CROWN POINT ENERGY INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("**MD&A**") of the consolidated financial results of Crown Point Energy Inc. ("**Crown Point**" or the "**Company**") is at and for the three and six months ended June 30, 2014.

In this MD&A, unless otherwise noted, all dollar amounts are expressed in United States dollars ("**USD**"). References to "**CAD**" are to Canadian dollars and "**ARS**" are to Argentina Pesos.

This MD&A is dated as of August 27, 2014 and should be read in conjunction with the Company's unaudited June 30, 2014 condensed interim consolidated financial statements and audited December 31, 2013 consolidated financial statements. The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("**IFRS**").

This MD&A contains forward-looking information relating to future events and the Company's future performance. Please refer to "Advisories - Forward-Looking Information" at the end of this MD&A for further information.

Additional information relating to Crown Point, including Crown Point's unaudited June 30, 2014 condensed interim consolidated financial statements, audited December 31, 2013 consolidated financial statements and Annual Information Form for the year ended December 31, 2013, are available on SEDAR at www.sedar.com.

NON-IFRS MEASURES

This MD&A contains the term "funds flow from (used in) operations" which should not be considered an alternative to, or more meaningful than, cash flow from (used in) operating activities as determined in accordance with IFRS as an indicator of the Company's performance. Funds flow from (used in) operations and funds flow from (used in) operations per share (basic and diluted) do not have any standardized meanings prescribed by IFRS and may not be comparable with the calculation of similar measures used by other entities. Management uses funds flow from (used in) operations to analyze operating performance and considers funds flow from (used in) operations to be a key measure as it demonstrates the Company's ability to generate cash necessary to fund future capital investment. Funds flow from (used in) operations per share is calculated using the basic and diluted weighted average number of shares for the period consistent with the calculations of earnings per share.

The Company reconciles funds flow from (used in) operations to cash flow from (used in) operating activities, which is the most directly comparable measure calculated in accordance with IFRS as follows:

	Three months ended June 30		**Six months ended June 30**	
	2014	**2013**	**2014**	**2013**
Funds flow from operations ($)	717,476	261,447	1,472,296	2,577,236
Changes in non-cash working capital ($)	(26,851)	1,043,469	92,716	(555,922)
Cash flow from operating activities ($)	690,625	1,304,916	1,565,012	2,021,314

This MD&A also contains other industry benchmarks and terms, including "operating netbacks" (calculated on a per unit basis as oil, natural gas and NGL revenues less royalties, transportation and operating costs), which is a non-IFRS measure. Management believes this measure is a useful supplemental measure of the Company's profitability relative to commodity prices. Readers are cautioned, however, that operating netbacks should not be construed as alternatives to other terms such as net income as determined in accordance with IFRS as measures of performance. Crown Point's method of calculating this measure may differ from other companies, and accordingly, may not be comparable to similar measures used by other companies.

ABBREVIATIONS AND BOE PRESENTATION

The following abbreviations used in this MD&A have the meanings set forth below:

3-D	-	three dimensional
bbls	-	barrels
BOE	-	barrels of oil equivalent of natural gas, on the basis of 1 BOE for 6 Mcf of natural gas
km^2	-	square kilometres
Mcf	-	thousand cubic feet
NGL	-	natural gas liquids

All BOE conversions in this MD&A are derived by converting natural gas to oil in the ratio of six Mcf of gas to one bbl of oil. BOE may be misleading, particularly if used in isolation. A BOE conversion ratio of six thousand Mcf to one bbl of oil (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 conversion ratio of 6:1, utilizing a conversion on a 6:1 basis is misleading as an indication of value.

DESCRIPTION OF COMPANY

Crown Point is a junior international oil and gas company with strong cash flow and a production and opportunity base in two of the largest producing basins in Argentina. Growth is targeted through low risk natural gas and oil development drilling combined with some highly focused high impact exploration. Crown Point is a natural gas weighted company and is levered to benefit from expected increasing natural gas prices in Argentina.

Crown Point's main assets are the Las Violetas, Angostura Sur and Rio Cullen Exploitation Concessions (collectively, the "**TDF Concessions**") in the Austral basin, Tierra del Fuego ("**TDF**") and the Cerro de Los Leones Exploration Concession located in the Neuquén basin. The shares of Crown Point trade on the TSX Venture Exchange under the symbol CWV. The functional currency of its wholly owned subsidiaries, Crown Point Oil & Gas S.A., CanAmericas (Argentina) Energy Ltd. and Antrim Argentina S.A. ("**Antrim Argentina**"), is the USD, and for the parent company, Crown Point, the functional currency is the CAD. The presentation currency of Crown Point is the USD.

OUTLOOK

The Company's efforts over the next twelve months will be principally centered in two areas: Tierra del Fuego featuring a lower risk natural gas focused development and exploration multi-well drilling program, and Cerro de Los Leones for continued exploration for high impact oil potential.

On February 27, 2014, the Company signed a drilling contract with San Antonio International to provide a drilling rig for an initial ten well drilling program on the Las Violetas Exploitation Concession, Tierra del Fuego (25.78% working interest). The drilling rig arrived in Tierra del Fuego in April and drilling operations commenced on May 8, 2014. The term of the contract is one year with provisions for extending the term. The initial program is comprised of eight development wells located on the Los Flamencos pool that produces from the Cretaceous Springhill sandstones plus two exploration wells targeting Springhill potential on features mapped on 3-D seismic. Further drilling on Los Flamencos is anticipated following completion of the initial drilling program. A commercial success on either exploration location could also lead to additional drilling at Puesto Quince and/or San Luis.

As of August 27, 2014, three wells of the ten well Los Flamencos development drilling program have been cased as potential Springhill gas wells and the drilling of the fourth well in the program is progressing. The initial completion operations of the three cased wells are expected to commence at the end of August. Following completion operations, a fracture stimulation program will be performed on four older producing wells in the Los Flamencos natural gas pool plus two of the newly cased wells. A similar program undertaken in 2010 significantly improved deliverability from five wells in the Los Flamencos pool.

Management expects that production additions from the drilling and fracture stimulation program will commence in September and as a result, anticipates rising production volumes and field sales receipts through to the end of the year. The new production and stronger natural gas prices coupled with the benefits of the New Gas Subsidy Program paid by the Argentine federal government on incremental production levels are expected to have a positive impact on Crown Point's operating results.

The balance of the ten well program on the Las Violetas Exploitation Concession will consist of four more development wells in the Los Flamencos gas pool and two exploration wells, one on the Puesto Quince prospect and another near the southern San Luis natural gas pool. All of the drilling locations have been fully imaged with 3-D seismic. The Puesto Quince prospect lies to the northeast of the Los Flamencos and Los Patos producing pools and is adjacent to the Rio Chico gas pool. The feature has a seismically mapped areal extent of approximately 50 km^2. The San Luis exploration prospect is located on a separate fault block near the San Luis gas pool.

On February 12, 2014 the Company announced that it had drilled, logged, cased and rig released the La Hoyada x-1 exploration well as a potential Vaca Muerta oil discovery. The Hoyada x-1 exploration well is located in the southwest quadrant of the Cerro de Los Leones Exploration Concession in the Neuquén Basin, Province of Mendoza, and was drilled based on the interpretation of 3-D seismic shot by the Company in 2013. The La Hoyada x-1 well was drilled to a total depth of 1,953 metres and encountered persistent oil shows and gas while drilling through the Vaca Muerta formation which consisted of 125 metres of shale and 84 metres of imbedded fractured igneous intrusives.

Completion operations on the La Hoyada x-1 well commenced on May 18, 2014 and were suspended on June 21, 2014. Seven Vaca Muerta igneous intrusives totaling 51 metres in thickness were individually perforated and tested. Recovery rates ranged from 1.5 bbls per day to over 200 bbls per day of formation water with oil shows. The Company believes that emulsion blockage may be a problem and plans to return to the well after the Argentine winter and conduct additional testing.

Oil price realizations in Argentina were temporarily impacted by the peso devaluation and economic conditions during the first quarter of 2014. In May, oil prices were negotiated to be greater than the price received prior to the peso devaluation of early 2014, or approximately $9 per barrel greater than the price realized in the first quarter. The Company believes market conditions will continue to have a positive impact on oil and natural gas prices as there is not sufficient hydrocarbon production in Argentina to meet the demand for energy consumption in the country.

NEW GAS SUBSIDY PROGRAM

On August 9, 2014 Crown Point received formal notification of its inclusion in the New Gas Subsidy Program, which provides an incentive for producers to effectively earn higher gas prices for increases in natural gas production above base production levels. The Company expects to realize benefits from this program through increased gas production resulting from its ongoing TDF gas development drilling program.

The New Gas Program will remain in effect until the end of 2017.

OVERVIEW

Total sales volumes in the three and six months ended June 30, 2014 (collectively, the "**2014 periods**") were 131,665 BOE and 273,095 BOE, respectively, as compared to 163,799 BOE and 343,261 BOE, respectively, in the three and six months ended June 30, 2013 (collectively, the "**2013 periods**"). Average daily sales volumes in the three and six months ended June 30, 2014 were 1,447 BOE per day and 1,509 BOE per day, respectively, as compared to 1,800 BOE per day and 1,896 BOE per day, respectively, in the three and six months ended June 30, 2013.

Crown Point experienced a decrease in average daily sales volumes from the TDF area in the 2014 periods as compared to the 2013 periods due in part to the termination of NGL exports in mid-May 2013 in connection with the Company's decision to leave the majority of NGL production in the gas stream, the effect of staged compressor maintenance and natural declines in oil and gas production.

El Valle average daily sales volumes for the 2014 periods were lower than the 2013 periods as the 2013 periods included the sale of 9,120 bbls in inventory at December 31, 2012 and 6,375 bbls of oil sold in advance by the operator. El Valle sales and production volumes for the 2014 periods were also lower than the comparative 2013 periods due to natural declines in some producing wells and no production or sales volumes allocated to the Company in June 2014 as a result of various disputes with its working interest partners at El Valle, some of which had become the subject of formal arbitration proceedings.

On June 30, 2014, the Company disposed of its 50% interest in the El Valle Exploitation Concession for consideration of US$525,000, plus disposition adjustments, to its former joint interest partners in El Valle. The purchase price is payable in 20 equal monthly installments commencing in August 2014. On June 30, 2014, the Company recognized an estimated $8.3 million loss on disposition, subject to certain disposition adjustments.

The disposition of El Valle is part of an ongoing effort to focus human and capital resources on areas that Company believes will provide the greatest return for its shareholders and drive growth in the future. In the first half of 2014, El Valle working interest production volumes averaged 137 BOE per day, or 9% of Crown Point's average daily production volumes on a BOE per day basis, following a decline from 171 BOE per day in the first quarter of 2014 to 104 BOE per day in the second quarter of 2014. El Valle had experienced higher than predicted production declines and increasing costs of operation since the second quarter of 2013 which were increasingly damaging El Valle's financial performance. In addition, Crown Point was engaged in various disputes with its working interest partners at El Valle, some of which had become the subject of formal arbitration proceedings. As part of the disposition, all arbitration proceedings have been discontinued and the parties have released one another from all claims. Crown Point and its joint venture participants had restricted capital expenditures at El Valle due to the rising costs of operation and the lack of economic exploration and development opportunities present on the concession. As part of the disposition agreement the purchasers have assumed Crown Point's $13 million of net future capital commitments in respect of its 50% interest in the El Valle Exploitation Concession.

Oil and gas revenue in the three and six months ended June 30, 2014 was $3,930,200 and $8,373,625, respectively, as compared to $5,275,267 and $11,659,435, respectively, in the three and six months ended June 30, 2013.

The 2014 periods includes $363,539 of revenue from the sale of Petroleo Plus Credits received in the second quarter of 2014 as compared to $1,200,189 received and recognized in the first quarter of 2013.

Funds flow from operations in the three and six months ended June 30, 2014 was $717,476 and $1,472,296, respectively, as compared to $261,447 and $2,577,236, respectively, in the three and six months ended June 30, 2013. The Company recognized net losses of $9,349,944 and $11,186,649, respectively, in the three and six months ended June 30, 2014 as compared to net losses of $11,299,597 and $11,495,289, respectively, in the three and six months ended June 30, 2013.

SUMMARY FINANCIAL INFORMATION

(expressed in $, except shares outstanding)	June 30 2014	December 31 2013
Working capital	7,070,257	15,049,226
Exploration and evaluation assets	13,677,896	10,350,417
Property and equipment	24,099,291	32,029,851
Total assets	53,648,371	64,868,464
Non-current financial liabilities [1]	2,334,773	3,942,392
Share capital	101,334,798	101,334,798
Total common shares outstanding	104,515,222	104,515,222

(expressed in $, except shares outstanding)	Three months ended June 30		Six months ended June 30	
	2014	2013	2014	2013
Oil and gas revenue	3,930,200	5,275,267	8,373,625	11,659,435
Petroleo Plus Credits	363,539	–	363,539	1,200,189
Net loss	(9,349,944)	(11,299,597)	(11,186,649)	(11,495,289)
Net loss per share [2]	(0.09)	(0.11)	(0.11)	(0.11)
Funds flow from operations	717,476	261,447	1,472,296	2,577,236
Funds flow per share [2]	0.01	0.00	0.01	0.02
Weighted average number of shares	104,515,222	104,515,222	104,515,222	104,515,222

(1) Non-current financial liabilities are comprised of bank debt. The total amount outstanding at June 30, 2014 is $3,296,150 of which $961,377 is classified as current and $2,334,773 is long-term (December 31, 2013 – $4,113,800; $171,408 current and $3,942,392 long-term).

(2) All per share figures are based on the basic weighted average number of shares outstanding in the period. The effect of options and warrants is anti-dilutive in loss periods.

RESULTS OF OPERATIONS

Operating Netbacks – Total Company

	Three months ended June 30				Six months ended June 30			
	2014		2013		2014		2013	
El Valle sales volumes (BOE)	9,468		25,515		24,827		61,710	
TDF sales volumes (BOE)	122,197		138,284		248,268		281,551	
Total sales volumes (BOE)	131,665		163,799		273,095		343,261	
BOE per day	1,447		1,800		1,509		1,896	
		Per BOE		Per BOE		Per BOE		Per BOE
El Valle oil and gas revenue ($)	662,312	69.96	1,737,249	68.09	1,661,944	66.94	4,056,768	65.74
TDF oil and gas revenue ($)	3,267,888	26.74	3,538,018	25.59	6,711,681	27.03	7,602,667	27.00
Total oil and gas revenue ($)	3,930,200	29.85	5,275,267	32.21	8,373,625	30.66	11,659,435	33.97
El Valle royalties ($)	179,480	18.96	422,544	16.56	445,085	17.93	1,100,501	17.83
TDF royalties ($)	506,702	4.15	523,270	3.78	1,068,955	4.31	1,087,390	3.86
Total royalties ($)	686,182	5.21	945,814	5.77	1,514,040	5.54	2,187,891	6.37
El Valle operating costs ($)	300,203	31.71	698,654	27.38	671,392	27.04	1,509,283	24.46
TDF operating costs ($)	1,197,041	9.80	1,484,438	10.73	2,435,053	9.81	3,028,681	10.75
Total operating costs ($)	1,497,244	11.37	2,183,092	13.33	3,106,445	11.37	4,537,964	13.22
El Valle operating netback ($)	182,629	19.29	616,051	24.15	545,467	21.97	1,446,984	23.45
TDF operating netback ($)	1,564,145	12.79	1,530,310	11.08	3,207,673	12.91	3,486,596	12.39
Total operating netback ($)	1,746,774	13.27	2,146,361	13.11	3,753,140	13.75	4,933,580	14.38
Composition of sales volumes								
Light oil	22%		27%		23%		31%	
NGL	2%		3%		2%		3%	
Natural gas	76%		70%		75%		66%	
Total BOE	100%		100%		100%		100%	

Total Company operating netbacks are lower for the six months ended June 30, 2014 as compared to the six months ended June 30, 2013 due mainly to a decrease in the El Valle operating netback which was partially offset by lower operating costs in TDF.

Operating netbacks are analyzed below by area: El Valle and TDF.

Results of Operations – El Valle

Operating Netbacks

	Three months ended June 30		Six months ended June 30	
Per BOE	2014	2013	2014	2013
Oil and gas revenue ($)	69.96	68.09	66.94	65.74
Royalties ($)	(18.96)	(16.56)	(17.93)	(17.83)
Operating costs ($)	(31.71)	(27.38)	(27.04)	(24.46)
Operating netback ($)	19.29	24.15	21.97	23.45

The decrease in the El Valle operating netback for the 2014 periods as compared to the 2013 periods is explained by changes in sales volumes and revenues, royalties and operating costs as detailed below.

Sales Volumes and Revenues

	Three months ended June 30		Six months ended June 30	
	2014	**2013**	**2014**	**2013**
Argentina light oil (bbls)	9,468	25,515	24,827	61,710
bbl per day	104	280	137	341
Revenue ($)	662,312	1,737,249	1,661,944	4,056,768
Revenue per bbl ($)	69.96	68.09	66.94	65.74

Production and Sales Volumes

Production volumes decreased in the 2014 periods due to ongoing natural declines in some producing wells. In addition, the Company did not receive an allocation of production volumes in June 2014 as a result of various disputes with its working interest partners at El Valle, some of which had become the subject of formal arbitration proceedings.

Sales volumes for the 2014 periods are lower than the 2013 periods due to lower production volumes. However, a significant portion of the decrease is because sales volumes in the 2013 periods include the sale of 9,120 bbls in inventory at December 31, 2012 and 6,375 bbls of oil sold in advance by the operator.

The advanced sale of oil is a common practice in Argentina. The operator agrees with the terminal where the oil is stored to dispatch a higher volume than the balance of the joint venture at the date of the shipment, and according to the capacity of the vessel. Advance sales are compensated with future volumes of oil delivered to the terminal. Advance sales in the 2013 periods were compensated in the third and fourth quarters of 2013.

Revenues

Increases in mainland Argentina demand have resulted in improved market prices for oil since the middle of 2009, which in turn has led to higher oil prices for El Valle crude. The price of oil for the 2014 periods is higher than the 2013 periods due to an increase in Argentine industry prices.

Royalties

	Three months ended June 30		Six months ended June 30	
	2014	**2013**	**2014**	**2013**
Royalties by type				
Provincial ($)	122,530	269,683	302,913	711,477
Freehold and other ($)	56,950	152,861	142,172	389,024
Total ($)	179,480	422,544	445,085	1,100,501
Royalties as a % of Revenue				
Provincial	18.5%	15.5%	18.2%	17.5%
Freehold and other	8.6%	8.8%	8.6%	9.6%
Total	27.1%	24.3%	26.8%	27.1%
Total royalties per BOE ($)	18.96	16.56	17.93	17.83

Royalties as a percentage of revenues are relatively unchanged in the 2014 periods as compared to the six months ended June 30, 2013. Royalties as a percentage of revenues are lower in the three months ended June 30, 2013 due to a reduction in April 2013 royalties for the correction of March 2013 royalties.

Operating Costs

	Three months ended June 30		Six months ended June 30	
	2014	2013	2014	2013
Production and processing ($)	242,197	589,670	547,912	1,228,540
Transportation and hauling ($)	58,006	108,984	123,480	280,743
Total operating costs ($)	300,203	698,654	671,392	1,509,283
Operating costs per BOE ($)	31.71	27.38	27.04	24.46

Operating costs per BOE for the 2014 periods are higher than the 2013 periods due to poor cost control by the operator. Higher costs combined with lower production and sales volumes resulted in higher operating costs per BOE.

The increase in El Valle operating costs was partially offset by the effect of the devaluation of the ARS against the USD which declined 20 percent during the 2014 period. Rates for field personnel, trucking and other expenses are set and settled in ARS based on the ARS to USD exchange rate at a particular point in time. Second quarter adjustments to the ARS to USD exchange rate in response to the devaluation of the ARS have not fully offset the effects of devaluation; further adjustments are expected in the third and fourth quarters of 2014. Operating costs remained high in spite of the Company's efforts to work with its joint interest partners at El Valle to control and reduce costs.

Results of Operations – TDF

Operating Netback

	Three months ended June 30		Six months ended June 30	
Per BOE	2014	2013	2014	2013
Oil and gas revenue ($)	26.74	25.59	27.03	27.00
Royalties ($)	(4.15)	(3.78)	(4.31)	(3.86)
Operating costs ($)	(9.80)	(10.73)	(9.81)	(10.75)
Operating netback ($)	12.79	11.08	12.91	12.39

The increase in the TDF operating netback for the 2014 periods as compared to the 2013 periods is explained by changes in sales volumes and revenues, royalties and operating costs as detailed below.

Sales Volumes and Revenues

	Three months ended June 30		Six months ended June 30	
	2014	2013	2014	2013
Light oil (bbls)	19,496	18,983	38,923	45,241
NGL (bbls)	2,056	4,508	3,810	9,524
Natural gas (Mcf)	603,872	688,756	1,233,203	1,360,716
Total BOE	122,197	138,284	248,268	281,551
Light oil bbls per day	214	209	215	250
NGL bbls per day	23	50	21	53
Natural gas Mcf per day	6,636	7,569	6,813	7,518
BOE per day	1,343	1,520	1,372	1,556
Light oil revenue ($)	1,476,465	1,275,791	2,847,095	2,996,388
NGL revenue ($)	12,251	126,561	47,965	277,275
Natural gas revenue ($)	1,779,172	2,135,666	3,816,621	4,329,004
Total revenue	3,267,888	3,538,018	6,711,681	7,602,667
Light oil revenue per bbl ($)	75.73	67.21	73.15	66.23
NGL revenue per bbl($)	5.96	28.07	12.59	29.11
Natural gas revenue per Mcf ($)	2.95	3.09	3.10	3.18
Revenue per BOE ($)	26.74	25.59	27.03	27.00

Production and Sales Volumes

TDF net production for the six months ended June 30, 2014 averaged 1,401 BOE per day. Compared to previous quarters in 2013, production is down due to staged compressor maintenance in the latter part of 2013 and first quarter of 2014 combined with the effect of natural declines. NGL production decreased as commencing June 2013, the majority of NGL volumes were left in the gas stream.

TDF sales volumes were weighted as follows:

	Three months ended June 30		Six months ended June 30	
	2014	2013	2014	2013
Light oil	16%	14%	16%	16%
NGL	2%	3%	1%	3%
Natural gas	82%	83%	83%	81%
Total	100%	100%	100%	100%

All of the Company's natural gas production is sold in the period produced, therefore natural gas sales volumes equal production volumes.

Oil (and related NGL) production from TDF is stored and periodically transported by ship to a refinery on the mainland. The sale of crude oil from TDF can be impacted by intermittent shipments due to storage levels and weather conditions. Oil and NGL sales volumes may include both previously inventoried volumes as well as current period production.

During the six months ended June 30, 2014, oil production was 42,681 bbls (236 bbls per day) and sales were 38,923 bbls (215 bbls per day) as compared to the six months ended June 30, 2013 for which oil production was 44,829 bbls (248 bbls per day) and sales were 45,241 bbls (250 bbls per day). Oil inventory at December 31, 2013 was 4,202 bbls, which was sold in the first quarter of 2014. Oil inventory at December 31, 2012 was 10,210 bbls, which was sold in the first quarter of 2013.

During the six months ended June 30, 2014, NGL production was 5,432 bbls (30 bbls per day) and sales were 3,810 bbls (21 bbls per day) as compared to the six months ended June 30, 2013 for which NGL production was 10,440 bbls (58 bbls per day) and sales were 9,524 bbls (53 bbls per day). NGL inventory at December 31, 2013 was 763 bbls, which was sold in the first quarter of 2014. NGL inventory at December 31, 2012 was 4,115 bbls, which was sold in first quarter of 2013.

A portion of the Company's NGL production is sold into the domestic TDF island market, but starting in June 2013, the majority of NGL production was left in the gas stream. Although TDF average daily natural gas sales volumes increased in the latter half of 2013 due to the re-injection of butane volumes, average daily natural gas sales volumes decreased in the 2014 period compared to the 2013 period due to staged shut-downs for compressor maintenance and natural declines.

Revenues

Oil from the TDF Concessions is sold on a spot basis with reference to the in-country Medanito crude oil benchmark price less a quality discount. Increases in mainland Argentina demand have resulted in increased market prices for oil since the middle of 2009, which in turn has led to higher oil prices for TDF crude.

The price earned by the Company on TDF NGL sales is lower in the 2014 periods as compared to the 2013 period as all sales in the 2014 period were to the lower-priced domestic market. During the three and six months ended June 30, 2013, the Company exported 2,425 bbls at an average price of $44.76 per bbl and 4,845 bbls at an average price of $45.68 per bbl, respectively.

Of the commodities produced from the TDF Concessions, only natural gas is subject to seasonal demand. Residential demand for natural gas in Argentina is higher during the colder months of April through October, generally resulting in lower average natural gas prices during this period as sales to the residential market earn a lower price than the industrial market. Seasonal reductions in average natural gas prices during winter are typically offset by increases in gas sales during warmer months to the much higher-priced industrial market.

The price earned by the Company on TDF natural gas sales in the three and six months ended June 30, 2014 averaged $2.95 per Mcf and $3.09 per Mcf, respectively, as compared to $3.10 per Mcf and $3.18 per Mcf, respectively, in the three and six months ended June 30, 2013. The natural gas price earned in the 2014 periods decreased due to lower sales to the industrial market than sales to the industrial market in the 2013 periods.

Royalties

	Three months ended June 30		**Six months ended June 30**	
	2014	**2013**	**2014**	**2013**
Provincial royalties ($)	506,702	523,270	1,068,955	1,087,390
Royalties as a % of Revenue	16%	15%	16%	14%
Royalties per BOE ($)	4.15	3.78	4.31	3.86

Prior to receiving approval for the extension of the TDF Concessions in July 2013, the combined royalty rate paid in TDF was typically 14% to 15% of revenue. However, as part of the terms for the extension of the TDF Concessions, the base royalty rate was increased from 12% to 15%. As a result, royalties as a percentage of revenue are higher in the 2014 period.

Variances in TDF royalties are also impacted by the level of sales volumes to mainland Argentina which bear an additional royalty of 2% compared to domestic TDF sales which carry a 1% royalty. As a result, commencing July 2013, TDF royalties typically range between 16% and 17%.

Operating Costs

	Three months ended June 30		Six months ended June 30	
	2014	2013	2014	2013
Production and processing ($)	1,083,926	1,297,144	2,211,659	2,720,931
Transportation and hauling ($)	113,115	187,294	223,394	307,750
Total operating costs ($)	1,197,041	1,484,438	2,435,053	3,028,681
Operating costs per BOE ($)	9.80	10.73	9.81	10.75

Operating costs were lower in the 2014 period due primarily to the effect of the devaluation of the ARS against the USD which declined 20 percent during the six months ended June 30, 2014. Rates for field personnel, trucking and other expenses are set and settled in ARS based on the ARS to USD exchange rate at a particular point in time. Second quarter adjustments to the ARS to USD exchange rate in response to the devaluation of the ARS have not fully offset the effects of devaluation; further adjustments are expected in the third and fourth quarters of 2014.

General and Administrative

General and administrative expenses ("**G&A**") for the three and six months ended June 30, 2014 were $1,296,365 and $2,448,155, respectively, compared to $1,427,694 and $3,060,459, respectively, for the three and six months ended June 30, 2013.

	Three months ended June 30		Six months ended June 30	
	2014	2013	2014	2013
Salaries and benefits ($)	597,160	676,029	1,190,081	1,603,657
Office and general ($)	318,062	325,449	594,974	655,236
Professional fees ($)	258,031	344,613	473,813	526,976
Travel and promotion ($)	123,112	81,603	189,287	274,590
	1,296,365	1,427,694	2,448,155	3,060,459

Salaries and benefits are lower in the three and six months ended June 30, 2014 due to the effect of the ARS devaluation on the Argentine portion of salaries and benefits as only a partial rate adjustment was implemented in the second quarter of 2014. Further devaluation adjustments are expected in the third and fourth quarters of 2014. In addition, salaries and benefits for the six months ended June 30, 2013 include the effect of annual 2012 bonuses for Canadian and Argentine executives and employees approved and paid in the first quarter of 2013.

Professional fees include fees for reserve reports, financial reporting services, financing fees paid to consultants, legal fees related to assistance with the preparation of filing documents, including the Annual Information Form. Professional fees are lower in the 2014 periods due to a reduction in financing fees paid to consultants.

Office and general expenses are lower in the 2014 periods due to efficiencies and cost-savings achieved in the Argentina office combined with the effect of the ARS devaluation on the Argentine portion of expenses. Rate increases were partially adjusted in the second quarter of 2014 in response to the devaluation of the ARS against the USD and further adjustments are expected in the third and fourth quarters of 2014.

Travel and promotion expenses include the cost of management's investor relations activities and travel to Argentina. Travel and promotion expenses are higher in the three months ended June 30, 2014 than the comparative three months ended June 30, 2013 due to costs related to investor presentations in Europe and the United States. Travel and promotion expenses are higher in the six months ended June 30, 2013 relative to the same period in 2014 due, in part, to an operational tour of the Company's properties for the Board of Directors of the Company.

Depletion and Depreciation

	Three months ended June 30		Six months ended June 30	
	2014	2013	2014	2013
El Valle depletion ($)	162,385	557,915	425,664	1,361,508
TDF depletion ($)	1,041,469	1,229,268	2,108,044	2,461,987
Total depletion ($)	1,203,854	1,787,183	2,533,708	3,823,495
Impairment ($)	–	7,743,918	–	7,743,918
Depreciation ($)	42,334	81,499	75,406	155,619
	1,246,188	9,612,600	2,609,114	11,723,032

As at June 30, 2014, future development costs of proved plus probable reserves were estimated at $26.7 million, of which $4.8 million relates to El Valle and $21.9 million relates to TDF (December 31, 2013 – $27.3 million, of which $4.8 million relates to El Valle and $22.5 million relates to TDF). Developed and producing assets in Argentina as at June 30, 2014 include $3.0 million (December 31, 2013 – $3.3 million) of value added tax ("**VAT**").

During the six months ended June 30, 2014, the Company capitalized $66,211 and $12,717 (six months ended June 30, 2013 – $446,208 and $54,571) of G&A and share-based payments, respectively.

Depletion rates by area are as follows:

	Three months ended June 30		Six months ended June 30	
	2014	2013	2014	2013
El Valle depletion rate per BOE ($)	17.15	21.87	17.15	22.06
TDF depletion rate per BOE ($)	8.52	8.89	8.49	8.74
Total depletion rate per BOE ($)	9.14	10.91	9.28	11.14

Depletion rates reflect the all-in combined charge of drilling operations, various asset acquisitions and investments in facilities and gathering systems. Office furniture, equipment and other assets are recorded at cost less accumulated depreciation. Depreciation is provided over the estimated useful lives of the assets using a 20% declining balance basis for Canadian office furniture and equipment on a straight line basis over 3 to 10 years for Argentina office furniture and equipment and a straight line basis over the term of the lease for all leasehold improvements.

The El Valle depletion rate decreased in the 2014 periods as compared to the 2013 periods due mainly to the reduction in the depletable base resulting from a combined $11.7 million of impairment recognized in the second and fourth quarters of 2013.

The TDF depletion rate decreased in the 2014 periods as compared to the 2013 periods due mainly to a reduction in future development costs of proved plus probable reserves in the externally prepared December 31, 2013 reserve report as compared to the 2012 report.

Loss on Disposition of El Valle

On June 30, 2014, the Company completed the sale of its 50% interest in the El Valle Exploitation Concession for consideration of US$525,000, plus disposition adjustments, to its former joint interest partners in El Valle.

The carrying amount of the El Valle Exploitation Concession was $8.9 million, resulting in the recognition of a preliminary $8.3 million loss on disposition in the June 30, 2014 condensed interim consolidated statement of loss and comprehensive loss.

The loss on disposition will be finalized after all actual results have been obtained and the final disposition adjustments have been determined.

Share-based Payments

Share-based payments ("**SBP**") are non–cash amounts, calculated using the Black-Scholes model, of the estimated cost associated with options granted to purchase common shares. This expense does not represent actual cash compensation realized by the recipients of the options upon the eventual exercise of the options and disposition of the underlying shares.

During the three and six months ended June 30, 2014, the Company recognized $317,065 and $374,811, respectively, of SBP expense compared to $157,188 and $697,329, respectively, in the three and six months ended June 30, 2013.

SBP recognized in the 2014 period relates to options granted between May 2012, May 2013 and May 2014 and the effect of extending the expiry date of 670,000 options held by a deceased officer and director of the Company by one year to May 15, 2015. SBP recognized in the 2013 period relates to options granted between March 2011 and May 2013.

As at June 30, 2014, the remaining unvested balance SBP was $457,089.

Foreign Exchange Gain (Loss)

During the three and six months ended June 30, 2014, the Company recognized foreign exchange losses of $94,221 and $1,100,200, respectively, compared to foreign exchange losses of $7,126 and $62,198, respectively, during the three and six months ended June 30, 2013.

These amounts occur as a result of currency fluctuations between the USD, the CAD and the ARS due to translation of monetary assets and liabilities.

Exchange rates as at:	June 30 2014	December 31 2013
CAD to USD	0.9371	0.9349
ARS to USD	0.1229	0.1535

Although commodity prices and many components of capital, operating and general and administrative costs in Argentina are negotiated and denominated in USD, the Argentine government requires receipts and payments to be made in ARS at the official Argentine exchange rate. As a result, even though the functional currency of the Argentine subsidiaries is USD, monetary assets and liabilities such as accounts receivable and accounts payable are denominated in ARS and re-measured into the functional currency at each reporting date, making net monetary assets and liabilities sensitive to currency fluctuations.

The devaluation of ARS against the USD is linked to Argentina's rate of inflation, which has been a persistent problem for several years, causing significant increases in the Company's USD cost of operations and capital expenditures.

During 2013, the value of the ARS declined by 25 percent against the USD. During the six months ended June 30, 2014, the value of the ARS declined an additional 20 percent and declined to 0.1190 at August 27, 2014. As a result, foreign exchange losses recognized in the 2014 periods are largely due to the decline in the value of the ARS against the USD.

Financing Expense

During the three and six months ended June 2014, the Company incurred $98,406 and $256,100, respectively, of financing fees and bank charges compared to $83,314 and $223,546, respectively, in the three and six months ended June 30, 2013.

Financing fees and bank charges result primarily from bank taxes charged in Argentina on cash transfers. Charges in the 2014 periods also include $24,150 of commissions on the $2.3 million deposit held as security for the HSBC Bank Argentina S.A. loan.

During the three and six months ended June 2014, the Company incurred $125,320 and $254,222, respectively, of interest expense on bank debt with HSBC Bank Argentina S.A. that was drawn in November 2013.

Recovery of VAT

In 2009, Antrim Argentina wrote off $1.1 million of VAT credits which were considered uncollectible at the time due to the tax free status of the Province of Tierra del Fuego. However, as a result of the decision of the Federal Government of Argentina in 2012, subsequent to the acquisition of Antrim Argentina, which removed certain favourable tax laws pertaining to the Province of Tierra del Fuego, the Company is able to apply the credits against VAT now charged on TDF sales. During the three and six months ended June 30, 2013, the Company recognized $6,467 and $327,962, respectively, of recoveries of VAT for amounts previously estimated as unrecoverable with the balance fully recognized by the end of September 2013.

Petroleo Plus Credits

As at June 30, 2014, the Company has $1.1 million of approved certificates that have been assigned to a domestic oil exporter and $1.1 million of outstanding certificates awaiting approval; however, the Company is uncertain as to when and if it will receive governmental approval for the assigned or the outstanding certificates. The Company accounts for Petroleo Plus Credits on a cash basis as sale proceeds are received.

During the second quarter of 2014, the Company received and recognized $0.4 million of proceeds for the sale of Petroleo Plus Credits as compared to $1.2 million in the first quarter of 2013.

CAPITAL EXPENDITURES

The Company recognized the following additions in exploration and evaluation ("**E&E**") assets during the six months ended June 30, 2014:

Cerro de Los Leones ($)	3,234,879
Decommissioning additions ($)	92,600
	3,327,479

During the six months ended June 30, 2014, the Company drilled, logged, cased and rig released the La Hoyada x-1 exploration well as a potential Vaca Muerta oil discovery. The La Hoyada x-1 well was drilled to a total depth of 1,953 metres. In late June 2014, the Company suspended completion and evaluation operations on the La Hoyada x-1 well for the duration of the Argentine winter with plans to return to the well after winter and conduct additional testing.

The Company also recognized the following additions to property and equipment assets during the six months ended June 30, 2014:

Tangible ($)	3,188,049
VAT ($)	(258,461)
Capitalized G&A ($)	66,211
Corporate assets ($)	230,274
Cash expenditures ($)	3,226,073
Capitalized SBP ($)	12,717
Decommissioning revisions ($)	209,459
	3,448,249

Allocation of cash expenditures:	
El Valle ($)	(245,308)
TDF ($)	3,241,107
Corporate ($)	230,274
	3,226,073

During the six months ended June 30, 2014, the Company incurred $3,241,107 of expenditures in the TDF area primarily related to tangible costs for lease construction and casing.

The recovery of expenditures in the El Valle area relates to the recovery of VAT. Drilling activity in El Valle was suspended during the six months ended June 30, 2014 while the Company and other parties with interests in the El Valle Exploitation Concession worked on solutions to reduce operating costs. On June 30, 2014, the Company completed the sale of its 50% interest in the El Valle Exploitation Concession to its former joint interest partners in El Valle.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity risk is the risk that the Company will not meet its financial obligations as they become due. The Company manages its liquidity risk through management of its capital structure and annual budgeting of its revenues, expenditures and cash flows. As at June 30, 2014, the Company had working capital of $7,070,257 (December 31, 2013 – $15,049,226) which given planned capital expenditures, administrative overhead requirements and commitments, is expected to be sufficient to meet current financial obligations for at least the next twelve months.

Of the Company's total cash resources at June 30, 2014, $3.2 million is on deposit in short term guaranteed investment certificates with a major Canadian financial institution. Management has received confirmation from the financial institution that these funds are available on demand. The remaining cash is in bank deposit/chequing accounts available as required for operations and vendor payments.

The Argentina government has a number of monetary and currency exchange control measures in place that include restrictions on the free disposition of funds deposited with banks and tight restrictions on transferring funds abroad, with certain exceptions for transfers related to foreign trade and other authorized transactions approved by the Argentina Central Bank. The Central Bank may require prior authorization and may or may not grant such authorization for our Argentina subsidiaries to make dividend or loan payments to us and there may be a tax imposed with respect to the expatriation of such proceeds.

The Company anticipates using existing working capital and cash flow to fund the Company's capital expenditure program through to the end of 2014. However, as new opportunities arise or planned expenditures are revised, the Company is committed to raising the necessary funds required for operations and capital expenditures through equity financing, joint venture agreements, and debt. If more of the Company's properties become economic and productive, the additional cash flow generated will assist in funding the Company's future activities.

COMMITMENTS

The Company's commitments are disclosed in Note 19 to the Company's December 31, 2013 audited consolidated financial statements as well as in the December 31, 2013 MD&A.

As part of the June 30, 2014 agreement for the sale of the Company's 50% interest in the El Valle Exploitation Concession, the purchasers assumed Crown Point's $13 million of net future capital commitments in respect of El Valle.

There have been no significant changes to the Company's remaining commitments during the 2014 period.

SUBSEQUENT EVENTS

There have been no reportable events subsequent to June 30, 2014.

RELATED PARTY TRANSACTIONS

There were no transactions between the Company and related parties of the Company during the 2014 period.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off balance sheet arrangements.

SHARE CAPITAL

Issued and outstanding	Common Shares	Stock Options
December 31, 2013	104,515,222	7,585,000
Granted	–	1,265,000
Forfeited	–	(510,000)
June 30, 2014 and August 27, 2014	104,515,222	8,340,000

DIVIDENDS

The Company has not declared or paid any dividends. Any decision to pay dividends on any of its shares will be made by the Board of Directors of the Company on the basis of earnings, financial requirements and other conditions existing at the time.

FINANCIAL INSTRUMENTS

The fair values of the Company's cash and cash equivalents, trade and other receivables and trade and other payables approximate their carrying amounts due to the short-term nature of these financial instruments. Financial instruments also include interest-bearing bonds included in other non-current assets, deposit and bank debt for which fair values are not materially different than the carrying amounts.

The Company's accounts receivable are primarily with industry partners and are subject to normal industry credit risks. The Company extends unsecured credit to these entities, and therefore, the collection of any receivables may be affected by changes in the economic environment or other conditions. Management believes the risk is mitigated by the financial position of the entities. To date, the Company has not participated in any risk management contracts or commodity price contracts.

NEW ACCOUNTING STANDARDS AND PRONOUNCEMENTS

On January 1, 2014, the Company adopted amendments to the following standards:

IAS 32 Financial Instruments: Presentation

Amendments to *IAS 32 Financial Instruments: Presentation* clarify that an entity has a legally enforceable right to set-off if that right is (a) not contingent on a future event; and (b) enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the entity and all counterparties. The amendments also clarify that when a settlement mechanism provides for either net settlement or gross settlement, it is equivalent to net settlement.

IAS 36 Impairment of Assets

In May 2013, the International Accounting Standards Board issued an amendment to *IAS 36 Impairment of Assets*. These narrow-scope amendments address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.

IFRIC 21 Levies

IFRIC 21 Levies clarifies that an entity recognizes a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. The interpretation also clarifies that no liability should be recognized before the specified minimum threshold to trigger that levy is reached.

The adoption of these amendments had no measurement or disclosure impact on the Company's unaudited condensed interim consolidated financial statements.

BUSINESS RISKS AND UNCERTAINTIES

Crown Point's production and exploration activities are concentrated in Argentina, where activity is highly competitive and includes a variety of different sized companies ranging from smaller junior producers to the much larger integrated petroleum companies. Crown Point is subject to various types of business risks and uncertainties, which may materially affect the Company's future performance including total revenue, and profit or loss, including without limitation the following:

- the risks of the oil and gas industry both domestically and internationally, such as operational risks in exploring for, developing and producing crude oil and natural gas and market demand;
- general economic conditions in Canada, Argentina and globally;
- the ability of management to execute its business plan;
- reliance on third party operators and joint venture partners to satisfy their commitments under existing agreements and arrangements and to carry out operations in a safe, efficient and effective manner;
- the risks of disputes with third party operators and joint venture partners and the effect that such disputes can have on the Company's operations and results;
- uncertainties inherent in estimating quantities of oil and natural gas reserves and cash flows to be derived therefrom and the risk that the value of such reserves may be impaired in future periods;
- fluctuations in the price of oil and natural gas, interest rates and exchange rates;
- governmental regulation of the oil and gas industry, including environmental regulation;
- lack of diversification of the Company's interests;
- risks associated with foreign operations, including changes in energy policies or personnel administering them, nationalization, hyper-inflationary conditions, currency fluctuations, exchange and export controls and royalty and tax rates;
- the impact of work disruption and labour unrest on the Company's operations;
- actions taken by governmental authorities, including increases in taxes and changes in government regulations and incentive programs;
- geological, technical, drilling and processing problems;
- risks and uncertainties involving geology of oil and gas deposits;
- risks inherent in marketing operations, including credit risk;
- the ability to enter into, renew and/or extend leases and/or concessions;
- the uncertainty of estimates and projections relating to production, costs and expenses;
- potential delays or changes in plans with respect to exploration or development projects or capital expenditures including delays arising as a result of our inability to obtain the necessary oilfield services we require, including drilling rigs;
- the insufficiency of cash flow to fund operations;
- availability of sufficient financial resources to fund the Company's capital expenditures;
- uncertainty of finding reserves and developing and marketing those reserves;
- unanticipated operating events, which could reduce production or cause production to be shut in or delayed;
- the ability of management to identify and complete potential acquisitions;
- if completed, the failure to realize the anticipated benefits of acquisitions;
- incorrect assessments of the value of acquisitions;
- ability to locate satisfactory properties for acquisition or participation;
- shut-ins of connected wells resulting from extreme weather conditions;
- insufficient storage or transportation capacity;
- hazards such as fire, explosion, blowouts, cratering and spills, each of which could result in substantial damage to wells, production facilities, other property and the environment or in personal injury;
- encountering unexpected formations or pressures, premature decline of reservoirs and the invasion of water into producing formations;
- the failure to satisfy work commitments and the potential to lose exploration and exploitation rights as a result;
- the ability to add production and reserves through development and exploration activities;
- the possibility that government policies or laws, including laws and regulations related to the

environment, may change or governmental approvals may be delayed or withheld;
- uncertainty in amounts and timing of royalty payments;
- failure to obtain industry partner and other third party consents and approvals, as and when required;
- stock market volatility and market valuations;
- competition for, among other things, capital, acquisition of reserves, undeveloped land and skilled personnel; and
- the availability of capital on acceptable terms.

For additional details of the risks relating to the Company's business, see the Company's most current Annual Information Form, which is available on SEDAR at www.sedar.com.

LEGAL, ENVIRONMENTAL, REMEDIATION AND OTHER CONTINGENT MATTERS

The Company reviews legal, environmental remediation and other contingent matters to both determine whether a loss is probable based on judgment and interpretation of laws and regulations, and determine that the loss can reasonably be estimated. When the loss is determined, it is charged to earnings. The Company's management monitors known and potential contingent matters and makes appropriate provisions by charges to earnings when warranted by circumstances.

SELECTED CONSOLIDATED QUARTERLY INFORMATION

The following table sets forth selected consolidated financial information of the Company for the periods presented. Note that in 2012 Crown Point changed its financial year-end from August 31 to December 31 and the transition year was the four months ended December 31, 2012.

Unaudited (3)	June 30 2014	March 31 2014	December 31 2013	September 30 2013	June 30 2013	March 31 2013	December 31, 2012 (1)	August 31 2012
Working capital ($)	7,070,257	11,062,943	15,049,226	14,242,848	12,818,352	14,062,065	14,892,869	17,894,572
Oil and gas revenue ($)	3,930,200	4,443,425	5,208,744	4,848,468	5,275,267	6,384,168	8,298,961	4,862,771
Petroleo Plus Credits ($)	363,539	–	3,247,173	1,536,202	–	1,200,189	–	–
Funds flow from (used in) operations ($)	717,476	754,820	2,244,446	2,649,509	261,447	2,315,789	2,524,534	299,790
Basic and diluted funds flow per share ($)	0.01	0.01	0.02	0.03	0.00	0.02	0.02	0.00
Cash flow from (used in) operating activities ($)	690,625	874,387	2,523,814	2,757,622	1,304,916	716,398	2,367,256	(253,499)
Net income (loss) ($)	(9,349,944)	(1,836,705)	(3,642,950)	146,978	(11,299,597)	(195,692)	(865,239)	(1,800,050)
Basic and diluted income (loss) per share (2) ($)	(0.09)	(0.02)	(0.03)	0.00	(0.11)	(0.00)	(0.01)	(0.02)
Expenditures on property and equipment and E&E assets ($)	4,346,107	2,114,845	3,351,388	554,796	439,377	2,998,995	5,621,357	9,109,606
Total assets ($)	53,648,371	61,316,664	64,868,464	63,019,390	69,797,016	80,465,946	84,011,091	87,517,910
Bank debt ($)	3,296,150	3,345,943	4,113,800	–	–	–	–	–

(1) Four months ended December 31, 2012. All other periods are three months in duration.
(2) The sum of quarterly per share amounts may not add to annual figures due to rounding.
(3) The financial data for each quarter has been prepared in accordance with IFRS. The functional currency of Crown Point is the CAD. The functional currency of each of Crown Point's wholly owned subsidiaries, Crown Point Oil & Gas S.A., CanAmericas (Argentina) Energy Ltd. and Antrim Argentina, is the USD. The presentation currency of Crown Point is the USD.

- Working capital, funds flow from operations and cash flow from operations decreased in the first and second quarters of 2014 due to a reduction in oil and gas revenue. The decreases were offset by Petroleo Plus proceeds received in the second quarter of 2014.
- Net loss increased in the quarter ended June 30, 2014 due to the recognition of an $8.3 million

loss on the sale of the Company's 50% interest in the El Valle Exploitation Concession.

- Net loss improved in the quarter ended March 31, 2014 compared to the quarter ended December 31, 2013 as the Company did not recognize any impairment during the 2014 period which offset the impact of not receiving Petroleo Plus proceeds.
- Working capital, funds flow from operations and cash flow from operations improved in the quarter ended December 31, 2013 due to $3.2 million of Petroleo Plus proceeds received in the period.
- The Company recognized $3.9 million of impairment on property and equipment and $0.8 million of impairment on exploration and evaluation assets in the quarter ended December 31, 2013 which reduced the positive effect of Petroleo Plus proceeds on earnings.
- Working capital improved in the quarter ended September 30, 2013 due to $1.5 million of Petroleo Plus proceeds received in the period.
- Funds flow from operations increased and the Company recognized $0.2 million of net income in the quarter ended September 30, 2013 primarily related to the recognition of $1.5 million of Petroleo Plus proceeds.
- Funds flow from operations decreased in the quarter ended June 30, 2013 due to an increase in net loss related to a decrease in sales volumes and a decrease in the Company's operating netback.
- Net loss increased in the quarter ended June 30, 2013 due to a decrease in the Company's operating netback and the recognition of $9.9 million of impairment comprised of $0.5 million on accounts receivable, $1.6 million on exploration and evaluation assets and $7.8 million on property and equipment
- Expenditures on property and equipment and E&E assets decreased in the quarter ended June 30, 2013 due to a curtailment of activity in El Valle and the pending approval of extensions of the TDF Concessions.
- Cash flow from operating activities decreased in the quarter ended March 31, 2013 due to an increase in trade and other receivables and a decrease in trade and other payables related to operating activities.
- Net loss decreased in the quarter ended March 31, 2013 due to an increase in the Company's operating netback and net proceeds from the sale of Petroleo Plus Credits.
- Expenditures on property and equipment and E&E assets in the quarter ended March 31, 2013 relate to interpretation of the Cerro de Los Leones seismic program and workover and stimulation expenditures in the El Valle area.
- Expenditures on property and equipment and E&E assets in the four months ended December 31, 2012 included $2.98 million in relation to the Cerro de Los Leones seismic program with the balance primarily relating to the El Valle drilling program.
- Expenditures on property and equipment and E&E assets in the quarter ended August 31, 2012 primarily relate to the El Valle drilling program.

ADVISORIES

Forward-Looking Information

This MD&A contains forward-looking information. This information relates to future events and the Company'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", "aim", or the negative of these terms or other comparable terminology are generally intended to identify forward-looking information. Such information represents the Company'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 MD&A 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 MD&A contains forward-looking information concerning, among other things, the following: our business plans and objectives and how we intend to achieve those objectives and our forecast timing for achieving those objectives; that growth is targeted through low risk natural gas and oil development drilling combined with some highly focused exploration; management's expectation that the Company is levered to benefit from expected increasing natural gas prices in Argentina; the intent of the Company to focus on Tierra del Fuego for lower risk natural gas focused repeatable drilling and Cerro de Los Leones for continued completion and development of a potential high impact oil program; the expected details of the TDF drilling program including the types of wells to be drilled and the targets of such drilling; the expectation that further drilling on Los Flamencos may follow completion of the initial drilling program; the expectation that commercial success on either exploration location in TDF could also lead to additional drilling at Puesto Quince and/or San Luis; the expectation that initial completion operations of the three cased wells are expected to commence at the end of August 2014; the expectation that a fracture stimulation program will be performed on four older producing wells in the Los Flamencos natural gas pool plus two of the newly cased wells; the expectation that production additions from the drilling and fracture stimulation program will commence in September and the expectation that as a result the Company may experience rising production volumes and field sales receipts through to the end of the year; the expectation that new production and stronger natural gas prices coupled with the benefits of the New Gas Subsidy Program may have a positive impact on Crown Point's operating results; the Company's plans to conduct additional testing on the La Hoyada well after the Argentine winter; the Company's belief that market conditions will continue to have a positive impact on oil and natural gas prices in Argentina; the expectation that further salary and rate adjustments and other devaluation adjustments will occur in the third and fourth quarters of 2014; the Company's commitment to raising the necessary funds required for operations and capital expenditures through equity financing, joint venture agreements, and debt; and the expectation that if more of the Company's properties become economic and productive, the additional cash flow generated will assist in funding the Company's future activities. The reader is cautioned that such information, although considered reasonable by the Company, may prove to be incorrect. Actual results achieved during the forecast period will vary from the information provided in this MD&A as a result of numerous known and unknown risks and uncertainties and other factors.

A number of risks and other factors could cause actual results to differ materially from those expressed in the forward-looking information contained in this MD&A including, but not limited to, the risks and other factors described under "Business Risks and Uncertainties" in this MD&A and under "Risk Factors" in the Company's Annual Information Form, which is available for viewing on SEDAR at www.sedar.com.

In addition, 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 in this MD&A, the Company has made assumptions regarding, among other things: the impact of increasing competition; the general stability of the economic and political environment in which the Company operates; the timely receipt of any required regulatory approvals; the ability of the Company 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 Company's capital expenditure program; the ability of the operator of the projects which the Company has an interest in to operate the field in a safe, efficient and effective manner; the ability of the Company 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 Company 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 Company operates; and the ability of the Company 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 MD&A in order to provide investors with a more complete perspective on the Company'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 MD&A are expressly qualified by this cautionary statement.

The forward-looking information contained herein is made as of the date of this MD&A and the Company 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.

ADDITIONAL INFORMATION

Additional information regarding the Company, including the Company's Annual Information Form, and its business and operations is available on the Company's profile at www.sedar.com. Copies of the information can also be obtained by contacting the Company at Crown Point Energy Inc., 1600, 700 – 6th Avenue SW., Calgary, Alberta T2P 0T8, or by phone at 403 232-1150, by email at info@crownpointenergy.com or on the Company's website at www.crownpointenergy.com.