have the right to freely market and dispose of their working interest share of the hydrocarbons produced from the El Valle Area, after paying the standard monthly 12% production royalties to the Province of Santa Cruz and further tendering to Fomicruz an additional 12.25% of the production on account of its carried interest. The parties to the El Valle UTE also own any assets contributed by them to the El Valle UTE.

In April 2008 Crown Point Argentina was assigned a 50% interest in the El Valle UTE pursuant to an agreement (the "**El Valle Assignment and Transfer Agreement**") with the existing working interest holders of the El Valle UTE. The El Valle Assignment and Transfer Agreement required Crown Point Argentina to fund 100% of the costs associated with the acquisition, interpretation and analysis of approximately 85 square kilometres of 3-D seismic data, as well as the drilling of three exploration wells. As consideration for funding such costs, Crown Point Argentina was entitled to a 70% interest in production from the new wells until all the costs for completing the seismic and drilling the wells were recovered. Following recovery of such costs, Crown Point Argentina's interest reverted to a 50% interest (after royalties and Formicruz's carried interest) in production from the El Valle Area.

In January 2010, Crown Point Argentina entered into the El Valle Drilling and Option to Drill Agreement with its working interest partners pursuant to the El Valle UTE, which agreement partially replaced the El Valle Assignment and Transfer Agreement. The El Valle Drilling and Option to Drill Agreement provides Crown Point Argentina with the ability to propose and drill new wells. Pursuant to the terms of the El Valle Drilling and Option to Drill Agreement, Crown Point Argentina must fund 100% of the costs associated with any new wells that it proposes to drill (unless the other parties decide to participate in the drilling of such wells) and is entitled to an 80% interest in production from such wells (after royalties and Fomicruz's carried interest) until Crown Point has recovered 300% of the costs associated with development wells (or, to the extent applicable, 500% of the costs associated with exploration wells). Once the production penalty has paid out, Crown Point Argentina's working interest in the wells will revert to 50% (after royalties and Fomicruz's carried interest).

The El Valle UTE has a term of 25 years which was set to expire on January 17, 2016. On October 25, 2012 the Parliament of the Province of Santa Cruz approved the extension of the exploitation rights of the Corporation and its partners under the El Valle UTE until January 2026. As consideration for the extension of the El Valle UTE, Crown Point paid (net to its interest) US$66,953 on November 25, 2012, US$18,321 on January 4, 2013 and is required to make a further payment of US$18,321 prior to July 3, 2013. The extension also included the future gross work commitments set forth in the table below.

	2013 to 2016	2017 to 2020	2021 to 2024	2025 to 2026	Total
US$ millions	9.3	8.8	5.1	3.5	26.7

In addition, the following key terms were part of the extension of the El Valle UTE: (i) an increase to the base royalty from 12% to 15%; (ii) an incremental royalty for oil of 5% of the difference between the sales price and a reference price of US$70/Bbl and for gas of 5% of the difference between the sales price and reference price of US$8/MMBtu; and (iii) a requirement that 70% of manpower utilized for the El Valle UTE should be local.

The El Valle Area has three distinct productive sedimentary formations, which, in descending order from shallow to deep, are the Cañadón Seco, Caleta Olivia and Mina el Carmen. Each of these formations may contain multiple discrete hydrocarbon bearing sandstone zones. Typically, the Cañadón Seco oil produces medium grade oil (API gravity that ranges from 16 to 22°), while the Caleta Olivia and Mina el Carmen produce lighter oil (API gravity of approximately 30°).

Recent Activity and Plans

Since Crown Point commenced drilling operations on the El Valle Concession, the Corporation has drilled and completed 18 wells (16 oil wells, 1 suspended potential oil well and 1 non-producing natural gas well) with no dry holes.

During the year ended August 31, 2012, Crown Point drilled 6 wells on the El Valle Concession for a total cost of $11.7 million, resulting in five new oil wells and one suspended well. The Corporation, in accordance with the terms of its agreement with its partners in El Valle, paid 100% of the capital costs associated with these wells and will receive 80% of the revenues until the recovery of 300% of the costs of the program at which time the Corporation's interest reverts to 50%. This program, which commenced in April 2012, was focused on the drilling of development oil wells with multiple-zones targeted in the Cañadón Seco and Caleta Olivia formations in the south east and south central areas of El Valle.

In April, May, June and July 2012, Crown Point drilled, completed and placed on production five wells, (EV 34, EV33, EV28, EV36 and EV38X) and cased the sixth (EV32) as a possible future water disposal well. The exploration well, EV38X tested an undrilled structure, approximately 2 km north of the Corporation's recent oil drilling activities. The well encountered a total of 7 metres of oil pay in three separate sand zones within the Cañadón Seco formation and was subsequently completed and placed on production. The well's performance is being closely monitored as management of the Corporation believes that there are numerous offsetting additional potential drilling locations on the structure.

The producing zones in the EV 33, EV34 and EV36 wells demonstrate a good correlation to the EV23, EV26 and EV31 wells drilled in 2011. Stratigraphic correlation and production performance of these wells all point to a single oil pool. The larger pool size is supported by geological and seismic mapping and the lack of a defined water contact in the reservoir.

In addition in the year ended August 31, 2012, Crown Point commenced a program to electrify the field and installed progressive cavity pumps in three wells on the El Valle Concession. The electrification program was completed in early December 2012 for a total cost of approximately $1 million. Management anticipates that electrification and use of cavity pumps will improve Crown Point's field production volumes. Electrification will also permit the installation of surface measuring equipment as well as down-hole monitoring where deemed necessary to better evaluate production conditions and reservoir.

The electrification allowed two of the new wells drilled in the year ended August 31, 2012 to utilize a new type of progressive cavity pump which has technology that enables it to handle high GOR (gas to oil ratio) oil.

The Corporation's daily average net sales volumes from the El Valle Area for the year ended August 31, 2012 were 358 Bbls/d of oil and for the year ended December 31, 2012 (September 1, 2012 to December 31, 2012) were 310 Bbls/d of oil.

Recent production from the El Valle Area has been negatively impacted by the failure of a progressive cavity bottom hole pump in EV 28 due to a buildup of wax in the well-bore. The pump has been replaced following a fracture stimulation of the producing zones and the well has been placed back on production. Work over operations, comprising a well bore clean out and a fracture stimulation, have been completed on a second well, EV 24, as the production performance of this well was being negatively impacted by the accumulation of significant amounts of wax in the well bore.

By continuing to re-interpret seismic data and integrating recent drilling results the Corporation has developed a drilling inventory consisting of 12 development drilling and eight new exploration drilling targets in the El Valle field. Additionally, management of Crown Point believe that potential exists for secondary recovery programs such as waterflood or horizontal drilling plus workovers and recompletions on existing wells. Waterflood secondary recovery schemes are used throughout the San Jorge Basin and consistently demonstrate improved rates of production and higher ultimate recoveries of oil in place from equivalent reservoirs. Crown Point is in the early conceptual planning stage of implementing a waterflood secondary recovery scheme and a decision to proceed will be dependent on the creation of an economic full cycle development plan for the field.

Capital expenditures relating to the expected El Valle Exploitation Concession capital program are currently projected at $5.6 million for 2013.

For details of the Corporation's marketing arrangements with respect to its production from the Tierra del Fuego Concessions, see "*Industry Conditions – Argentina – Marketing Arrangements – El Valle*".

Cañadón Ramirez

<u>Description of the Cañadón Ramirez Concession</u>

The Corporation has a 100% working interest in an approximate 6,325 acre area in the Cañadón Ramirez area of the Golfo San Jorge basin pursuant to the Cañadón Ramirez Concession. The area covered by the Cañadón Ramirez Concession is in the northwest portion of the Golfo San Jorge basin in the Province of Chubut, Argentina.

Originally, the Cañadón Ramirez area belonged to the Federal State of Argentina through YPF. As part of the deregulation of the industry and YPF privatization, the Federal State of Argentina tendered the Cañadón Ramirez Concession to private parties through a public bidding process. The Cañadón Ramirez Concession was initially granted to Roch S.A. and Panan Group S.A. by Presidential Decree dated August 15, 1991. Various assignments of the interests of the original parties to the Cañadón Ramirez Concession were approved and authorized over time. In consideration for the award, the original bidders tendered a cash bonus and undertook to produce during the first three years of the concession not less than 80% of the volumes produced by YPF during the year preceding the effective date of the Cañadón Ramirez Concession. On January 5, 2007, the Province of Chubut assumed the eminent domain, authority and administration of the Cañadón Ramirez Concession which was previously vested in the Federal State of Argentina. Unlike the Province of Santa Cruz, the Province of Chubut has not enacted a comprehensive framework for the renegotiation of exploitation concession extensions and renegotiation terms have been handled by the Province of Chubut on a case by case basis but have included, generally, incremental obligations similar to the ones enacted by the Province of Santa Cruz.

CanAmericas earned a 49% participating interest in the Cañadón Ramirez Concession pursuant to a farmout agreement among CanAmericas, Apco Argentina Inc. (Sucursal Argentina) and Roch S.A. dated January 18, 2007. Crown Point Argentina, in turn, acquired a 51% participating interest in the Cañadón Ramirez Concession under a purchase and sale agreement among Crown Point Argentina, CanAmericas, Apco Oil & Gas International Inc. (Sucursal Argentina) (formerly Apco Argentina Inc. (Sucursal Argentina)) and Roch S.A. dated December 22, 2010.

Applications for authorization of the assignments of interests to CanAmericas and Crown Point Argentina were submitted before the Subsecretary of Hydrocarbons of the Province of Chubut and are pending. The Subsecretary of Hydrocarbons of the Province has delayed the approval of the assignments until it has resolved issues with prior operators of the concession.

The Cañadón Ramirez Concession has a term of 25 years which will expire in August 2016. A 10-year extension to the Cañadón Ramirez Concession may be granted if Crown Point Argentina is able to successfully renegotiate terms with the Province of Chubut and receive the necessary authorizations for the assignments of interests.

The Cañadón Ramirez Concession is not subject to any mandatory relinquishments of acreage or any outstanding work commitments other than the work plans submitted by the Corporation to the Provincial and Federal governments on a yearly basis.

The Corporation has the right to freely market and dispose of the hydrocarbons lifted from the area, after paying the standard monthly 12% production royalties to the Province of Chubut. In addition, the Corporation is required to pay a yearly surface rent per square kilometre on the acreage covered by the Cañadón Ramirez Concession.

Recent Activity and Plans

The Corporation did not complete any work in the area in the years ended August 31, 2012 or December 31, 2012 (September 1, 2012 to December 31, 2012). The Corporation does not intend to make any capital expenditures in the area until such time as the authorizations for assignments of interests are received and an extension of the Cañadón Ramirez Concession is approved.

The Corporation does not currently have any production from this area and no reserves were booked as of December 31, 2012.

Cerro de Los Leones

Description of the Cerro de Los Leones Permit

The Corporation has a 100% working interest in an approximate 306,646 acre area in the Cerro de Los Leones area of the Neuquén basin pursuant to the Cerro de Los Leones Permit. The area covered by the Cerro de Los Leones Permit is located in the northern portion of the Neuquén Basin in the Province of Mendoza, Argentina.

Originally, the area covered by the Cerro de Los Leones Permit belonged to the Federal State of Argentina; however, the Province of Mendoza acquired the eminent domain over open acreage areas lying in its territory, including the Cerro de Los Leones area, under laws enacted on January 5, 2007.

The Cerro de Los Leones Permit was initially granted through a bidding process to Compañia General de Combustibles S.A., Petrolera Piedra del Águila S.A. and Desarrollos Energeticos S.A. by Provincial Decree dated May 6, 2008. Pursuant to another Provincial Decree dated December 18, 2008, the Province of Mendoza set some additional terms and conditions applicable to the Cerro de Los Leones Permit. Subsequent assignments of the interests of the original holders of the Cerro de Los Leones Permit were approved and authorized over time. In consideration for the award, the original holders of the Cerro de Los Leones Permit agreed to an exploration work program to be completed within a three year term, and also the payment of 16% production royalties upon a commercial discovery in the Cerro de Los Leones Permit.

Crown Point Argentina acquired a 39.9% participating interest in the Cerro de Los Leones Permit from Petrolera Piedra del Águila S.A. under assignment agreements dated October 12, 2010 and a 10% from Desarrollos Energéticos S.A. under assignment agreements dated October 13, 2010. A 2.5% overriding royalty on the proceeds from the marketing of hydrocarbons obtained from the assigned participating interest was granted by Crown Point Argentina to Petrolera Piedra del Águila S.A. and also to Desarrollos Energéticos S.A. in their ratio as partial consideration for the assignment of its interest in the Cerro de Los Leones Permit. Crown Point acquired the remaining 50.1% participating interest in the Cerro de Los Leones Permit pursuant to the acquisition of Antrim Argentina on May 28, 2012.

Applications for authorization of the referred assignments to Crown Point Argentina were submitted before the Subsecretary of Hydrocarbons of the Province of Mendoza and are pending in the ordinary course.

The Cerro de Los Leones Permit confers upon its holders the exclusive right to explore for hydrocarbons during three successive exploration periods lasting three, two and one year(s), respectively. Fifty percent of the acreage of the Cerro de Los Leones Permit shall be relinquished at the end of each of the first two exploration periods or converted into an exploitation concession or evaluation block. The first exploration period commenced under the terms of the Cerro de Los Leones Permit in May 2012 upon receipt of the necessary environmental permits. The following provides details of the work commitments required to be completed during each of the exploration periods:

Exploration Period	Term of Exploration Period	Required Work Commitment	Status
Period 1	3 years, commencing in May 2012	A minimum of approximately US$13,850,000 in expenditures[(1)]	Work underway
Period 2	2 years commencing upon expiry of Period 1	A minimum of approximately US$750,000 in expenditures[(1)], including a minimum of 1 exploration well	Period has not commenced
Period 3	1 year commencing upon expiry of Period 2	1 exploration well	Period has not commenced

Note:

(1) The required work commitments are expressed as work units in the Cerro de Los Leones Permit. Each work unit has an approximate dollar value of US$5,000; however, there may be other factors considered when determining whether the required work units have been satisfied.

If a commercial discovery is made by the holders of the Cerro de Los Leones Permit, they shall be entitled to obtain an exclusive 25-year exploitation concession to produce hydrocarbons from the relevant discovery and shall also be granted the right to freely market and dispose of the hydrocarbons lifted from the area, after paying the standard monthly 16% production royalties to the Province of Mendoza. The Cerro de Los Leones Permit is also subject to the payment of yearly surface rent per square kilometre on the acreage covered by the Cerro de Los Leones Permit.

Recent Activity and Plans

In May 2012, the Corporation received environmental approval to undertake exploration work on the Cerro de Los Leones concession. Following the receipt of the environmental approval, the Corporation began completing preliminary work, including completing road improvements in the area, to commence a combined 2-D and 3-D seismic program. A total of 142 square kilometres of 3-D seismic and 122 kilometres of 2-D seismic was shot between September 5, 2012 and November 28, 2012. The data is currently been processed but due to the complexity of the geology, topography and volcanic outcrops, the basic processing is not expected to be finalized until the end of April 2013. Interpretation of the data is expected to start immediately after processing is completed. The total cost of the two seismic programs is estimated to be $6 million.

In addition to the general environmental obligations and liabilities set forth in the applicable laws and regulations, under the bidding conditions applicable to the Cerro de Los Leones Permit, the original holders of the Cerro de Los Leones Permit undertook to carry out on the area an environmental baseline study to identify any environmental liabilities then existing on the exploration permit area and to remediate such liabilities.

The Corporation does not currently have any production from this area and no reserves were booked to this area as of December 31, 2012.

Drilling on the Cerro de Los Leones Permit is expected to commence in late 2013, following interpretation of the seismic programs. A second 3-D seismic program is planned for the eastern portion in 2014. Following the initial drilling phase, Crown Point may consider additional exploration and development drilling in the area, including the possibility of drilling vertical and horizontal tests in the Vaca Muerta shale play. Capital expenditures relating to the expected Cerro de Los Leones Concession drilling programs are currently projected at $5 million for 2013.

Laguna de Piedra

Description of the Laguna de Piedra Permit

The Corporation has a 100% working interest in an approximate 246,354 acre area in the Laguna de Piedra area of the Neuquén basin pursuant to the Laguna de Piedra Permit. The area covered by the Laguna de Piedra Permit is located in the southeastern section of the Neuquén Basin in the Province of Rio Negro, Argentina.

The Province of Rio Negro tendered the Laguna de Piedra Permit through a public bidding process under a federal legislation framework that entitled provincial governments to tender open acreage areas that were in the process of being conveyed from the Federal State of Argentina to the provinces. The Laguna de Piedra Permit was initially granted through the bidding process to Golden Oil Corporation (Sucursal Argentina) by Provincial Decree of the Province of Rio Negro dated March 7, 2007. Further to that, on March 7, 2007, Golden Oil Corporation (Sucursal Argentina) and the Province of Rio Negro entered into an agreement for the exploration and possible production, development, transportation and marketing of hydrocarbons from the Laguna de Piedra Permit area.

In consideration for the award, Golden Oil Corporation (Sucursal Argentina) tendered an exploration work program to be completed within a three-year term. Each of Crown Point Argentina and CanAmericas acquired a 25% working interest, for a combined 50% working interest, in the Laguna de Piedra Permit severally from Golden Oil Corporation (Sucursal Argentina) under two separate assignment agreements dated March 7, 2007. Crown Point acquired the remaining 50% working interest in April 2012 upon the exercise of rights of first refusal.

Applications for authorization of the referred assignments to Crown Point Argentina and CanAmericas were submitted before the Subsecretary of Hydrocarbons of the Province of Rio Negro and are pending in the ordinary course.

The Laguna de Piedra Permit confers upon its holders the exclusive right to explore for hydrocarbons during three successive exploration periods lasting three, two and one year(s), respectively. Fifty percent of the acreage of the Laguna de Piedra Permit shall be relinquished at the end of each of the first two exploration periods or converted into an exploitation concession or evaluation block. The following provides details of the work commitments required to be completed during each of the exploration periods:

Exploration Period	Term of Exploration Period	Required Work Commitment	Status
Period 1	3 years	A minimum of approximately US$7,595,000 in expenditures[(1)]	Completed in 2009
Period 2	2 years commencing on receiving the necessary environmental permits	A minimum of approximately US$2,850,000 in expenditures including a minimum of 1 exploration well[(1)]	Awaiting environmental permits
Period 3	1 year commencing upon expiry of Period 2 and receiving necessary environmental permits	A minimum of approximately US$1,750,000 in expenditures including a minimum of 1 exploration well[(1)]	Period has not commenced

Note:

(1) The required work commitments are expressed as work units in the Laguna de Piedra Permit. Each work unit has an approximate dollar value of US$5,000; however, there may be other factors considered when determining whether the required work units have been satisfied.

If a commercial discovery is made by the holders of the Laguna de Piedra Permit, they shall be entitled to obtain an exclusive 25-year exploitation concession to produce hydrocarbons from the relevant discovery and shall also be granted the right to freely market and dispose of the hydrocarbons from the relevant discovery, after paying the standard monthly 12% production royalties to the State of Rio Negro. The Laguna de Piedra Permit is also subject to the payment of yearly surface rent per square kilometre on the acreage covered by the Laguna de Piedra Permit.

Recent Activity and Plans

The Corporation did not complete any work in the area in the years ended August 31, 2012 or December 31, 2012 (September 1, 2012 to December 31, 2012). The Corporation does not intend to make any capital expenditures in the area until such time as the environmental approvals are received from the Province of Rio Negro for the second exploration period. The Corporation does not currently have any production from this area and no reserves were booked to this area as of December 31, 2012.

Upon receiving the necessary environmental approvals Crown Point plans to drill one exploration well on the Laguna de Piedra Concession. The primary targets are 3-D seismically defined light oil objectives in the Punta Rosada and Quintuco sandstones. Discussions with the local municipal governments and Provincial environmental departments are ongoing. The Corporation estimates the cost to drill, complete and equip the well to be approximately $2.5 million; however, the expenditures will not be budgeted for until the environmental approvals are received.

Oil and Natural Gas Wells

OIL AND GAS WELLS

	Oil Wells				Gas Wells				Other Wells[1]	
	Producing		Non-Producing		Producing		Non-Producing			
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Argentina	53.0	17.3	23.0	6.4	36.0	9.3	19.0	5.1	19.0	4.9

Note:

(1) Includes service, disposal, injection and standing wells.

Properties with No Attributed Reserves

The following table sets forth information respecting Crown Point's undeveloped lands as at December 31, 2012.

PROPERTY WITH NO ATTRIBUTED RESERVES

	Unproved Properties[1]		Expiring
	Gross Acres	Net Acres	Net Acres During Fiscal Year Ended December 31, 2013
LOCATION			
Argentina			
El Valle	11,898	5,949	-
Laguna de Piedra	246,354	246,354	-
Cerro de Los Leones	306,646	306,646	-
Cañadón Ramirez	6,325	6,325	-
TOTAL	571,223	565,274	-

Note:

(1) Unproved Properties are properties or parts of properties to which no reserves have been specifically attributed as of December 31, 2012.

The Corporation is committed to spending approximately US$13.85 million on seismic and drilling over a three year period on the Cerro de Los Leones Concession. The three year period commenced in May 2012 upon receipt of the necessary environmental permits and the capital expenditures made by the Corporation since August 2012 has fulfilled a portion of the work commitments.

The Corporation is committed to spending approximately US$2.85 million on capital expenditures over a two year period on the Laguna De Piedra Concession, which is required to include the drilling of one exploration well. The two year period will not commence until all of the necessary environmental permits are received.

The Corporation is committed to spending US$2.65 million over a four year period commencing January 2013 with respect to the unproved properties of the El Valle Concession.

The Corporation currently does not foresee any issues in meeting these commitments. If the Corporation fails to make the necessary expenditures during such periods it may be required to surrender some or all of the land.

Significant Factors or Uncertainties Relevant to Properties with No Attributed Reserves

Although there are no existing production facilities with respect to the Corporation's properties on the Cañadón Ramirez, Laguna De Piedra, and Cerro de Los Leones Concessions, should the Corporation achieve commercial levels of production on any of these concessions it expects to be able to truck such production to facilities in relatively close proximity to such concessions. If the cost of trucking production from the Corporation's concessions is more expensive than expected the development of such concessions may be delayed. The Corporation may consider the construction of pipelines or other facilities on the Cañadón Ramirez, Laguna De Piedra, and Cerro de Los Leones Concessions if discoveries on such concessions warrant such expenditures.

Forward Contracts

As of December 31, 2012, Crown Point was not bound by an agreement (including a transportation agreement), directly or through an aggregator, under which it may be precluded from fully realizing, or may be protected from the full effect of, future market prices for oil or gas.

As of December 31, 2012, Crown Point's transportation obligations or commitments for future physical deliveries of oil or gas do not exceed Crown Point's expected related future production from its proved reserves, estimated using forecast prices and costs, as disclosed elsewhere herein. See "*Industry Conditions – Argentina – Marketing Arrangements".*

Additional Information Concerning Abandonment and Reclamation Costs

The Corporation uses the field costs incurred by other industry participants operating in the vicinity of the Corporation's concessions to estimate its future abandonment and reclamation liabilities. The costs are estimated on an area by area basis. The industry's historical costs are also used when available. If representative comparisons are not readily available, an estimate is prepared based on the various regulatory abandonment requirements.

The Corporation has 149 gross wells (47 net wells) for which it expects to incur abandonment and reclamation costs. The total proved abandonment costs are US$3.169 million (undiscounted) and US$1.626 million (discounted at 10%). The total proved plus probable abandonment costs are US$3.455 million (undiscounted) and US$1.773 million (discounted at 10%). The total of such costs in respect of total proved plus probable plus possible reserves is US$3.466 million (undiscounted) and US$1.779 million (discounted at 10%). 40% of such amounts were deducted as abandonment costs in estimating future net revenue of the Corporation in respect of proved reserves, proved and proved plus probable reserves and proved plus probable plus possible reserves as disclosed above. Crown Point does not expect to pay any portion of the abandonment costs in the next three financial years as all such costs are expected to be incurred thereafter.

Tax Horizon

The Corporation was not required to pay income taxes during the year ended December 31, 2012. Based on a strategy of re-investing fully all internally generated cash flow in an exploration and development program, Crown Point estimates that it will not be required to pay income taxes in 2013.

Costs Incurred

The following table summarizes certain expenditures incurred by the Corporation (irrespective of whether such costs were capitalized or charged to expense when incurred) during the year ended December 31, 2012 (September 1, 2012 to December 31, 2012).

PROPERTY ACQUISITION COSTS AND
CAPITAL EXPENDITURES FOR THE YEAR ENDED DECEMBER 31, 2012
(SEPTEMBER 1, 2012 TO DECEMBER 31, 2012)

	Amount (US$000)
Property Acquisition	
Proved plus probable	-
Unproved	-
Capital Expenditures	
Exploration Costs	2,993
Development Costs	2,646
Total	5,639

Exploration and Development Activities

The following table sets forth the number of gross and net wells completed by Crown Point during the year ended December 31, 2012 (September 1, 2012 to December 31, 2012).

OIL AND GAS WELL ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2012
(SEPTEMBER 1, 2012 TO DECEMBER 31, 2012)

WELLS	**Gross**	**Net**
Development		
Gas	-	-
Oil	5	2.5
Service	-	-
Stratigraphic Test	-	-
Dry	1	0.5
TOTAL	6	3.0
Exploratory		
Gas	-	-
Oil	-	-
Service	-	-
Stratigraphic Test	-	-
Dry	-	-
TOTAL	-	-
TOTAL	6	3.0

For details of the Corporation's exploration and development activities see "*Principal Properties*".

Production Estimates

The following tables summarize the volume of production estimated for the year ended December 31, 2013 which is reflected in the estimates of gross proved reserves, gross probable reserves and gross possible reserves disclosed elsewhere herein for each product type. The El Valle Concession and the Tierra del Fuego Concessions account for all of the estimated production disclosed below.

SUMMARY OF COMPANY GROSS PRODUCTION ESTIMATES BY FIELD
FOR THE YEAR ENDED DECEMBER 31, 2013
(Forecast Prices & Costs)

	Summary of Production Estimates		
	Light and Medium Oil (Mbbl)	**Natural Gas (MMcf)**	**Natural Gas Liquids (Mbbl)**
Proved			
El Valle	140	-	-
Tierra del Fuego	90	2,507	21
Total	229	2,507	21
Probable			
El Valle	58	-	-
Tierra del Fuego	10	321	-
Total	68	321	-
Possible			
El Valle	14	-	-
Tierra del Fuego	3	77	0.1
Total	17	77	0.1

Notes:

(1) Estimates are calculated based on the McDaniel Report.
(2) Represents estimated production from January 1, 2013 to December 31, 2013

Production History

The following table summarizes certain information in respect of our share of average gross daily production volumes, product prices received, royalties paid, production costs and resulting netback for the periods indicated.

	Quarter Ended				
	Nov. 30, 2011	Feb. 29, 2012	May 30, 2012	Aug. 31, 2012	Sept. 1, 2012 to Dec. 31, 2012
Light and Medium Oil[(1)]					
Average production volumes, before royalties (Bbls/d)	346.35	335.05	331.37	383.59	625.38
Average price received (US$/Bbl)[(2)]	62.54	65.57	63.42	66.18	62.57
Average royalties paid (US$/Bbl)	14.55	15.42	15.73	13.77	13.98
Average production costs (US$/Bbl)[(3)]	11.47	11.84	16.61	10.40	16.44
Netback Received (US$/Bbl)[(4)]	36.52	38.31	31.09	42.01	32.15
Natural Gas (excluding NGLs)					
Average production volumes, before royalties (Mcf/d)	-	-	-	7,725.89	7,499.6
Average price received (US$/Mcf)	-	-	-	2.44	3.02
Average royalties paid (US$/Mcf)	-	-	-	0.50	0.39
Average production costs (US$/Mcf)[(3)]	-	-	-	1.17	1.75
Netback Received (US$/Mcf)[(4)]	-	-	-	0.77	0.88
NGLs					
Average production volumes, before royalties (Bbls/d)	-	-	-	79.24	71.30
Average price received (US$/Bbl)	-	-	-	10.37	6.52
Average royalties paid (US$/Bbl)	-	-	-	2.16	0.84
Average production costs (US$/Bbl)[(3)]	-	-	-	7.01	10.48
Netback Received (US$/Bbl)[(4)]	-	-	-	1.20	(4.80)

Notes:

(1) Represents sales of light quality crude oil. During the periods indicated Crown Point did not sell any medium, heavy or synthetic oil.
(2) After export tax.
(3) Includes field operating expenses.
(4) Totals may not add due to rounding.

The following table summarizes the Corporation's production volumes during the year ended December 31, 2012 (September 1, 2012 to December 31, 2012) for each important field, and in total, by product type.

PRODUCTION HISTORY BY MAJOR FIELD AND IN TOTAL – YEAR ENDED DECEMBER 31, 2012 (SEPTEMBER 1, 2012 TO DECEMBER 31, 2012)

	Light and Medium Oil (Bbl)	Natural Gas (Mcf)	Natural Gas Liquids (Bbl)
FIELD			
El Valle	46,943	-	-
Tierra Del Fuego[(1)]	29,354	914,951	8,699
TOTAL	76,296	914,951	8,699

SHARE CAPITAL

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of Preferred Shares. As at the date hereof there are 104,515,222 Common Shares and no Preferred Shares issued and outstanding.

In addition, the Corporation presently has outstanding 1,305,698 Series B Warrants. There are also 7,765,000 Common Shares issuable on the exercise of outstanding options granted under the Corporation's stock option plan.

Shareholders of the Corporation approved a new "rolling" stock option plan reserving a maximum of 10% of the issued and outstanding Common Shares for issuance pursuant to stock options granted under the new option plan at the annual general and special meeting of the shareholders of the Corporation held on July 27, 2012. The new stock option plan replaced the former "rolling" stock option plan of the Corporation. A description of the Corporation's stock option plan can be found in the Corporation's management information circular dated June 27, 2012 relating to the annual general and special meeting of shareholders of the Corporation held on July 27, 2012, which is available on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

The following is a general description of the terms and conditions of the Common Shares, Preferred Shares and Series B Warrants.

Common Shares

The Corporation is authorized to issue an unlimited number of Common Shares. The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of shareholders of the Corporation. Subject to the prior right of holders of any outstanding Preferred Shares, holders of Common Shares have the right to receive any dividends declared by the Board on the Common Shares. Subject to the prior right of holders of any outstanding Preferred Shares, holders of Common Shares have the right to receive pro rata the remaining assets of the Corporation in the event of the liquidation, dissolution or winding up of the Corporation.

Preferred Shares

The Corporation is authorized to issue an unlimited number of Preferred Shares.

The Board may issue Preferred Shares in one or more series. The Board may also fix the number of shares in and determine the designation of the shares of each such series. The Board may also create, define and attach special rights and restrictions, including voting rights, if any, to the shares of each such series, subject to the special rights and restrictions otherwise attached to the Preferred Shares.

The holders of each series of Preferred Shares shall be entitled, in priority to holders of Common Shares and any other shares of the Corporation ranking junior to the Preferred Shares with respect to the payment of dividends, to be paid rateably with holders of each other series of Preferred Shares, the amount of accumulated dividends, if any, specified as being payable preferentially to the holders of such series.

In the event any liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs, holders of each series of Preferred Shares shall be entitled, in priority to holders of Common Shares and any other shares of the Corporation ranking junior to the Preferred Shares with respect to payment on a distribution, to be paid rateably with holders of each series of Preferred Shares the amount, if any, specified as being payable preferentially to the holders of such series on such a distribution.

Series B Warrants

Each Series B Warrant is exercisable for one Common Share at an exercise price of $1.50 per Common Share and expires three years from the date of issuance of the Units (subject to acceleration in certain circumstances as described below). All currently outstanding Series B Warrants (or Series B Warrants issuable on the exercise of Series A Warrants) are set to expire in May and June 2013.

In the event the closing price of the Common Shares on the TSXV is $2.00 or greater for a period of 20 consecutive trading days, the Corporation may give notice of an earlier expiry of the Series B Warrants, in which case they would expire 30 calendar days from the giving of such notice.

MARKET FOR SECURITIES

Trading Price and Volume

The Common Shares are listed for trading on the TSXV under the symbol "CWV". The following chart shows trading information for the Common Shares for the periods indicated:

Common Shares

	Price Range ($)		
	High	**Low**	**Trading Volume**
Fiscal Year Ended August 31, 2012			
September	1.640	1.110	898,911
October	1.490	1.000	2,837,027
November	1.200	0.930	8,183,787
December	1.000	0.730	5,184,620
January	1.460	0.950	7,992,429
February	1.350	1.070	7,950,338
March	1.310	1.070	6,328,287
April	1.410	0.570	7,386,248
May	0.810	0.560	3,046,275
June	0.690	0.410	4,139,527
July	0.590	0.380	4,871,064
August	0.485	0.385	5,469,204
Fiscal Year Ended December 31, 2012 (September 1, 2012 to December 31, 2012)			
September	0.470	0.385	3,152,308
October	0.410	0.355	3,515,009
November	0.370	0.310	1,955,913
December	0.490	0.305	2,692,750
Fiscal Year Ended December 31, 2013			
January	0.490	0.365	3,717,730
February	0.385	0.260	4,449,267
March	0.320	0.200	3,461,295
April (1 - 23)	0.305	0.230	3,701,532

ESCROWED SECURITIES

There are no securities of the Corporation currently held in escrow.

DIRECTORS AND OFFICERS

The names, province or state and country of residence, positions with the Corporation and the principal occupations of the directors and executive officers of the Corporation are set out below. The Board presently consists of eight directors. Each Director is elected annually to hold office until the next annual general meeting of shareholders or until his successor is duly elected or appointed, unless his office is earlier vacated in accordance with the provisions of the ABCA or the Corporation's constating documents.

Name and Residence	Director Since	Position Held	Principal Occupation for Past Five Years
Murray D. McCartney Alberta, Canada	May 2009	President, Chief Executive Officer and Director	President and Chief Executive Officer of Crown Point since May 2009. Prior thereto President and Chief Executive Officer of Adamant Energy Inc. (a private oil and gas company) from 2004 to 2008.
Gordon Kettleson(2)(3) British Columbia, Canada	December 2001	Non-Executive Chairman and Director	Chief Executive Officer of Interwest Enterprises Ltd. since 2001. President and/or Chief Executive Officer of the Corporation for various periods between March 2007 and May 2009.
Dr. Brian J. Moss Alberta, Canada	May 28, 2012	Executive Vice-President, Chief Operating Officer and Director	Executive Vice-President and Chief Operating Officer of Crown Point since June 2012. From January 2008 to May 2012, Executive Vice President (Latin America) of Antrim. Prior to January 2008, President and Chief Executive Officer of Los Altares Resources Ltd., a private oil and gas company incorporated in Alberta.
Arthur J. G. Madden Alberta, Canada	N/A	Vice-President, Finance and Chief Financial Officer	Vice President, Finance and Chief Financial Officer of Crown Point since October 2009. Prior thereto Vice-President Finance, Chief Financial Officer, and Director of Adamant Energy Inc. (a private oil and gas company) from 2004 to 2008. In addition, President of 554492 Alberta Ltd. (a private company providing consulting services to the energy sector) since 1993.
John Clark(1)(2)(4) Ontario, Canada	May 2010	Director	President of Investments and Technical Management Corp. since 1999.
Denny Deren(1)(3)(4) Alberta, Canada	July 2008	Director	President of Excaliber Foxx Ltd. since 1987
Mateo Turic Buenos Aires, Argentina	May 2010	Director	President and Chief Executive Officer of Crown Point Argentina since 2006. Prior thereto Senior Exploration and Development Advisor to Pioneer Oil Co. from 2002 to 2006.
Carlos Olivieri Buenos Aires, Argentina	October 2012	Director	Member of Board of Directors of Transportadora de Gas Del Sur S.A., Dean of Austral University and Professor of Di Tella University and Partner of International Advisor SRL
Keith Turnbull(1)(2)(3)(4) Alberta, Canada	April 23, 2012	Director	Business consultant since December 31, 2009. Prior thereto, Partner at KPMG LLP.

Notes:

(1) Member of the audit committee of the Board.
(2) Member of the corporate governance committee of the Board.
(3) Member of the compensation committee of the Board.
(4) Member of the reserves committee of the Board.

Ownership of Shares

As at the date hereof, the directors and executive officers of the Corporation, as a group, owned or controlled, directly or indirectly, in aggregate 1,455,461 Common Shares or approximately 1.4% of the issued and outstanding Common Shares.

Cease Trade Orders

Other than as disclosed below, to the knowledge of management of Crown Point, no director or executive officer of Crown Point is, as of the date hereof, or was, within the 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including Crown Point) that was the subject of a cease trade order, an order similar to a cease trade order or an order that denied the company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, and that was issued (i) while that person was acting in such capacity, or (ii) after that person was acting in such capacity and which resulted from an event that occurred while that person was acting in such capacity.

Dr. Brian Moss was a director of Richards Oil & Gas Limited ("**ROG**") when each of the Alberta Securities Commission, British Columbia Securities Commission and the Ontario Securities Commission issued cease trade orders on May 7, 2010, May 11, 2010 and May 26, 2010, respectively, against ROG for failing to file certain annual disclosure documents for the financial year ended December 31, 2009. ROG's shares were de-listed from the TSXV on July 9, 2010 for failure to pay its listing fees. The cease trade orders by the Alberta Securities Commission and Ontario Securities Commission were varied in December 2010 to allow certain trades as part of ROG's proposal under the *Bankruptcy and Insolvency Act* (Canada) ("**BIA**"), as discussed below. On December 31, 2010, after assisting ROG with its successful restructuring process, Dr. Moss resigned as a director of ROG.

Bankruptcies

Other than as disclosed below, to the knowledge of management of Crown Point, no director or executive officer of Crown Point, or shareholder holding a sufficient number of securities to affect materially the control of Crown Point is, as of the date hereof, or has been, within 10 years before the date hereof, a director or executive officer of any company (including Crown Point) that, while that person was acting in such capacity, or within a year of that person ceasing to act in such capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

To the knowledge of management of Crown Point, no director or executive officer of Crown Point, or shareholder holding a sufficient number of securities to affect materially the control of Crown Point has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

Dr. Brian Moss was a director of ROG when ROG received protection from its creditors pursuant to an order under the BIA on May 5, 2010. On September 24, 2010 ROG filed a proposal under the BIA naming Alger & Associates Inc. as the trustee, which was accepted by ROG's creditors and the Alberta Court of Queen's Bench. On December 31, 2010, after assisting ROG with its successful restructuring process, Dr. Moss resigned as a director of ROG.

Penalties or Sanctions

To the knowledge of management of Crown Point, no director or executive officer of Crown Point, or shareholder holding a sufficient number of securities to affect materially the control of Crown Point, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

There are potential conflicts of interest to which the directors and officers of the Corporation will be subject in connection with the operations of the Corporation. Conflicts, if any, will be subject to the procedures and remedies available under the ABCA. The ABCA provides that in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided by the ABCA.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Management of Crown Point is not aware of any existing or contemplated legal proceedings material to Crown Point, to which Crown Point is, or during the financial years ended August 31, 2012 or December 31, 2012 (September 1, 2012 to December 31, 2012) was, a party, or of which any of its property is, or during the financing years ended August 31, 2012 or December 31, 2012 (August 31, 2012 to December 31, 2012) was, subject.

Management of Crown Point is not aware of any penalties or sanctions imposed against Crown Point by a court relating to securities legislation or by a securities regulatory authority during the financial years ended August 31, 2012 or December 31, 2012 (September 1, 2012 to December 31, 2012), or any other penalties or sanctions imposed by a court or regulatory body against Crown Point that would likely be considered important to a reasonable investor in making an investment decision, or any settlement agreements entered into by Crown Point before a court relating to securities legislation or with a securities regulatory authority during the financial years ended August 31, 2012 or December 31, 2012 (September 1, 2012 to December 31, 2012).

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director or executive officer of the Corporation, or shareholder that beneficially owns, or controls or directs, directly or indirectly, more than 10 percent of any class or series of voting securities of the Corporation, or associate or affiliate of any of the foregoing persons has had any material interest, direct or indirect, in any transaction within the financial years ended August 31, 2010, August 31, 2011, August 31, 2012 or December 31, 2012 or during the current financial year that has materially affected or is reasonably expected to materially affect the Corporation.

REGISTRAR AND TRANSFER AGENT

Computershare Investor Services Inc., at its principal office in Vancouver, British Columbia is the registrar and transfer agent for the Common Shares.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, Crown Point has not entered into any material contracts during the financial years ended August 31, 2012 or December 31, 2012 (September 1, 2012 to December 31, 2012), or before such financial years that are still in effect.

INTERESTS OF EXPERTS

The auditors of the Corporation are KPMG LLP. KPMG LLP is independent in accordance with the auditor's Rules of Professional Conduct of the Institute of Chartered Accountants of Alberta.

McDaniel is the Corporation's independent qualified reserves evaluator. None of the principals of McDaniel has received, or is to receive, any registered or beneficial interests, direct or indirect, in any securities or other property of the Corporation or of any associates or affiliates of the Corporation either at the time of such report or since that time.

No director, officer or employee of any of the experts referred to herein is or is expected to be elected, appointed or employed as a director, officer or employee of Crown Point or of any associate or affiliate of Crown Point.

INDUSTRY CONDITIONS

The following is a summary of commercial affairs, market and industry conditions and trends, which have or could have a material impact on the Corporation's business, financial condition and results of operations.

Argentina

Pricing – Background

Industry-wide, government-mandated wellhead price controls in Argentina were abandoned in 1989 when the oil and natural gas industry, dominated by YPF, was privatised. Price controls were eliminated in 1991 and prices remained unregulated until the economic crisis in late 2001. At that time, contracts for natural gas sales were converted from U.S. dollars to Argentina pesos, concurrent with the devaluation of the Argentina peso to US$0.33. Since that time, natural gas prices for sales to consumers through local distribution companies have remained fixed and commercial sales prices are set by the market. Controlled pricing of oil and natural gas has been in place since 2007. In May 2004, a 5 percent export tax was imposed on gasoline and diesel, the export tax on oil was increased to 25 percent, and a 20 percent tax became effective on the export of natural gas, liquid natural gas and other gas products. The export duty on natural gas was increased to 100 percent in 2008.

In August 2004, a progressive increase in export tax was instituted in Argentina on oil with reference to the price of WTI per barrel as quoted on the New York Mercantile Exchange ("**NYMEX**"). At WTI prices greater than US$32 per barrel, a tax was applied ranging from 25 percent up to 45 percent depending on the price of WTI. Domestic crude is priced through the application of a related adjustment called the export parity factor. This parity factor, negotiated within the industry, has previously had the effect of equalizing oil price realizations between the domestic and export markets. The export tax and export parity factor have had the effect of limiting the actual realized price for sales of oil in Argentina.

On November 16, 2007 the government of Argentina published Resolution 394/2007 of the Federal Secretary of Energy, which set out changes to the computation of export taxes on oil. Given the fiscal regime changes announced in the resolution, the Argentina federal government indicated that it would forthwith retain all of the increase in oil prices over an international reference price of US$60.90 per Bbl. Further, pursuant to this resolution, it is unclear what the fiscal regime is when world oil prices fall below US$42 per Bbl.

On November 25, 2008, the government of Argentina issued Decree No. 2014/2008 which introduced the Petroleo Plus Program (the "**Petroleo Plus Program**"). The stated policy intent of the Petroleo Plus Program is to increase oil reserves and grow oil production in the country. Under the Petroleo Plus Program, oil producers are able to earn fiscal credits that can be applied against export taxes on oil and other petroleum products. There are two components to the Petroleo Plus Program, each calculated and awarded separately on different performance-based criteria: (1) production growth and (2) replacement of total proved reserves. In the government's presentation of the Petroleo Plus Program, it was specified that qualifying producers could use the credits directly against export taxes or trade them to third party exporters, such as refiners, at face value. The fiscal credits are to be fully taxable but not subject to provincial royalties.

In addition, at the same time that the Petroleo Plus Program was established, a Natural Gas Plus Program ("**Gas Plus**") was created by Resolutions 24/2008 and 1031/2008 of the Federal Secretary of Energy which allows for the price of "new" natural gas (natural gas from new discoveries or from unconventional gas deposits) to be freely marketed by producers at freely negotiated prices, resulting in practice, in natural gas prices that are over and above the natural gas prices subject to state intervention and controls.

Pricing – Recent Changes

On February 3, 2012, the Ministry of Federal Planning, Public Investment and Services of the government of Argentina announced that it had decided to suspend the Petroleo Plus Program for large companies. Given the size of the Corporation, the Corporation was not affected by the suspension of the Petroleo Plus Program. Later in 2012, the Petroleo Plus Program was reinstated for the large oil companies.

On November 28, 2012, the President of Argentina, Cristina Fernández de Kirchner, announced the creation of a new gas pricing program under which "Old Gas" would be paid at a constant price based on the average price the Corporation received for natural gas in the 2012 calendar year, while any incremental gas or "New Gas" would receive $7.50/MMBtu (approximately $7.75/Mcf). As a result, on January 18, 2013 the Committee issued a resolution to increase the price to US$7.50/MMBtu for natural gas production in excess of a "base" production rate determined for each company (the "**New Gas Incentive**"). The New Gas Incentive provides that participating companies will receive, on a monthly basis from the National Government, cash compensation equal to the difference between US$7.50/MMBtu and the price received for gas produced in excess of the base production rate. Certain details are still pending to fully clarify how the New Gas Incentive will be implemented. The implementation of this program or one similar could have a significant and positive impact on Crown Point's capital programs and its financial netbacks from production from the Tierra del Fuego Concessions. For comparison, Crown Point's average natural gas price for the December 31, 2012 period was approximately $2.87/MMBtu ($2.95/Mcf).

On January 3, 2013 the Ministry of Economy and Public Finance issued a resolution that increased the tax exempt export price on crude oil from $42 to $70 per barrel when the reference price (WTI) exceeds $80 per barrel. The measure is intended to guarantee similar profitability for domestic crude oil and export crude oil. This decision nullifies the effect of Petroleo Plus certificates because with these new prices, there would be no market for selling Petroleo Plus certificates.

Tierra del Fuego Special Status

On May 16, 2012 the Federal Government of Argentina issued a decree removing certain favourable tax laws pertaining to the Province of Tierra del Fuego, which allowed oil and gas companies to retain the Argentina mainland generated value-added tax ("**VAT**") of 21% from the sales of oil and gas from Tierra del Fuego (the "**TDF Policy Change**"). Prior to the TDF Policy Change, Antrim Argentina reported VAT income of US$2.2 million in 2011 and US$2.1 million in 2010. However, the TDF Policy Change's impact on Crown Point may be mitigated to some degree by the continuation of the trend in rising natural gas prices in Argentina, incentives such as the New Gas Incentive and production from areas in the Tierra del Fuego which attract higher Gas Plus pricing. No assurances, however, can be provided by Crown Point that any of these mitigating factors will materialize, or that if they do, that they will offset the effects of the TDF Policy Change in total, in part or at all.

Marketing Arrangements

Tierra del Fuego

All oil production from the Tierra del Fuego Concessions is currently sold on a spot basis to the domestic mainland market. The price received for crude oil sales is calculated based on the in-country Medanito crude oil benchmark price less a quality discount. Demand for and capacity to store crude oil within Tierra del Fuego is limited. Produced oil is stored and periodically transported by ship to a refinery on the mainland.

Prior to October 2007, all oil production from the Tierra del Fuego Concessions was exported via tanker truck to Chile. The export tax paid on crude oil exports at the time was 45% applied on the sales value after the tax. In November 2007, changes to the export tax were imposed with the objective of limiting the maximum price of oil that producers could receive for crude oil exports to $42 Bbl. Despite this tax imposed ceiling price, higher mainland demand has resulted in increasing market prices for oil from late 2009 onwards. The Corporation's oil sales are being sold and priced on a month-to-month basis with pricing in the fiscal year ended December 31, 2012 averaging approximately $63.40 per Bbl.

NGL production from the Tierra del Fuego Concessions is both exported and sold domestically. Export sales are made to Empresa Nacional del Petróleo (ENAP) in Chile. From June to August 2012, approximately 100% of butane and 33.6% of propane production was exported. The price for butane and propane is based on the Mont Belvieu Base price less a quality adjustment. The Mont Belvieu Base price is the price established for petroleum products at the spot market in Mont Belvieu, Texas. An export tax of up to 45%, dependent on world NGL prices, is applied to the sales value of NGL exports. The Government of Argentina requires that a portion of propane and butane production must be maintained for delivery to the local market. All butane and propane production in excess of the amount delivered to the local market in 2012 was sold in to the export market in Chile.

The Government of Argentina determined that a portion of Antrim Argentina's butane production must be provided to the mainland residential market. As butane produced in Tierra del Fuego has no physical access to mainland Argentina, Antrim Argentina fulfilled this obligation by a physical transfer arrangement with YPF. Under the terms of this agreement, Antrim Argentina delivers the butane to YPF terminals in Tierra del Fuego and then is provided an equivalent volume of butane for the mainland residential market supplied from gas processing facilities located in continental Argentina.

Gas production from the Tierra del Fuego Concessions is sold to domestic residential and industrial consumers in Tierra del Fuego as well as to mainland Argentina under either month-to-month agreements or fixed-price contracts. Contracts vary with respect to fixed delivery requirements. Natural gas is delivered via the main pipeline that crosses the Strait of Magellan pipeline. Antrim Argentina and other gas producers were obligated by the government to invest in the twinning of this pipeline in 2009, through the purchase of interest bearing bonds issued by a national trust created by the government.

The Government of Argentina requires a minimum domestic market obligation for each natural gas producer. The average delivery obligation for the Tierra del Fuego Concessions is 10.241 MMcf/d (net 2.64 MMcf/d to Antrim Argentina). This gas is allocated between the residential, compressed natural gas ("**CNG**"), thermal power and industrial markets. The average delivery allocation to the residential market is approximately 0.355 MMcf/d (net 0.091 MMcf/d to Antrim Argentina) which is sold at a fixed price of approximately US$0.507 per Mcf. The remaining allocated gas, approximately 6.687 MMcfpd (net 1.724 MMcfpd to Antrim Argentina), was sold to the CNG, thermal and industrial island markets at an average price of $2.95 per Mcf in the financial year ended December 31, 2012 (September 1, 2012 to December 31, 2012).

For the financial year ended December 31, 2012 (September 1, 2012 to December 31, 2012) gas sales contracts for delivery of natural gas from the Tierra del Concessions to mainland industrial markets were in place with Cammesa for 7.8 MMcf/d (net 2.01 MMcf/d to Antrim Argentina) at a price of approximately US$2.30/Mcf and Petrobras for 6.0 MMcf/d (net 1.55 MMcfpd to Antrim Argentina) at a price of approximately US$2.61/Mcf. In addition, 4.0 MMcf/d (net 1.03 MMcfpd to Antrim Argentina) of natural gas production from the Tierra del Fuego Concessions qualified for the Gas Plus program at a price of approximately US$4.45/Mcf. Gas above these contract volumes was sold to Albanesi at a price of approximately US$2.71/Mcf.

The Corporation currently has certain gas sales contracts in place with respect to its present and future gas production from the TDF Concessions as described below; however, before gas can be sold pursuant to such contracts the Corporation must satisfy its obligations for delivery of gas to the residential market. The volume of the Corporation's obligations for the residential market fluctuates throughout the year as the demand for natural gas fluctuates.

Product	**Term**		**Price**	**Delivery Volume**
	From	**To**		
Gas	1-Jan-13	30-Apr-13	US$2.80/MBtu	none contracted
	1-May-13	30-Sep-13	US$3.55/MBtu	
	1-Oct-13	31-Dec-13	US$3.10/MBtu	
	1-Jan-14	31-Aug-16	Negotiable	
Gas Plus	1-Jan-13	31-Dec-13	US$4.10/MBtu	110,000 m^3/d
Gas	1-Jan-13	30-Apr-13	US$2.90/MBtu	50,000 m^3/d
	1-May-13	30-Sep-13	US$3.50/MBtu	25,000 m^3/d
	1-Oct-13	31-Dec-13	US$3.10/MBtu	50,000 m^3/d
Gas	1-Jan-13	30-Apr-13	US$2.90/MBtu	50,000 m^3/d
	1-May-13	30-Sep-13	US$3.50/MBtu	25,000 m^3/d

Product	Term		Price	Delivery Volume
	From	To		
	1-Oct-13	31-Dec-13	US$3.10/MBtu	50,000 m^3/d
Gas	1-Jan-13	30-Apr-13	US$2.90/MBtu	50,000 m^3/d
	1-May-13	30-Sep-13	US$3.50/MBtu	25,000 m^3/d
	1-Oct-13	31-Dec-13	US$3.10/MBtu	50,000 m^3/d

El Valle

All oil production from the El Valle Area is currently sold on a spot basis to the domestic market. The price received for crude oil sales is calculated based on the in-country Cañadon Seco crude oil benchmark price less a quality discount. The sales are denominated in United States dollars nominated and collected in Argentina pesos at the exchange rate published by Banco Nacion Argentina on the collection date.

Produced oil is transported by pipeline to be stored at Caleta Olivia in Santa Cruz Province and periodically, usually on monthly bases, transported by ship to a refinery.

The Corporation's oil sales are being sold and priced on a month-to-month basis, with pricing in the year December 31, 2012 (September 1, 2012 to December 31, 2012) averaging approximately US$61.61 per Bbl.

Relationships with Unions

Oil and natural gas activity in Argentina is largely unionized and Crown Point's operating, drilling, completions and workover operations are conducted by drilling operators employing unionized personnel. The Corporation is thus exposed to union activity including strikes, shut-downs, labour negotiations and other actions outside of the Corporation's direct control, which may have a material adverse effect on the operations of the Corporation. Crown Point employs staff experienced in the area of union relations in order to mitigate these potential risks.

Royalties, Turnover Taxes & Value Added Tax

Royalty determinations in Argentina are paid monthly to provincial authorities and must be submitted by field and concession. Production used by the concession holder for exploration or production operations is not subject to royalty. Royalties are deductible for income tax purposes. The standard royalty rate on production is 12 percent of the wellhead price for both oil and natural gas less deductions for transportation, treatment and commercialization costs between the wellhead and point of sale. This may be reduced on a case-by-case basis to a minimum of 5 percent taking into account productivity (marginal fields), condition and location of the producing wells as well as enhanced oil recovery projects. A rate of 15 percent applies to pre-commercial production from an exploration permit until such time as it is converted to an exploitation concession. A rate of 12 percent applies to production from an exploitation concession. In recent provincial bid rounds, companies have been given the option of bidding a higher royalty than prescribed by the national and provincial laws, but this is a voluntary decision which is applicable to the concession under bid only. In addition, often as part of negotiations with provincial government authorities for extensions of exploitation concession, companies agree to an increase in the royalty rate.

Additionally, the provincial governments in Argentina levy a turnover tax varying between one and two percent of gross revenue less certain deductions. VAT at a rate of 21 percent is added on to domestic sales and is payable by the buyers of production. The VAT tax collected by the Corporation on sales is used to recover VAT paid on incurred costs. Stamp taxes are levied on transactions by way of contract at 1 percent to 4 percent depending on the jurisdiction in which the transaction takes place.

See "*Statement of Reserves Data and Other Oil and Gas Information – Other Oil and Gas Information – Principal Properties*" for details of the royalty rates currently payable on Crown Point's production.

Income Taxes

A tax treaty exists between Argentina and Canada. Oil companies are subject to a generally applicable corporate tax regime. All successful exploration and field development costs, including intangible costs may be depreciated on a unit-of-production basis. Tax payers pay either income tax at a rate of 35 percent on corporate net profits or a minimum tax, based on net assets, whichever is the greater. Minimum tax was reinstated effective January 1999 and is levied on cumulative capital less accumulated depreciation plus an inflation adjustment at a rate of one percent.

In April 1992, the tax base for locally incorporated companies was changed from Argentina source income to worldwide income.

Crown Point's operations in Argentina are conducted through Crown Point Argentina and Antrim Argentina. There is generally no withholding tax on dividends, with some exceptions which do not affect Crown Point at this time.

Oil and Natural Gas Industry Regulations

The oil and natural gas industries in Argentina are subject to extensive regulation governing operations, including land tenure, exploration, development, production, refining, transportation and marketing, imposed by legislation enacted by various levels of government and with respect to pricing and taxation of oil and natural gas by agreements among the federal and provincial governments, all of which are subject to change and could have a material impact on the Corporation's business, financial condition and results of operations. The federal government of Argentina has implemented controls for domestic fuel prices and has placed a tax on oil and natural gas exports. As a result of these constraints, it is believed that energy reinvestment has been limited and overall hydrocarbon production has declined. Any change to these government imposed restrictions could have a material impact on Crown Point's business, financial condition and results of operations.

The Hydrocarbons Law 17.319, enacted in June 1967, established the basic legal framework for the current regulation of exploration and production of hydrocarbons in Argentina. The Hydrocarbons Law empowers the National Executive to establish a national policy for development of Argentina's hydrocarbon reserves, with the main purpose of satisfying domestic demand. However, on January 5, 2007, Hydrocarbon Law 26.197 was passed by the government of Argentina. This new legal framework replaces Article 1 of the Hydrocarbons Law 17.319 and provides for the provinces to assume complete ownership, authority and administration of the oil and natural gas reserves located within their territories, including offshore areas up to 12 marine miles from the coast line. This includes all exploration, exploitation and transportation concessions. This has led to the posting of large tracts of exploration acreage in "bidding rounds" through which the lands will be granted to successful bidding companies. The change of hydrocarbons administration required producing companies to deal more extensively with the provincial governments who are now more directly involved in the day to day affairs of operations within their jurisdictions. Crown Point intends to be an active participant in future bidding rounds in areas that it deems to be prospective.

In 2004, as a consequence of the crisis the country was going through, the Argentinean government started to grant subsidies to users of a number of public services and utilities, including, among others, oil, natural gas and other by-products. Those subsidies were paid to providers of such services and utilities, who, at the same time were prohibited from increasing prices to reflect international market prices. The Argentinean government has now discontinued such subsidies and the users of such services and utilities must bear the costs directly; however, it remains to be seen if producers and suppliers of hydrocarbons and their by-products will be permitted to follow market price trends in the sale of their products and/or services, or if the prohibition on prices increases will be maintained.

As part of the industry deregulation and YPF privatization, which commenced in 1989, producers of crude oil and its derivatives, natural and liquefied gases, were granted the right to freely dispose of up to 70% of the foreign currency proceeds from their exports of such products. Pursuant to Decree 1722/2012, enacted on October 25, 2012, the Argentinean government abrogated the said privilege and established that all proceeds resulting from exports of hydrocarbons and their by-products must be exchanged on the local exchange market.

On July 27, 2012 the Federal Government published Decree 1277/12 (the "**Decree**") in the Official Gazette, regulating Law No. 26741 which introduced a tighter regime on investments and commercialization of hydrocarbons in Argentina. Pursuant to the Decree, a Committee for Strategic Planning and Coordination of the Hydrocarbons Investments National Plan (the "**Committee**") was established. The Committee now requires oil and gas companies in Argentina to register with the National Registry of Hydrocarbons Investments and to file an Annual Investment Plan, both of which have been completed by Crown Point. Other than the requirement to register and to file the Annual Investment Plan there have been no material changes to the fiscal regime resulting from the Decree or the establishment of the Committee; however, the Committee may establish additional requirements for the oil and gas industry in Argentina that could have an effect on the Corporation and it business and operations. The Corporation will continue to evaluate what impact the Decree may have on the Corporation's business, financial condition, results of operations and prospects.

YPF Nationalization

On April 16, 2012, the Argentine President submitted a bill to the Argentine Congress to expropriate 50.01% of energy company YPF's D shares. YPF was established as a state enterprise in 1922, privatized in 1993 and acquired by the Spanish multinational company, Repsol, in 1999. The bill to renationalize YPF was signed into law in May 2012. Since the expropriation of YPF, the government of Argentina has taken no action with respect to the expropriation of the shares or assets of any other oil and gas company operating in Argentina and it is Crown Point's belief that this type of action will not impact Crown Point's operations or future activities in Argentina; however, Crown Point can provide no assurances in this regard. All of Crown Point's concessions are in good standing and the Corporation has met or is in the process of meeting its work commitments in a timely manner.

Land Tenure

Exploration permits in Argentina grant exclusive rights to the concession holder to perform all types of exploration work and obtain an exploitation concession and a transportation concession after the declaration of a commercial discovery. The period under an exploration permit is divided into several phases.

Work commitments are negotiated and specified separately for each individual phase of the exploration period. For the first exploration phase, commitments are expressed in work units with each activity equating to a different number of units. For the second and third exploration phases, commitments must comprise at least one well for each phase. At the end of each exploration phase, 50 percent of the remaining area must be relinquished or converted into an exploitation concession or evaluation concession. An evaluation concession allows a short term extension for a company to further evaluate the commercial potential of its exploration activities.

Exploitation concessions grant exclusive rights to the concession holder to produce hydrocarbons. The period for development and production is 25 years, although an extension of up to 10 years may be granted under terms and conditions to be established at the time of the extension. If a discovery is declared commercial before the end of the exploration period, the remaining portion of the exploration period is added on to the exploitation concession period.

Crown Point has exploration obligations remaining with respect to the Laguna de Piedra Permit and the Cerro de Los Leones Permit. Companies are permitted to hold a maximum of five exploration permits and five exploitation concessions in Argentina.

Environmental Regulations

Argentina has environmental standards for the industry, including surface maintenance and restoration, air quality and emission standards, operational safety standards and regular environmental audits. The implementation of environmental procedures is effected increasingly at the provincial level. A number of provinces have issued regulations relating to environmental impact assessments of activities within their boundaries.

Crown Point conducts a thorough baseline environmental study prior to commencing operations on any new concessions or blocks. Environmental reviews are completed and environmental permits are obtained from the provincial authorities prior to undertaking any operations. The Corporation also conducts annual environmental audits of its operational areas which are tabled or available to federal and provincial regulators.

Crown Point's activity is principally in uninhabited barren dry regions.

Legal and Political

Argentina is governed by a tripartite system of government made up of an Executive Power, a Legislative Power, and a Judicial Power established by a written Constitution passed in 1853. The Head of Government and Chief of State is a President elected by popular vote for a term of four years. The Argentina Republic comprises 23 provinces and the City of Buenos Aires. Each province has its own constitution which must state its administration of justice and autonomy, and the scope and content of its institutional, political, administrative and financial orders.

Competitive Conditions

Prior to December 31, 1990 when it was transformed into a private company, YPF operated as the national oil company in Argentina. In mid-2000, the Spanish oil company Repsol S.A. merged with YPF to form Repsol-YPF. Oil exploration and production activities in Argentina are dominated by Repsol-YPF. In 2002, Petroleo Brasileiro S.A., the state owned oil corporation of Brazil, expanded its holdings in Argentina through the purchase of Perez Companc and Petrolera Santa Fe, subsequently merging the entities in 2005 into Petrobras.

In 2004, the government created a new partially state-owned energy firm, ENARSA, to increase the government's influence over the oil and natural gas market by promoting oil exploration and production capacity, rebuilding reserves and expanding natural gas and power infrastructure in the country, as well as assuming responsibility for the management of natural gas imports from Bolivia. All unallocated offshore exploration blocks were transferred to ENARSA and ENARSA was authorized to seek partnerships with foreign companies.

In 2012 the Argentine President submitted a bill to the Argentine Congress to expropriate 50.01% of energy company YPF's D shares. The bill to renationalize YPF was signed into law in May 2012.

Market Conditions

Overview

The oil and natural gas industry in Argentina is mature, having been established more than 100 years ago on December 13, 1907 when oil was discovered in Comodoro Rivadavia. Argentina is a significant South American energy producer and consumer and a net energy importer, primarily importing petroleum from Bolivia and importing liquefied natural gas from the Middle-East and Trinidad and Tobago. As of January 2010, proved oil reserves were estimated by the Argentina Secretary of Energy at approximately 2.524 billion Bbls, and Argentina remains a significant oil producer with 2010 production of approximately 572,000 Bbls/d. Argentina's oil production has declined from a level of 847,000 Bbls/d in 1998, as oil producers have not brought enough new capacity online to replace declining production from mature fields.

Over the years, the federal government of Argentina has implemented a number of controls for domestic fuel prices and has placed a tax on oil and natural gas exports. As a result of market uncertainty due to the ever changing regulatory regime, energy reinvestment has been limited and overall hydrocarbon production has declined.

Exploration & Production

Two onshore basins represent the vast majority of Argentina's oil production: the Neuquén Basin, located in western-central Argentina, and the Golfo San Jorge basin, in the southeast part of the country. Outside the established onshore basins, there has been some limited interest in exploring offshore oil resources. The Neuquén, Salta, Tierra del Fuego, and Santa Cruz regions contain most of Argentina's natural gas production, with the Neuquén region accounting for over half of the country's total production. As is the case in the oil sector, Argentina has begun to look towards its offshore basins as its traditional production centers have matured.

Pipelines

Argentina's three major oil pipelines originate at Puerto Hernández, in the Neuquén Basin. Two pipelines are domestic, transporting oil north via the YPF operated 50,000 Bbls/d pipeline to the Lujan de Cuyo refinery near Mendoza and east via the Oldelval pipeline system moving crude over 1,200 kilometres to Puerto Rosales on the Atlantic. The 430 kilometre, 115,000 Bbls/d Transandino pipeline is Argentina's only international oil pipeline, climbing over the Andes to a refinery in Chile. This pipeline discontinued transportation of oil in 2006 but is capable of being re-commissioned.

From Tierra del Fuego, the main pipeline to the continent is the San Martin pipeline operated by Transportadora de Gas del Sur. This pipe starts at the San Sebastian gas field, 40 km to the north of the Las Violetas Concession, and required Antrim Argentina and its parties to lay down 40 km of an 8" pipeline in 2010 to tie into the main pipe and consequently be able to commercialize gas to the more lucrative industrial markets. This pipe has some branches over to Chile, both in Tierra del Fuego as well as the mainland, but such branches have been inactive since exports were discontinued in 2007. The pipeline runs all the way to Buenos Aires, receiving gas from the Austral and San Jorge basins, and supplying the Bahia Blanca petrochemical complex before arriving at the federal Capital.

A smaller pipeline runs from the San Martin pipe southwards, supplying the towns of Rio Grande and Ushuaia. Antrim Argentina and its parties are also able to market part of their gas locally by injecting into this pipe.

Downstream

YPF accounts for approximately half of the country's 624,575 Bbls/d total refining capacity. Other companies with significant refining capacity include Shell CAPSA Limited (110,000 Bbls/d) and Esso Petrolera Argentina S.R.L. (84,500 Bbls/d).

The recent sale of the refinery and other assets of ESSO Petrolera Argentina S.R.L. to Pan American Energy ("**PAE**") may limit the alternatives for medium and small producers for selling their oil as PAE may use the refinery to process their own production from Argentina which would substantially utilize the refining capacity. Even though this may adversely limit the Corporation's alternatives for marketing its oil, the Corporation expects to still be able to sell its oil in the local market, with competitive prices in comparison to export prices.

RISK FACTORS

Crown Point's securities should be considered highly speculative due to the nature of Crown Point's business. An investor should consider carefully the risk factors set out below. In addition, investors should carefully review and consider all other information contained in this AIF before making an investment decision. An investment in securities of Crown Point should only be made by persons who can afford a significant or total loss of their investment.

Exploration, Development and Production Risks

Oil and gas operations involve many risks that even a combination of experience and knowledge and careful evaluation may not be able to overcome. The long-term commercial success of Crown Point depends on its ability to find, acquire, develop and commercially produce oil and natural gas reserves. Without the continual addition of new reserves, any existing reserves Crown Point may have at any particular time and the production therefrom will decline over time as such existing reserves are exploited. A future increase in Crown Point's reserves will depend not only on its ability to explore and develop any properties it may have from time to time, but also on its ability to select and acquire suitable producing properties or prospects. No assurance can be given that Crown Point will be able to continue to locate satisfactory properties for acquisition or participation. Moreover, if such acquisitions or participations are identified, Crown Point may determine that current markets, terms of acquisition and participation or pricing conditions make such acquisitions or participations uneconomic. There is no assurance that further commercial quantities of oil and natural gas will be discovered or acquired by Crown Point.

Future oil and gas exploration may involve unprofitable efforts, not only from dry wells, but from wells that are productive but do not produce sufficient net revenues to return a profit after drilling, operating and other costs. Completion of a well does not assure a profit on the investment or recovery of drilling, completion and operating costs. In addition, drilling hazards or environmental damage could greatly increase the cost of operations, and various field operating conditions may adversely affect the production from successful wells. These conditions include delays in obtaining governmental approvals or consents, shut-ins of connected wells resulting from extreme weather conditions, insufficient storage or transportation capacity or other geological and mechanical conditions. While diligent well supervision and effective maintenance operations can contribute to maximizing production rates over time, production delays and declines from normal field operating conditions cannot be eliminated and can be expected to adversely 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 hazards such as fire, explosion, blowouts, cratering, sour gas releases and spills, each of which could result in substantial damage to oil and natural gas wells, production facilities, other property and the environment or in personal injury. In accordance with industry practice, Crown Point will not be fully insured against all of these risks, nor are all such risks insurable. Although Crown Point will maintain liability insurance in an amount that it considers consistent with industry practice, the nature of these risks is such that liabilities could exceed policy limits, in which event Crown Point could incur significant costs that could have a material adverse effect upon its financial condition. Oil and natural gas production operations are also subject to all the risks typically associated with such operations, 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 could have a materially adverse effect on future results of operations, liquidity and financial condition.

Lack of Diversification

All of Crown Point's production currently comes from the El Valle Area and the Tierra del Fuego Concessions in Argentina. As a result, the Corporation lacks diversification, in terms of both the nature and geographic scope of its business. Accordingly, factors affecting the oil and gas industry or the particular regions in Argentina where the Corporation operates will likely impact the Corporation more acutely than if the Corporation's business was more diversified.

The entire Argentina domestic refining market is small and export opportunities are limited by available infrastructure. As a result, Crown Point's sales in Argentina will depend on a relatively small group of customers. The lack of competition in this market could result in unfavourable sales terms which, in turn, could adversely affect the Corporation's financial results. Constraints on production and sales from the El Valle Area or the Tierra del Fuego Concessions could cause a material adverse effect on the Corporation's results.

Work Disruption and Labour Unrest

Crown Point's drilling, completions and workover operations in Argentina are conducted by drilling operators employing unionized personnel. The Corporation is thus exposed to union activity including strikes, shut-downs, labour negotiations and other actions outside of the Corporation's direct control, which may have a material adverse effect on the operations of the Corporation. Crown Point employs staff experienced in the area of union relations in order to mitigate these potential risks. Ongoing labour strikes had a negative impact on Crown Point's financial results in the financial year ended August 31, 2011. The work stoppages in Santa Cruz in the months leading up to the Argentina federal election in 2011 were more frequent and of longer than usual duration. Much of the labour activity was attributed to internal union strife relating to different factions within the unions. The strikes had an impact on the Corporation's production and drilling program by causing delays and periods of suspended activity. As a result of the labour activity the Corporation did not have any production for a period of 79 days and drilling operations were impacted with 57 days of downtime in the financial year ended August 31, 2011, which resulted in decreased production and revenue. Although the Corporation has not had any recent issues with material work disruptions resulting from labour activity, any future disruptions in production as a result of labour activity could have a significant effect on the Corporation's operations and revenues.

Negative Cash Flow from Operating Activities

Although the Corporation had positive cash flow from operating activities in the financial year ended December 31, 2012 (September 1, 2012 to December 31, 2012), the Corporation had negative cash flow from operating activities for the financial years ended August 31, 2012 and 2011. If the Corporation has negative cash flow from operating activities in future periods, it may need to seek debt financing or additional equity financing in order to complete its capital expenditure program as currently planned; in the alternative, if the Corporation cannot obtain debt or equity financing on terms acceptable to it or at all, the Corporation may be forced to reduce its capital expenditure program. There can be no assurance that debt or equity financing will be available to the Corporation or, if available, will be on terms acceptable to Crown Point. In addition, to the extent that the Corporation has negative cash flow from operating activities in future periods, it may be required to deploy a portion of its existing working capital to fund such negative cash flow from operating activities.

Substantial Capital Requirements

Crown Point anticipates making substantial capital expenditures for the acquisition, exploration, development and production of oil and natural gas reserves in the future. If Crown Point's revenues or reserves decline, it may have limited ability to expend the capital necessary to undertake or complete future drilling programs. There can be no assurance that debt or equity financing, or cash generated by operations will be available or sufficient to meet these requirements or for other corporate purposes or, if debt or equity financing is available, that it will be on terms acceptable to Crown Point. Moreover, future activities may require Crown Point to alter its capitalization significantly. The inability of Crown Point to access sufficient capital for its operations could have a material adverse effect on Crown Point's financial condition, results of operations or prospects.

Additional Funding Requirements

Crown Point's cash flow from its oil and gas production and its current working capital, may not be sufficient to fund its planned capital expenditures to the extent that cash flow is lower than expected or that the costs associated with such capital expenditures are greater than expected. Failure to obtain such financing on a timely basis could cause Crown Point to forfeit its interest in certain properties, be unable to capitalize on certain acquisition opportunities and reduce or terminate its operations. If Crown Point's revenues from its oil and gas production decrease as a result of lower oil and natural gas prices or otherwise, it will affect Crown Point's ability to expend the necessary capital to replace its reserves or to maintain its production. If Crown Point's cash flow from operations and its current working capital are not sufficient to satisfy its capital expenditure requirements, there can be no assurance that additional debt or equity financing will be available to meet these requirements or available on terms acceptable to Crown Point.

Risks of Argentinean and Foreign Operations

As the Corporation's oil and gas properties and operations are located in Argentina, the Corporation is subject to political, economic, and other uncertainties, including, but not limited to, changes in energy policies or the personnel administering them, nationalization, currency fluctuations, exchange controls, and royalty and tax increases. The Corporation's business, financial condition, results of operations, and the value of the Common Shares could also be materially adversely affected by social instability in Argentina and other factors which are not within the control of the Corporation including, among other things, the risks of terrorism, civil strikes, abduction, renegotiation or nullification of existing concessions and contracts, economic sanctions, the imposition of specific drilling obligations, and the development and abandonment of fields.

In the past several years there have been several developments in Argentina that result in uncertainty with respect to operating in the oil and gas industry in Argentina, including, but not limited to, the following:

Nationalization of YPF - The federal government of Argentina recently announced its intention to expropriate and nationalize the largest oil producing company in Argentina, YPF. See "*Risk of Nationalization of Argentina Oil and Gas Assets*" below.

Suspension and Reinstatement of Petroleo Plus Program - On February 3, 2012, the Ministry of Federal Planning, Public Investment and Services of the government of Argentina announced that it had decided to suspend the Petroleo Plus Program for large companies. Given the size of the Corporation, the Corporation was not affected by the suspension of the Petroleo Plus Program. Later in 2012, the Petroleo Plus Program was reinstated for the large oil companies. See "*Industry Conditions – Argentina - Pricing – Recent Changes*".

Changing Pricing Mechanisms and Export Controls – In recent years the Argentinean government have introduced a variety of new measures, both positive and negative, and repealed other measures relating to the pricing of oil and natural gas in Argentina and the ability to export oil and natural gas out of the country. See "*Industry Conditions*".

Possible difficulties for Crown Point to collect certificates of Petroleo Plus approved - Crown Point has presented requests for certificates through 2011 and 2012, and even though many have been approved, the possibility of collecting them could be restrained due to bureaucratic problems. These delays and complications are common for many companies in the sector.

TDF Policy Change - On May 16, 2012 the Federal Government of Argentina issued a decree removing the tax free status of the Province of Tierra del Fuego. See "*Industry Conditions – Argentina - Tierra del Fuego Special Status*".

Establishment of the Committee for Strategic Planning and Coordination of the Hydrocarbons Investments National Plan – In July 27, 2012 the Federal Government introduced a tighter regime on investments and commercialization of hydrocarbons in Argentina and the establishment of the Committee for Strategic Planning and Coordination of the Hydrocarbons Investments National Plan to oversee the new regime. See "*Industry Conditions – Argentina - Oil and Natural Gas Industry Regulations*".

Although, as discussed in further detail in this AIF, these developments do not necessarily directly materially adversely affect the Corporation, the frequent changes to regulatory policies in Argentina add significant uncertainties to the Corporation's operations as future changes in regulatory policies could have a significant effect on the Corporation's business.

The Corporation's operations may also be adversely affected by laws and policies of Canada affecting foreign trade, taxation and investment. In the event of a dispute arising in connection with the Corporation's operations in Argentina, the Corporation may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of the courts of Canada or enforcing Canadian judgments in such other jurisdictions. The Corporation may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. Accordingly, the Corporation's exploration, development and production activities in Argentina could be substantially affected by factors beyond the Corporation's control, any of which could have a material adverse effect on the Corporation's business, financial condition, results of operations, and the value of the Common Shares.

Acquiring interests and conducting exploration and development operations in foreign jurisdictions often require compliance with numerous and extensive procedures and formalities. These procedures and formalities may result in unexpected or lengthy delays in commencing important business activities. In some cases, failure to follow such formalities or obtain relevant evidence may call into question the validity of the entity or the actions taken. Management is unable to predict the effect of additional corporate and regulatory formalities which may be adopted in the future including whether any such laws or regulations would materially increase the Corporation's cost of doing business or affect its operations in any area.

The Corporation may in the future acquire oil and natural gas properties and operations outside of Argentina, which expansion may present challenges and risks that Crown Point has not faced in the past, any of which could adversely affect the results of operations and/or financial condition of the Corporation.

Risk of Nationalization of Argentina Oil and Gas Assets

In 2012 the Argentine President submitted a bill to the Argentine Congress to expropriate 50.01% of energy company YPF's D shares. The bill to renationalize YPF was signed into law in May 2012.

Although Crown Point has not received any notice that the federal government or any provincial government of Argentina has any intention of expropriating or nationalizing any of Crown Point's assets or properties, if such expropriation or nationalization were to occur there is no certainty that Crown Point would receive the fair market value of such properties or assets from such government body. If any government body were to expropriate or nationalize any of the properties or assets of Crown Point, it would have a material adverse effect on Crown Point.

The announcement by the federal government of Argentina of the nationalization of YPF has also negatively impacted the trading prices of companies with interests in Argentina, including Crown Point.

In addition, the move to nationalize YPF resulted in decreased willingness to invest in Argentina which may make it more difficult for companies with interests in Argentina, including Crown Point, to sell any Argentina properties or assets (or the company as a whole) and potentially to obtain future financing to fund the development of Argentina assets and properties.

Argentina Sovereign Debt Issues

In October 2012 a U.S. court ruled that Argentina must repay the full amount that it owes in respect of bonds on which it defaulted in 2001 and in respect of which certain holders have never settled. The ruling has sparked concerns that Argentina may again default on its sovereign debt if the ruling is not overturned or the bondholders do not settle their claims. Any default on its sovereign debt may cause serious repercussions on the Argentina economy and materially adversely affect companies operating in Argentina including the Corporation.

Economic and Political Developments in Argentina, Including Export Controls

In the past few decades, the Argentina economy has experienced some periods of extreme volatility including periods of low or negative growth and variable levels of inflation. Inflation peaked in the late 1980's — 90's and in late-2001 there was a severe fiscal crisis, which resulted in restrictions on banking, the imposition of exchange controls, the suspension of payment of Argentina's public debt and the Argentinean Peso ceased to be tied to the U.S. dollar on a one-to-one basis. This further resulted in a year-long period of contractions in economic growth, elevated inflation and a volatile exchange rate. Shortly thereafter, Argentina experienced a period of gross domestic product growth, normalized inflation, and strengthened public finances.

There is no guarantee of economic stability, which was shown when the Argentinean economy struggled again in 2008. As is the case in many other nations, recently, inflation has been rising and government popularity has decreased, due to the economic situation and the unpopularity of some of the programs the government tried to implement to deal with the global economic crisis.

The Government of Argentina recently announced changes to its oil and gas regulatory regime requiring oil, gas and mining exporters to repatriate all of their export revenue. Although management of Crown Point believes that these changes will not have a significant impact on Crown Point as the Corporation does not have existing arrangements or plans to export production, any future changes to the oil and gas regime in Argentina could have a material adverse effect on the Corporation.

Oil and Gas Industry in Argentina

The crude oil and natural gas industry in Argentina is subject to extensive regulation relating to, among other things, land tenure, exploration, development, production, refining, transportation, and marketing, imposed by legislation enacted by various levels of government and with respect to pricing and taxation of crude oil and natural gas by agreements among the federal and provincial governments, all of which are subject to change and could have a material impact on the Corporation's business in Argentina. The Federal Government of Argentina has implemented controls for domestic fuel prices and has placed a tax on crude oil and natural gas exports. Any future regulations that limit the amount of oil and gas that the Corporation could sell or any regulations that limit price increases in Argentina and elsewhere could severely limit the amount of the Corporation's revenue and affect its results of operations. In addition, oil and natural gas prices in Argentina are effectively regulated and as a result are substantially lower than those received in North America.

Failure to Receive Approval for Extension of the Tierra del Fuego Concessions

The primary term of the Tierra del Fuego Concessions expires in November 2016; however, the Corporation and its partners have negotiated a ten year extension (to November 2026) with the provincial government authorities of Tierra del Fuego. The extension and its terms are currently awaiting ratification by the provincial legislature. If the provincial legislature does not ratify the extension or imposes terms on the extension that are unacceptable to Crown Point, it will have a materially adverse effect on Crown Point as a substantial portion of Crown Point's current production and revenue is from the Tierra del Fuego Concessions.

Acquisition Risks

Crown Point evaluates potential acquisitions of petroleum, natural gas and other energy-related assets and/or companies as part of its ongoing acquisition program. Although at the present time the Corporation has not entered into any definitive agreements with respect to any such acquisitions, if the Corporation does decide to proceed with an acquisition, and to the extent such acquisition is completed, the Corporation may have to revise its capital expenditure program as the funds spent on the acquisition will not be available for capital expenditures and the Corporation may re-deploy a portion of its capital towards making expenditures on assets acquired pursuant to such acquisition. As a result of proceeding with any acquisition, the Corporation may require additional financing to proceed with planned capital expenditures on its current properties and on any properties acquired pursuant to such acquisitions.

Although the Corporation expects that it would perform an industry standard review of any properties proposed to be acquired, such reviews are inherently incomplete. It is generally not feasible to review in depth every individual property involved in each acquisition. Generally, the Corporation will focus its due diligence efforts on higher value properties and will sample the remainder. However, even an in-depth review of all properties and records may not necessarily reveal existing or potential problems, nor will it permit a buyer to become sufficiently familiar with the properties to assess fully their deficiencies and capabilities. The Corporation may be required to assume pre-closing liabilities, including environmental liabilities, and may acquire interests in properties on an "as is" basis.

Assessments of Value of Acquisitions

Acquisitions of oil and gas companies and oil and gas assets are typically based on engineering and economic assessments made by independent engineers and the acquirer's own assessments. These assessments will include a series of assumptions regarding such factors as recoverability and marketability of oil and gas, future prices of oil and gas and operating costs, future capital expenditures and royalties and other government levies which will be imposed over the producing life of the reserves. Many of these factors are subject to change and are beyond Crown Point's control. In particular, the prices of and markets for oil and natural gas products may change from those anticipated at the time of making such assessment. In addition, all such assessments involve a measure of geologic and engineering uncertainty which could result in lower production and reserves than anticipated. Initial assessments of acquisitions may be based on reports by a firm of independent engineers that are not the same as the firm Crown Point uses for its year end reserve evaluations. Because each of these firms may have different evaluation methods and approaches, these initial assessments may differ significantly from the assessments of the firm used by Crown Point. As a result, to the extent that Crown Point decides to proceed with an acquisition, there can be no assurance that any such acquisition will have a positive impact on the value of the Common Shares.

Failure to Realize Anticipated Benefits of Acquisitions and Dispositions

The Corporation makes acquisitions and dispositions of businesses and assets in the ordinary course of business. Achieving benefits from such acquisitions depends on, among other things, successfully consolidating functions and integrating operations and procedures in a timely and efficient manner as well as the Corporation's ability to realize the anticipated growth opportunities and synergies from combining the acquired businesses and operations with those of the Corporation. The integration of acquired businesses may require substantial management effort, time and resources and may divert management's focus from other strategic opportunities and operational matters, and may also result in the loss of key employees, the disruption of on-going business, supplier, customer and employee relationships and deficiencies in internal controls or information technology controls. Management continually assesses Crown Point's suite of assets. In this regard, non-core assets are periodically disposed of, so that the Corporation can focus its efforts and resources more efficiently. Depending on the state of the market for such non-core assets, certain non-core assets of the Corporation, if disposed of, could be expected to realize less than their carrying value on the financial statements of the Corporation.

Prices, Markets and Marketing

The marketability and price of oil and natural gas that may be acquired or discovered by Crown Point will be affected by numerous factors beyond its control. Crown Point's ability to market its natural gas may depend upon its ability to acquire space on pipelines that deliver natural gas to commercial markets. Crown Point may also be affected by deliverability uncertainties related to the proximity of its reserves to pipelines and processing facilities and related to operational problems with such pipelines and facilities and extensive government regulation relating to price, taxes, royalties, land tenure, allowable production, the export of oil and natural gas and many other aspects of the oil and natural gas business.

Both oil and natural gas prices are unstable and are subject to fluctuation. Any material decline in prices could result in a reduction of Crown Point's net production revenue. The economics of producing from some wells may change as a result of lower prices, which could result in a reduction in the volumes of Crown Point's reserves. Crown Point might also elect not to produce from certain wells at lower prices. All of these factors could result in a material decrease in Crown Point's net production revenue causing a reduction in its oil and gas acquisition, development and exploration activities.

Global Financial Conditions

Recent market events and conditions, including disruptions in the international credit markets and other financial systems and the American and European sovereign debt levels have caused significant volatility in commodity prices. These events and conditions have caused a decrease in confidence in the broader United States and global credit and financial markets and have created a climate of greater volatility, less liquidity, widening of credit spreads, a lack of price transparency, increased credit losses and tighter credit conditions. Notwithstanding various actions by governments, concerns about the general condition of the capital markets, financial instruments, banks, investment banks, insurers and other financial institutions caused the broader credit markets to further deteriorate and stock markets to decline substantially. While there are signs of economic recovery, these factors have negatively impacted company valuations and are likely to continue to impact the performance of the global economy going forward. Petroleum prices are expected to remain volatile for the near future as a result of market uncertainties over the supply and demand of these commodities due to the current state of the world economies, actions taken by OPEC and the ongoing global credit and liquidity concerns. This volatility may in the future affect the Corporation’s ability to obtain equity or debt financing on acceptable terms.

Third Party Credit Risk

Crown Point is or may be exposed to third party credit risk through its contractual arrangements with its current or future joint venture partners, marketers of its petroleum and natural gas production and other parties. In the event such entities fail to meet their contractual obligations to Crown Point such failures could have a material adverse effect on Crown Point and its cash flow from operations.

Alternatives to and Changing Demand for Petroleum Products

Fuel conservation measures, alternative fuel requirements, increasing consumer demand for alternatives to oil and natural gas, and technological advances in fuel economy and energy generation devices could reduce the demand for crude oil and other liquid hydrocarbons. Crown Point cannot predict the impact of changing demand for oil and natural gas products, and any major changes may have a material adverse effect on Crown Point's business, financial condition, results of operations and cash flows.

Reserves Replacement

Crown Point's future oil and natural gas reserves, production, and cash flows to be derived therefrom are highly dependent on Crown Point successfully acquiring or discovering new reserves. Without the continual addition of new reserves, any existing reserves Crown Point may have at any particular time and the production therefrom will decline over time as such existing reserves are exploited. A future increase in Crown Point's reserves will depend not only on Crown Point's ability to develop any properties it may have from time to time, but also on its ability to select and acquire suitable producing properties or prospects. There can be no assurance that Crown Point's future exploration and development efforts will result in the discovery and development of additional commercial accumulations of oil and natural gas.

Reserve Estimates

There are numerous uncertainties inherent in estimating quantities of reserves and cash flows to be derived therefrom, including many factors that are beyond the control of Crown Point. The reserve and cash flow information set forth in the documents incorporated by reference herein represent estimates only. These evaluations include a number of assumptions relating to factors such as initial production rates, production decline rates, ultimate recovery of reserves, timing and amount of capital expenditures, marketability of production, future prices of oil and natural gas, operating costs and royalties and other government levies that may be imposed over the producing life of the reserves. These assumptions were based on price forecasts in use at the date the relevant evaluations were prepared and many of these assumptions are subject to change and are beyond the control of Crown Point. Actual production and cash flows derived therefrom will vary from these evaluations, and such variations could be material. The foregoing evaluations are based in part on the assumed success of activities Crown Point intends to undertake in future years. The reserves and estimated cash flows to be derived therefrom contained in such evaluations will be reduced to the extent that such activities do not achieve the level of success assumed in the evaluations.

Foreign Subsidiaries

The Corporation currently conducts all of its Argentina operations through its subsidiaries. Therefore, to the extent of these holdings, the Corporation will be dependent on the cash flows of these subsidiaries to meet its obligations. The ability of its subsidiaries to make payments to the Corporation may be constrained by among other things: the level of taxation, particularly corporate profits and withholding taxes, in the jurisdiction in which it operates; and the introduction of foreign exchange and/or currency controls or repatriation restrictions or the availability of hard currency to be repatriated.

Licensing and Title Risks

Crown Point's properties are generally held in the form of licences, concessions, permits and regulatory consents ("**Concessions**"). Crown Point's activities are dependent upon the grant and maintenance of appropriate Concessions, which may not be granted or extended upon expiry; may be made subject to limitations which, if not met, will result in the termination or withdrawal of the Concession; or may be otherwise withdrawn. Also, in some instances, the Corporation is a joint interest-holder with another third party over which it has no control. A Concession may be revoked by the relevant regulatory authority as a result of actions or inactions of the other interest holder. There can be no assurance that any of the obligations required maintaining each Concession will be met. Although the Corporation believes that the Concessions will be renewed following expiry or granted (as the case may be), there can be no assurance that such Concessions will be renewed or granted or as to the terms of such renewals or grants. The termination or expiration of the Corporation's Concessions may have a material adverse effect on the Corporation's results of operations and business. In addition, the terms of any extension may impose terms that are unacceptable to the Corporation or which may adversely affect the Corporation's operations on or revenue generated from such Concessions.

In addition, the areas covered by the Concessions are or may be subject to agreements with the proprietors of the land. If such agreements are terminated, found void or otherwise challenged, the Corporation may suffer significant damage through the loss of opportunity to identify and extract oil or gas.

Title to oil and natural gas interests is often not determinable without incurring substantial expense. In accordance with industry practice, Crown Point will conduct such title reviews in connection with its principal properties as it believes are commensurate with the value of such properties. The actual interest of Crown Point in certain properties may vary from its records.

Minimum Work Commitments on Concessions

In some cases, the Corporation must fulfill minimum work commitments on certain Concessions held in Argentina. The Corporation may also depend on its industry partners to fulfill the applicable minimum work commitments on certain Concessions operated by such industry partners in Argentina. There are no assurances that all of these commitments will be fulfilled within the time frames allowed. As such, the Corporation may lose certain exploration or exploitation rights on the Concessions affected and may be subject to certain financial penalties that would be levied by the respective government agencies, as applicable.

Fluctuations in Currency Exchange Rates

All of the Corporation's current operations are located in Argentina. Oil and natural gas sales in Argentina are denominated in U.S. dollars and operating and capital costs are generally denominated in U.S. dollars and/or Argentina pesos. Fluctuations in the U.S. dollar and Argentina peso exchange rates may have a negative impact on the Corporation's financial results, including on revenue and costs, and could have a material adverse impact on the Corporation's operations.

Transportation Costs

Disruption in or increased costs of transportation services could make oil and natural gas a less competitive source of energy or could make the Corporation's oil and natural gas less competitive than other sources. The industry depends on rail, trucking, ocean-going vessel, pipeline facilities, and barge transportation to deliver shipments, and transportation costs are a significant component of the total cost of supplying oil and natural gas. Disruptions of these transportation services because of weather-related problems, strikes, lockouts, delays or other events could temporarily impair the ability to supply oil and natural gas to customers and may result in lost sales. In addition, increases in transportation costs, or changes in transportation costs for oil and natural gas produced by competitors, could adversely affect profitability.

To the extent such increases are sustained, the Corporation could experience losses and may decide to discontinue certain operations forcing the Corporation to incur closure and/or care and maintenance costs, as the case may be. Additionally, lack of access to transportation may hinder the expansion of production at some of the Corporation's properties and the Corporation may be required to use more expensive transportation alternatives.

Availability of Drilling Equipment and Access

Oil and natural gas exploration and development activities are dependent on the availability of drilling and related equipment in the particular areas where such activities will be conducted. Demand for such limited equipment or access restrictions may affect the availability of such equipment to Crown Point and may delay exploration and development activities. To the extent Crown Point is not the operator of its oil and gas properties, Crown Point will be dependent on such operators for the timing of activities related to such properties and will be largely unable to direct or control the activities of the operators.

Delays in Business Operations

In addition to the usual delays in payments by purchasers of oil and natural gas to Crown Point or to the operator, and the delays by operators in remitting payment to Crown Point, payments between these parties may be delayed due to restrictions imposed by lenders, accounting delays, delays in the sale or delivery of products, delays in the connections of wells to a gathering system, adjustment for prior periods, or recovery by the operator of expenses incurred in the operation of the properties. Any of these delays could reduce the amount of cash flow available for the business of Crown Point in a given period and expose Crown Point to additional third party credit risks.

Competition

The petroleum industry is competitive in all its phases. Crown Point competes with numerous other participants in the search for the acquisition of oil and natural gas properties. Crown Point's competitors include oil and gas companies that have substantially greater financial resources, staff and facilities than those of Crown Point. Crown Point's ability to increase reserves in the future will depend not only on its ability to explore and develop its present properties, but also on its ability to select and acquire suitable producing properties or prospects for exploratory drilling. Competitive factors in the distribution and marketing of oil and natural gas include price and methods and reliability of delivery.

Conflicting Interests with Partners

Joint venture, acquisition, financing and other agreements and arrangements must be negotiated with independent third parties and, in some cases, must be approved by governmental agencies. These third parties generally have objectives and interests that may not coincide with and may conflict with Crown Point's interests. Unless the parties are able to resolve these conflicting objectives and interests in a mutually acceptable manner, agreements and arrangements with these third parties will not be consummated or maintained.

In certain circumstances, the concurrence of co-venturers may be required for various actions. Other parties influencing the timing of events may have priorities that differ from Crown Point's, even if they generally share Crown Point's objectives. Demands by or expectations of governments, co-venturers, customers and others may affect Crown Point's strategy regarding the various projects. Failure to meet such demands or expectations could adversely affect Crown Point's participation in such projects or its ability to obtain or maintain necessary licences and other approvals.

Changes in Legislation

The oil and natural gas industry in Argentina is subject to extensive controls and regulations imposed by various levels of government. All current legislation is a matter of public record and the Corporation is unable to predict what additional legislation or amendments may be enacted. Amendments to current laws, regulations and permits governing operations and activities of oil and natural gas companies, including environmental laws and regulations which are evolving in Argentina, or more stringent implementation thereof, could have a material adverse impact on the Corporation and cause increases in expenditures and costs, affect the Corporation's ability to expand or transfer existing operations or require the Corporation to abandon or delay the development of new oil and natural gas properties. See "*Risk of Argentinean and Foreign Operations*" above for information about recent changes in Argentinean legislation affecting the oil and gas industry.

Enforcement of Civil Liabilities

Substantially all of the assets of the Corporation are located outside of Canada and certain of the directors and officers of the Corporation may be resident outside of Canada. As a result, it may be difficult or impossible to enforce judgments granted by a court in Canada against the assets of the Corporation or the directors and officers of the Corporation residing outside of Canada.

Reliance on Industry Partners and Operational Independence

The Corporation relies on industry partners with respect to the evaluation, acquisition and development of, and future production from, its properties and a failure or inability to perform by such partners could materially affect the prospects of the Corporation. In addition, other companies may operate certain of the assets in which the Corporation currently has or may in the future have interests. As a result, the Corporation has limited ability to exercise influence over the operation of those assets or their associated costs, which could adversely affect the Corporation's financial performance. The Corporation's return on assets operated by others therefore depends upon a number of factors that may be outside of the Corporation's control, including the timing and amount of capital expenditures, the operator's expertise and financial resources, the approval of other participants, the selection of technology and risk management practices.

Reliance on Key Personnel

Crown Point's success will depend in large measure on certain key personnel. The loss of the services of such key personnel could have a material adverse affect on Crown Point. Crown Point does not have key person insurance in effect for management. The contributions of these individuals to the immediate operations of Crown Point are likely to be of central importance. In addition, the competition for qualified personnel in the oil and natural gas industry is intense and there can be no assurance that Crown Point will be able to continue to attract and retain all personnel necessary for the development and operation of its business. Investors must rely upon the ability, expertise, judgment, discretion, integrity and good faith of the management of Crown Point.

Issuance of Debt and Borrowing

From time to time Crown Point may enter into transactions to acquire assets or the shares of other corporations. These transactions may be financed partially or wholly with debt, which may increase Crown Point's debt levels above industry standards. Depending on future exploration and development plans, Crown Point may require additional equity and/or debt financing that may not be available or, if available, may not be available on favourable terms. Neither Crown Point's articles nor its by laws limit the amount of indebtedness that Crown Point may incur. The level of Crown Point's indebtedness from time to time could impair Crown Point's ability to obtain additional financing in the future on a timely basis to take advantage of business opportunities that may arise.

Hedging and Financial Instruments

Crown Point may from time to time enter into agreements to receive fixed prices on its oil and natural gas production to offset the risk of revenue losses if commodity prices decline. If, however, commodity prices increase beyond the levels set in such agreements, Crown Point would not benefit from such increases. Similarly, from time to time Crown Point may enter into agreements to fix the exchange rate between Canadian dollars, United States dollars and/or Argentinean pesos in order to offset the risk of revenue losses due to fluctuating exchange rates; however, such agreements may also prevent Crown Point from receiving the benefit of favourable fluctuations in exchange rates.

Income Taxes

Crown Point will file all required income tax returns and believes that it will be in full compliance with the provisions of all applicable tax legislation in the jurisdictions in which it operates. However, such returns are subject to reassessment by the applicable taxation authority. In the event of a successful reassessment of Crown Point, such reassessment may have an impact on current and future taxes payable.

Insurance

Crown Point's involvement in the exploration for and development of oil and gas properties may result in Crown Point becoming subject to liability for pollution, blow outs, property damage, personal injury or other hazards. Although prior to drilling Crown Point will obtain insurance in accordance with industry standards to address such risks, such insurance has limitations on liability that may not be sufficient to cover the full extent of such liabilities. In addition, such risks may not in all circumstances be insurable or, in certain circumstances, Crown Point may elect not to obtain insurance to deal with specific risks due to the high premiums associated with such insurance or other reasons. The payment of such uninsured liabilities would reduce the funds available to Crown Point. The occurrence of a significant event that Crown Point is not fully insured against, or the insolvency of the insurer of such event, could have a material adverse effect on Crown Point's financial position, results of operations or prospects.

Regulatory

Oil and natural gas operations (exploration, production, pricing, marketing and transportation) are subject to extensive controls and regulations imposed by various levels of government, which may be amended from time to time. See "*Industry Conditions*". Governments may regulate or intervene with respect to price, taxes, royalties and the exportation of oil and natural gas. Such regulations may be changed from time to time in response to economic or political conditions. The implementation of new regulations or the modification of existing regulations affecting the oil and natural gas industry could reduce demand for natural gas and crude oil and increase the Corporation's costs, any of which may have a material adverse effect on the Corporation's business, financial condition, results of operations and prospects. In order to conduct oil and gas operations, the Corporation will require licenses from various governmental authorities. There can be no assurance that the Corporation will be able to obtain all of the licenses and permits that may be required to conduct operations that it may wish to undertake.

Environmental

All phases of the oil and natural gas business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of federal, provincial and local laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with oil and gas operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. The discharge of oil, natural gas or other pollutants into the air, soil or water may give rise to liabilities to governments and third parties and may require Crown Point to incur costs to remedy such discharge. Although Crown Point believes that it will be in material compliance with current applicable environmental regulations no assurance can be given that environmental laws will not result in a curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise adversely affect Crown Point's financial condition, results of operations or prospects.

Climate Change

The Corporation's exploration and production facilities and other operations and activities emit greenhouse gases which may require the Corporation to comply with greenhouse gas emissions legislation in Argentina that may be enacted. Climate change policy is evolving at regional, national and international levels, and political and economic events may significantly affect the scope and timing of climate change measures that are ultimately put in place. Argentina ratified the Kyoto Protocol ("**Kyoto Protocol**"), which requires a reduction in greenhouse gas ("**GHG**") emissions by certain signatory countries between 2008 and 2012. The Kyoto Protocol officially came into force on February 16, 2005 and commits Argentina to reduce its GHG emissions levels to 6% below 1990 "business as usual" levels by 2012. Argentina is also a signatory to the United Nations Framework Convention on Climate Change (the "**UNFCCC**") and a participant to the Copenhagen Agreement (a non-binding agreement created by the UNFCCC), which reinforces the commitment to reducing GHG emissions contained in the Kyoto Protocol and promises funding to help developing countries mitigate and adapt to climate change. Argentina representatives have participated in a number of additional international meetings or conferences on climate change and GHG emissions since the meetings resulting in the Copenhagen Agreement; however, no binding GHG emission reduction targets resulted from these meeting or conferences. Some of the Corporation's significant facilities may ultimately be subject to future regional, provincial and/or federal climate change regulations to manage GHG emissions. The direct or indirect costs of compliance with these regulations may have a material adverse effect on the Corporation's business, financial condition, results of operations and prospects. Given the evolving nature of the debate related to climate change and the control of greenhouse gases and resulting requirements, it is not possible to predict the impact on the Corporation and its operations and financial condition.

Conflicts of Interest

Certain directors and officers of Crown Point are also directors and/or officers of other oil and gas companies and as such may, in certain circumstances, have a conflict of interest requiring them to abstain from certain decisions.

Conflicts, if any, will be subject to the procedures and remedies of the ABCA. See "*Directors and Officers - Conflicts of Interest*".

Volatility of Market Price of Common Shares

The market price of the Common Shares may be volatile. The volatility may affect the ability of holders to sell the Common Shares at an advantageous price. Market price fluctuations in the Common Shares may be due to the Corporation's operating results failing to meet the expectations of securities analysts or investors in any quarter, downward revision in securities analysts' estimates, governmental regulatory action, adverse change in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Corporation or its competitors, along with a variety of additional factors. In addition, the market price for securities on stock markets, including the TSXV, is subject to significant price and trading fluctuations. These fluctuations have resulted in volatility in the market prices of securities that often has been unrelated or disproportionate to changes in operating performance. These broad market fluctuations may adversely affect the market price of the Common Shares.

Dilution

Crown Point may make future property or corporate acquisitions or enter into financing or other transactions involving the issuance of securities of Crown Point which may be dilutive.

Management of Growth

The Corporation may be subject to risks related to growth including capacity constraints and pressure on its internal systems and controls. The ability of the Corporation to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Corporation to deal with this growth may have a material adverse effect on the Corporation's business.

Dividends

Crown Point has not paid any cash dividends to date on the Common Shares and there are no plans for such dividend payments in the foreseeable future. Payment of dividends in the future will be dependent on, among other things, the cash flow, results of operations and financial condition of the Corporation, the need for funds to finance ongoing operations and other considerations as the Board considers relevant.

ADDITIONAL INFORMATION

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities and securities authorized for issuance under equity compensation plans, is included in the Corporation's information circular. Additional financial information is contained in the Corporation's financial statements for the year ended December 31, 2012 and the Corporation's management's discussion and analysis for such financial year. Additional information relating to Crown Point may be found on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

SCHEDULE "A"
FORM 51-101F3
REPORT OF MANAGEMENT AND DIRECTORS ON OIL AND GAS DISCLOSURE

Management of Crown Point Energy Inc. (the "**Corporation**") is responsible for the preparation and disclosure of information with respect to the Corporation's oil and gas activities in accordance with securities regulatory requirements. This information includes reserves data, which are estimates of proved reserves and probable reserves and related future net revenue as at December 31, 2012 estimated using forecast prices and costs.

An independent qualified reserves evaluator has evaluated the Corporation's reserves data. The report of the independent qualified reserves evaluator is presented below.

The Reserves Committee of the board of directors of the Corporation has

(a) reviewed the Corporation's procedures for providing information to the independent qualified reserves evaluator;

(b) met with the independent qualified reserves evaluator to determine whether any restrictions affected the ability of the independent qualified reserves evaluator to report without reservation; and

(c) reviewed the reserves data with management and the independent qualified reserves evaluator.

The Reserves Committee of the board of directors has reviewed the Corporation's procedures for assembling and reporting other information associated with oil and gas activities and has reviewed that information with management. The board of directors has, on the recommendation of the Reserves Committee, approved

(a) the content and filing with securities regulatory authorities of Form 51-101F1 containing the reserves data and other oil and gas information;

(b) the filing of Form 51-101F2 which is the report of the independent qualified reserves evaluators on the reserves data; and

(c) the content and filing of this report.

Because the reserves data are based on judgments regarding future events, actual results will vary and the variations may be material.

DATED as of this 24th day of April, 2013.

Signed "Murray McCartney"
Murray McCartney
President and Chief Executive Officer

Signed "Dr. Brian J. Moss"
Dr. Brian J. Moss
Executive Vice-President, Chief Operating Officer

Signed "Denny Deren"
Denny Deren
Director

Signed "Keith Turnbull"
Keith Turnbull
Director

SCHEDULE "B"
FORM 51-101F2
REPORT ON RESERVES DATA
BY INDEPENDENT QUALIFIED RESERVES EVALUATOR OR AUDITOR

To the board of directors of Crown Point Energy Inc. (the "**Corporation**"):

We have evaluated the Corporation's reserves data as at December 31, 2012. The reserves data are estimates of proved reserves and probable reserves and related future net revenue as at December 31, 2012 estimated using forecast prices and costs.

1. The reserves data are the responsibility of the Corporation's management. Our responsibility is to express an opinion on the reserves data based on our evaluation.

   We carried out our evaluation in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook (the "**COGE Handbook**") prepared jointly by the Society of Petroleum Evaluation Engineers (Calgary Chapter) and the Canadian Institute of Mining, Metallurgy & Petroleum (Petroleum Society).

2. Those standards require that we plan and perform an evaluation to obtain reasonable assurance as to whether the reserves data are free of material misstatement. An evaluation also includes assessing whether the reserves data are in accordance with principles and definitions in the COGE Handbook.

3. The following table sets forth the estimated future net revenue (before deduction of income taxes) attributed to proved plus probable reserves, estimated using forecast prices and costs and calculated using a discount rate of 10 percent, included in the reserves data of the Corporation evaluated by us as of December 31, 2012, and identifies the respective portions thereof that we have audited, evaluated and reviewed and reported on to the Corporation's Board of Directors:

	Description and Preparation Date of Evaluation	Location of Reserves (County or Foreign	Net Present Value of Future Net Revenue (before income taxes, 10% discount rate)			
Independent Qualified Reserves Evaluator	Report	Geographic Area)	Audited (M$)	Evaluated (M$)	Reviewed (M$)	Total (M$)
McDaniel & Associates Consultants Ltd.	April 12, 2013	Argentina	Nil	$62,435	Nil	$62,435

4. In our opinion, the reserves data respectively evaluated by us have, in all material respects, been determined and are in accordance with the COGE Handbook, consistently applied. We express no opinion on the reserves data that we reviewed but did not audit or evaluate.

5. We have no responsibility to update our reports referred to in paragraph 4 for events and circumstances occurring after its respective preparation date.

6. Because the reserves data are based on judgements regarding future events, actual results will vary and the variations may be material.

EXECUTED as to our report referred to above:

McDaniel & Associates Consultants Ltd.
Calgary, Alberta
April 12, 2013

Per: (signed) "*B. H. Emslie, P. Eng.*"