CROWN POINT ENERGY INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("**MD&A**") of consolidated financial results of Crown Point Energy Inc. ("**Crown Point**" or the "**Company**") is at and for the four months ended December 31, 2012.

Crown Point changed its financial year-end from August 31 to December 31 and the transition year is the four months ended December 31, 2012 (the "**December 31, 2012 period**"). The comparative period is the prior fiscal year ended August 31, 2012 (the "**August 31, 2012 year**"). The change aligns Crown Point's financial reporting and enables it to streamline its annual budgeting and operations with the calendar year consistent with other peer companies in the oil and gas industry. The change is expected to be beneficial to Crown Point's shareholders and the capital marketplace in comparing the results of Crown Point to its peer group.

Results of operations and certain other financial information for the three months ended August 31, 2012 (the "**August 2012 three month period**") has also been included in this MD&A as it provides a more closely related comparison to the December 31, 2012 period.

This MD&A is dated as of April 24, 2013 and should be read in conjunction with the Company's audited December 31, 2012 consolidated financial statements as well as the Company's audited August 31, 2012 consolidated financial statements. The audited consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("**IFRS**").

The presentation currency of the Company is the Canadian dollar which is assumed to be at par with the United States dollar for budgeted and estimated capital expenditures and commodity reference prices. In this MD&A, unless otherwise noted, all dollar amounts are expressed in Canadian dollars and references to "**$**" and "**Cdn$"** are to Canadian dollars. References to "**US$**" are to United States dollars and "**ARS$**" are to Argentina Peso.

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 audited financial statements and Annual Information Form, is 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 operations to cash flow from operating activities, which is the most directly comparable measure calculated in accordance with IFRS as follows:

	Four months ended December 31 2012	Three months ended August 31 2012	Year ended August 31 2012
Funds flow from (used in) operations	2,572,120	303,339	(700,280)
Changes in non-cash working capital	(162,490)	(559,839)	137,021
Cash flow from (used in) operating activities	2,409,630	(256,500)	(563,259)

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:

bbls	-	barrels
BOE	-	barrels of oil equivalent of natural gas, on the basis of 1 BOE for 6 mcf of natural gas
mcf	-	thousand cubic feet
	-	
MMBtu	-	million British thermal units
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

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 the three largest producing basins in Argentina. Growth is targeted through low risk natural gas and oil development drilling combined with some highly focused high reward 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**”); the El Valle Exploitation Concession and the Cañadón Ramirez Exploitation Concession, both of which are located in the Golfo San Jorge basin; and the Cerro de Los Leones Exploration Concession and the Laguna de Piedra Exploration Concession, both of which are 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 Argentina Peso, and for the Company, the functional currency is the Canadian dollar.

OVERVIEW

Total sales volumes in the December 31, 2012 period were 250,411 BOE as compared to 266,215 BOE in the August 31, 2012 year. Average daily sales volumes in the December 31, 2012 period were 2,053 BOE per day as compared to 727 BOE per day in the August 31, 2012 year.

A number of factors contributed to the increase in average daily sales volumes in the December 31, 2012 period as compared to the August 31, 2012 year. The main factor was the acquisition of Antrim Argentina which occurred in May 2012 and the resultant addition of production from the TDF area. Crown Point benefitted from the production from Antrim Argentina's interest in the TDF area throughout the entire December 31, 2012 period but in the August 31, 2012 year, the Company only received production from the TDF area for the approximate three months following the completion of the acquisition of Antrim Argentina. In addition, sales volumes in the December 31, 2012 period also benefitted from the sale of oil and NGL volumes from the TDF area which were in inventory at August 31, 2012 and were sold during the December 31, 2012 period.

Average daily sales volumes from the El Valle area decreased in the December 31, 2012 period as compared to the August 31, 2012 year as a result of the 9,180 bbls of production from the December 31, 2012 period which were in storage as inventory as at December 31, 2012.

Revenue in the December 31, 2012 period was $8,206,914 as compared to $10,772,942 in the August 31, 2012 year. The relative increase in revenue in the December 31, 2012 period (four months) relative to the longer August 31, 2012 year (twelve months) was largely due to the extra revenue the Company received from the TDF area as a result of the Antrim Argentina acquisition. As discussed in more detail below, during the December 31, 2012 period as compared to the August 31, 2012 year the Company received slightly lower oil and NGL prices from its sales volumes from the TDF area and higher natural gas prices from the TDF area. Sales volumes of oil from the El Valle area generated relatively consistent prices on a per bbl basis in both the December 31, 2012 period and the August 31, 2012 year.

Funds flow from operations were $2,572,120 in the December 31, 2012 period as compared to funds used in operations of $700,280 in the August 31, 2012 year. Net loss was $813,778 in the December 31, 2012 period as compared to a net loss of $5,093,023 in the August 31, 2012 year. The change in both funds flow from (used in) operations and net loss is largely due to the addition of the sales volumes from the TDF area resulting from the Antrim Argentina acquisition; however, the Antrim Argentina acquisition also resulted in lower average operating netbacks in the December 31, 2012 period as compared to the August 31, 2012 year as the operating netbacks from the mainly natural gas production from the TDF area are lower than the operating netbacks generated from oil production from the El Valle area.

As both the El Valle Exploitation Concession and the TDF Concessions had original terms expiring in 2016 the Company and its partners in each area have been in ongoing discussions and negotiations with the respective governments of the provinces of Santa Cruz and Tierra del Fuego for the extensions of the concessions. On October 25, 2012 the Parliament of the Province of Santa Cruz approved the extension of the El Valle Exploitation Concession until January 2026, with the following key terms:

- Two payments of US$66,953 and US$18,576 (net to Crown Point's interest) made by Crown Point on November 25, 2012 and January 4, 2013, respectively;
- A further payment of US$18,576 (net to Crown Point's interest) prior July 3, 2013;
- Increase to base royalty by 3% from 12% to 15%;
- Incremental royalty: For oil, 5% of the difference of sales price and reference price of US$70/bbl and for gas, 5% of the difference between sales prices and reference price of US$8/MMBtu; and
- 70% of manpower utilized on the concession should be local.

Although Crown Point and its partners negotiated terms of extensions of the TDF Concessions with

provincial government authorities of Tierra del Fuego, the Parliament of the Province of Tierra del Fuego have not ratified the extensions and as such Crown Point does not know when (and if) and on what terms the extensions of the TDF Concessions will be approved. There will be continued uncertainty on the Company's development plans for the TDF area until such time as the extensions of the TDF Concessions are approved.

On December 20, 2012, Antrim Argentina signed a lending agreement with HSBC Bank Argentina S.A. ("**HSBC Argentina**") 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 Company. 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 TDF Concessions and the loan may not be drawn until extensions of the TDF Concessions have been ratified and approved.

The Government of Argentina implemented the Petroleo Plus Program in 2008 to reward producers who materially increase oil reserves and production through drilling and development by issuing export tax credits ("Petroleo Plus Credits") that can be used to offset taxes on oil sold off shore at market price. Petroleo Plus Credits are transferrable and can be sold for cash to other domestic oil exporters. In March 2013, the Company received US$1.25 million of proceeds from the sale of Petroleo Plus credits relating to 2011 production volumes. Crown Point has an additional US$1.86 million of outstanding certificates awaiting approval and payment relating to 2011 production and US$3.8 million of outstanding certificates relating to 2012 production and reserves.

REGULATORY DEVELOPMENTS

The actions of various levels of government in Argentina during the December 31, 2012 period and the August 31, 2012 year continue to add uncertainty to the oil and gas industry in Argentina and are likely to continue to impact Crown Point's results, operations and development plans. The following are some of the key regulatory and legislative developments in Argentina in recent periods which have impacted the oil and gas industry:

- On April 16, 2012, the Argentine President, Cristina Fernández de Kirchner, submitted a bill to the Argentine Congress to expropriate 50.01% of the D shares of energy company Yacimientos Petroliferos Fiscales ("**YPF**"). 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 Company has met or is in the process of meeting its work commitments in a timely manner.
- 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 TDF (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 (as defined below) and production from areas in the TDF which attract higher Gas Plus pricing (for details of the Gas Plus program see the Company's Annual Information Form, which is available on SEDAR at www.sedar.com). 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.
- 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 Company and its business and operations. The Company will continue to evaluate what impact the Decree may have on the Company's business, financial condition, results of operations and prospects.

- 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 continue to be paid at current prices, while any incremental gas or "New Gas" would receive US$7.50/MMBtu (approximately US$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 TDF 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 US$42 to US$70 per bbl when the reference price (WTI) exceeds US$80 per bbl. The measure is intended to guarantee similar profitability for domestic crude oil and export crude oil.

Additional details of the regulatory regime in Argentina can be found under the heading "Industry Conditions" in the Company's Annual Information Form, which is available on SEDAR at www.sedar.com.

SUMMARY FINANCIAL INFORMATION

	December 31 2012	August 31 2012	August 31 2011
Working capital	14,846,843	17,736,716	24,405,427
Total assets	83,751,460	86,745,872	51,411,935
Total non-current liabilities [(1)]	2,299,227	2,267,574	565,291
Share capital	107,387,933	107,387,933	67,132,442
Total common shares outstanding	104,515,222	104,515,222	54,674,907

	Four months ended December 31 2012	Year ended August 31 2012	Year ended August 31 2011
Total revenue	8,206,914	10,772,942	3,839,359
Loss from continuing operations	(813,778)	(5,093,023)	(3,288,065)
Per share – basic and diluted	(0.01)	(0.07)	(0.07)
Income from discontinued operations	–	–	462,578
Per share – basic and diluted	–	–	0.01
Net loss	(813,778)	(5,093,023)	(2,825,487)
Per share – basic and diluted	(0.01)	(0.07)	(0.06)
Weighted average number of shares	104,515,222	73,906,739	44,532,957

[(1)] The Company's non-current liabilities are the decommissioning provision.

RESULTS OF OPERATIONS

Net Loss and Funds Flow From (Used In) Operations

	Four months ended December 31 2012	Three months ended August 31 2012	Year ended August 31 2012
Net loss ($)	(813,778)	(1,831,364)	(5,093,023)
Net loss per share [(1)] ($)	(0.01)	(0.02)	(0.07)
Weighted average number of shares	104,515,222	104,515,222	73,906,739
Funds flow from (used in) operations ($)	2,572,120	303,339	(700,280)
Funds flow per share [(1)] ($)	0.02	0.00	(0.01)

[(1)] 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.

Operating Netbacks – Total Company

Per BOE	Four months ended December 31 2012	Three months ended August 31 2012	Year ended August 31 2012
Total sales volumes (BOE)	250,411	173,696	266,215
Oil and gas revenue ($)	32.77	28.29	40.47
Royalties ($)	(5.83)	(5.70)	(8.97)
Operating costs ($)	(11.29)	(8.47)	(10.60)
Operating netback ($)	15.65	14.12	20.90
Composition of sales volumes			
Light oil	35%	28%	53%
Natural Gas Liquids ("**NGL**")	4%	4%	3%
Natural gas	61%	68%	44%
Total BOE	100%	100%	100%

Total Company operating netbacks were lower in the December 31, 2012 period and the August 2012 three month period compared to the August 31, 2012 year due to the addition of natural gas volumes from the TDF area at an average price of $2.95/mcf in the December 31, 2012 period and $2.41/mcf in the August 2012 three month period. As the TDF volumes are only included in three months of the 12 month period, the operating netback is higher for the August 31, 2012 year.

Operating netbacks are analyzed below by area: El Valle and TDF. The TDF assets were acquired as part of the acquisition of Antrim Argentina on May 28, 2012.

Results of Operations – TDF

Operating Netback

Per BOE	Four months ended December 31 2012	Three months ended August 31 2012	Year ended August 31 2012
Oil and gas revenue ($)	27.64	18.15	18.15
Royalties ($)	(3.80)	(2.72)	(2.72)
Operating costs ($)	(9.63)	(6.98)	(6.98)
Operating netback ($)	14.21	8.45	8.45

Sales Volumes and Revenues

	Four months ended December 31 2012	Three months ended August 31 2012	Year ended August 31 2012
Light oil (bbls)	48,942	9,583	9,583
NGL (bbls)	11,214	7,290	7,290
Natural gas (mcf)	914,951	710,782	710,782
Total BOE	212,648	135,336	135,336
Light oil bbls per day (average)	401	104	26
NGL bbls per day (average)	92	79	20
Natural gas mcf per day (average)	7,500	7,726	1,942
BOE per day	1,743	1,471	370
Light oil revenue ($)	3,102,898	671,363	671,363
NGL revenue ($)	72,374	74,568	74,568
Natural gas revenue ($)	2,703,333	1,710,646	1,710,646
	5,878,605	2,456,577	2,456,577
Light oil revenue per bbl ($)	63.40	70.06	70.06
NGL revenue per bbl($)	6.45	10.23	10.23
Natural gas revenue per mcf ($)	2.95	2.41	2.41
Revenue per BOE ($)	27.64	18.15	18.15

Sales Volumes

TDF production was weighted 23% oil, 5% NGL and 72% natural gas in the December 31, 2012 period compared to 7% oil, 5% NGL and 88% natural gas for the August 2012 three month period and the August 2012 year (collectively "**August 2012 periods**"). Natural gas production for the December 31, 2012 period and August 2012 periods increased over historical levels resulting from a pre-Argentine winter fracture stimulation program carried out on five wells on the Las Flamencos gas pool. This fracture program targeted wells where the majority were able to receive the higher price of US$4.10/MMBtu (approximately US$4.24/mcf) under the Gas Plus incentive program. The Company started receiving the higher prices under the Gas Plus incentive program in May 2012.

TDF average daily sales oil volumes for the December 31, 2012 period increased 285% and TDF average daily sales NGL volumes increased 16% over the over the August 2012 periods. The increase in oil and NGL sales volumes is a result of the sale of oil and NGLs volumes in inventory at August 31, 2012. The increase is also due to higher NGL volumes sold to the residential market.

Oil production (and related NGLs) 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 production averaged 316 bbls per day in the December 31, 2012 period (August 2012 three month period – 258 bbls per day), while oil sales averaged 401 bbls per day during the December 31, 2012 period (August 2012 three month period – 104 bbls per day). Oil and NGL inventory at December 31, 2012 was 14,325 bbls which was sold in the first quarter of 2013 (August 31, 2012 – 35,980 bbls sold during October, November and December 2012).

TDF average daily sales gas volumes for the December 31, 2012 period decreased 3% as compared to the August 2012 periods due to mechanical problems at the Rio Chico plant, high pressure issues on the main pipeline and a one-day shutdown of all facilities for maintenance purposes.

Revenues

The price earned by the Company on TDF oil averaged 71% of WTI during the December 31, 2012 period (August 2012 periods – 74%). 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, resulting in increases in the oil price received.

The price earned by the Company on TDF NGL sales decreased in the December 31, 2012 period as all sales were domestic which earn a lower price than export sales to Chile as a result of residential demand.

The price earned by the Company on TDF natural gas production averaged $2.95 per mcf during the December 31, 2012 period compared to $2.41 per mcf in the August 2012 periods. The natural gas price earned in the August 2012 periods was lower due to more sales to the residential market during the Argentine winter months of June 2012 to August 2012; the residential market earns a lower price than the industrial market.

Royalties

	Four months ended December 31 2012	Three months ended August 31 2012	Year ended August 31 2012
Provincial royalties ($)	808,579	367,770	367,770
Royalties as a % of Revenue	14%	15%	15%
Royalties per BOE ($)	3.80	2.72	2.72

The royalty rate paid in TDF is typically 15% of revenue. The royalty rate declined in the December 31, 2012 period from the royalty rate paid in the August 2012 periods due to lower exported sales volumes which bear an additional royalty of 2% compared to domestic sales which have a 1% royalty.

Operating Costs

	Four months ended December 31 2012	Three months ended August 31 2012	Year ended August 31 2012
Production and processing ($)	1,886,866	824,679	824,679
Transportation and hauling ($)	160,564	119,864	119,864
Total operating costs ($)	2,047,430	944,543	944,543
Operating costs per BOE ($)	9.63	6.98	6.98

Operating costs increased in the December 31, 2012 period over the August 2012 periods due to higher delivery, storage and shipping charges for using offshore loading buoys to load tankers combined with salary increases for unionized personnel. The Company expects operating costs to remain higher than the August 2012 periods due to increases in certain fixed costs, such as unionized personnel salaries. However, increases in sales volumes will reduce fixed costs on a per boe basis.

Results of Operations – El Valle

Operating Netbacks

Per BOE	Four months ended December 31 2012	Three months ended August 31 2012	Year ended August 31 2012
Oil and gas revenue ($)	61.66	64.08	63.54
Royalties ($)	(17.28)	(16.22)	(15.43)
Operating costs ($)	(20.61)	(13.75)	(14.33)
Operating netback ($)	23.77	34.11	33.78

The decrease in the operating netback for the December 31, 2012 period compared to the August 2012 periods is explained by changes in sales volumes and revenues, royalties and operating costs as detailed below.

Sales Volumes and Revenues

	Four months ended December 31 2012	Three months ended August 31 2012	Year ended August 31 2012
Argentina light oil (bbls)	37,763	38,360	130,879
BOE per day (average)	310	417	358
Revenue ($)	2,328,309	2,458,027	8,316,365
Revenue per BOE ($)	61.66	64.08	63.54

Sales Volumes

El Valle average daily sales volumes for the December 31, 2012 period decreased 26% over the August 2012 three month period and 13% over the August 31, 2012 year due primarily to the storage of 9,180 bbls in inventory at December 31, 2012 (August 31, 2012 – nil).

The increase in average daily oil volumes for the August 2012 three month period compared to the August 31, 2012 year was a direct result of five wells drilled and placed on production during the August 31, 2012 year, the majority of which came on production in the August 2012 three month period and added 208 bbls per day.

Revenues

Crude oil revenue for the December 31, 2012 period was lower than revenue for the August 2012 three month period as 9,180 bbls were stored in inventory rather than sold in the four month period. To date, Crown Point has not undertaken any hedging or other commodity price risk management contracts.

The decrease in sales price in the December 31, 2012 period is due to the timing of production and sales. Sales spiked in the latter part of the August 2012 three month period when the price of oil was higher than the average for the four month period and the majority of sales in the December 31, 2012 period occurred when the price of oil was slightly lower. The price earned by the Company on El Valle production averaged 71% of WTI in the periods presented. In the last couple of years, Argentina domestic prices have been set locally and without a clear reference to WTI. Based on the current situation, management does not expect material changes in the domestic price of oil to be made by the provincial or central government authorities in the near term.

Royalties

	Four months ended December 31 2012	Three months ended August 31 2012	Year ended August 31 2012
Royalties by type			
Provincial ($)	429,763	353,275	1,169,852
Freehold and other ($)	222,642	268,799	849,660
Total ($)	652,405	622,074	2,019,512
Royalties as a % of Revenue			
Provincial	18.5%	14.4%	14.1%
Freehold and other	9.6%	10.9%	10.2%
Total	28.1%	25.3%	24.3%
Total royalties per BOE ($)	17.28	16.22	15.44

Provincial royalties as a percentage of sales were higher in the December 31, 2012 period due to an increase in the royalty rate from 12% to 15% as a result of the ten year extension to the El Valle Exploitation Concession. Provincial royalties as a percentage of sales were higher in the August 2012 three month period over the August 31, 2012 year due to turnover taxes which increased from 2% to 3% in the three-month period.

Freehold and other royalties as a percentage of sales were lower in the December 31, 2012 period due to lower sales volumes. Freehold and other royalties as a percentage of sales were higher in the August 2012 three month period over the August 31, 2012 year due to the payment of the yearly surface rent of ARS$110,236 (Cdn$22,312) paid to a provincial oil company of the Province of Santa Cruz. This payment was made in August 2012 for the first time as a result of the extension of the El Valle Exploitation Concession.

Operating Costs

	Four months ended December 31 2012	Three months ended August 31 2012	Year ended August 31 2012
Production and processing ($)	277,675	244,034	976,650
Transportation and hauling ($)	500,792	283,331	899,543
Total operating costs ($)	778,467	527,365	1,876,193
Operating costs per BOE ($)	20.61	13.75	14.33

Operating costs per BOE for the December 31, 2012 period increased as compared to the August 2012 periods due to an increase in labour costs combined with a new operating agreement with respect to the operations on the El Valle Exploitation Concession in September 2012. Under the new agreement, operating costs are assigned to partners at a rate of US$1.33 per bbl plus a pro-rata share of actual operating costs. On average, the actual operating cost allocation is higher than the rates assigned under the old agreement. Previously, operating costs were assigned on a sliding scale basis of US$7.50 per bbl for production below 6,000 bbls; US$5.40 per bbl for production between 6,000 bbls and 12,000 bbls; and US$4.30 per bbl for production over 12,000 bbls, plus shipping, storage and transportation costs.

Operating costs per BOE for the August 2012 three month period decreased compared to the August 31, 2012 year due to higher production levels resulting in a lower operating cost rate from the El Valle Exploitation Concession.

General and Administrative

General and administrative expenses ("**G&A**") for the December 31, 2012 period were $1,981,848 compared to $1,923,219 for the August 2012 three month period and $4,423,025 for the August 31, 2012 year.

	Four months ended December 31 2012	Three months ended August 31 2012	Year ended August 31 2012
Salaries and benefits	$ 1,184,381	$ 866,544	$ 1,967,054
Professional fees	338,683	541,302	1,240,813
Office and general	316,141	312,675	793,224
Travel and promotion	131,084	117,595	308,706
Transfer agent	11,559	85,103	113,228
	$ 1,981,848	$ 1,923,219	$ 4,423,025

The increase in salaries and benefits and office and general expenses are a result of increased staffing levels and activities in both Canada and Argentina including the addition of Antrim Argentina employees on May 28, 2012. Professional fees were higher in the August 2012 periods due to the preparation of reserves reports, IFRS implementation and audit, interim review and public company filing fees. The increase in travel and promotion expenses in the December 31, 2012 period is due to investor relations activities and travel to Argentina. Transfer agent expenses were higher in the August 2012 periods due to the increase in financing activities and share-based related fees.

Acquisition Costs

During the August 31, 2012 year, the Company incurred $1,336,163 of transaction costs in conjunction with the acquisition of Antrim Argentina. No acquisition costs were incurred in the December 31, 2012 period.

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 December 31, 2012 period, the Company recognized $313,359 of share-based compensation compared to $165,647 and $1,426,595 recognized during the August 2012 three month period and August 31, 2012 year, respectively. In addition, $35,520 of share-based compensation was capitalized to developed and producing assets in the December 31, 2012 period as compared to $18,060 and $145,020 capitalized in the August 2012 three month period and August 31, 2012 year, respectively, based on the proportion of the related individuals for which salaries were also capitalized.

Share-based payment compensation is primarily related to 2,780,000 options granted during the August 31, 2012 year.

As at December 31, 2012, the remaining unvested share-based compensation was $576,521.

Depletion and Depreciation

	Four months ended December 31 2012	Three months ended August 31 2012	Year ended August 31 2012
El Valle depletion	$ 844,104	$ 770,739	$ 2,360,274
TDF depletion	1,908,345	1,224,527	1,224,527
Total depletion	2,752,449	1,995,266	3,584,801
Depreciation	187,713	47,680	107,290
	$2,940,162	$ 2,042,946	$ 3,692,091

As at December 31, 2012, future development costs of proved and probable reserves were estimated at US$37.4 million, of which US$11.6 million relates to El Valle and US$25.8 million relates to TDF (August 31, 2012 – US$38.7 million, of which US$12.8 million relates to El Valle and US$25.9 million relates to TDF). Developed and producing assets in Argentina at December 31, 2012 include $5,195,991 (August 31, 2012 – $5,047,186) of VAT. During the December 31, 2012 period, the Company capitalized $328,310 (August 31, 2012 year – $611,440) of G&A and $35,520 (August 31, 2012 year – $145,020) of SBP.

Depletion rates by area are as follows:

	Four months ended December 31 2012	Three months ended August 31 2012	Year ended August 31 2012
El Valle depletion rate per BOE ($)	22.35	20.09	18.03
TDF depletion rate per BOE ($)	8.97	9.05	9.05
Total depletion rate per BOE ($)	10.99	11.49	13.47

As at December 31, 2012, the Company's share of proved plus probable reserves in El Valle are estimated at 1,603,000 bbls (August 31, 2012 – 1,927,000 bbls). The decrease in the reserve base was greater than the decrease in the depletable base caused by a lower ARS$ to Cdn$ exchange rate, which resulted in a higher El Valle depletion rate for the four months December 2012.

As at December 31, 2012, the Company's share of proved plus probable reserves in TDF is estimated at 5,505,200 BOE (August 31, 2012 – 5,883,000 BOE). The small decrease in the reserve base was combined with a decrease in the depletable base (due to a lower ARS$ to Cdn$ exchange rate), resulting in a lower TDF depletion rate for the four months December 2012.

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, a straight line basis over 3 - 10 years for Argentina office furniture and equipment and a straight line basis over the term of the lease for all leasehold improvements.

The Company did not identify any indicators of impairment as at December 31, 2012 and August 31, 2012.

Foreign Exchange Gain (Loss)

During the December 31, 2012 period, the Company recognized a $125,719 foreign exchange gain compared to foreign exchange losses of $4,642 and $20,677 recognized in the August 2012 three month period and the August 31, 2012 year, respectively.

These amounts occur as a result of currency fluctuations between the Cdn$, US$ and the ARS$ due to translation of working capital items.

Exchange rates as at:	December 31 2012	August 31 2012
ARS$ to Cdn$	$ 0.2024	$ 0.2128
US$ to Cdn$	$ 0.9949	$ 0.9863
US$ to ARS$	$ 4.9155	$ 4.6349

Financing Fees and Bank Charges

During the December 31, 2012 period, the Company incurred $286,657 of financing fees and bank charges compared to $200,321 and $335,386 in the August 2012 three month period and August 31, 2012 year, respectively.

Financing fees and bank charges result primarily from bank stamp taxes charged in Argentina on cash advances. Bank stamp taxes are higher in the December 31, 2012 period relative to the August 2012 periods due to a $1.5 million intercompany advance made to Crown Point Oil and Gas S.A.

Recovery of VAT

In 2009, Antrim 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 TDF Policy Change in May 2012, the Company is able to apply the credits against VAT now charged on TDF sales. During the December 31, 2012 period, the Company recognized a $656,384 (August 2012 three month period and August 31, 2012 year – $37,612) recovery of amounts previously estimated as unrecoverable.

The remainder of the estimated unrecoverable VAT was recovered subsequent to December 31, 2012.

CAPITAL EXPENDITURES

The Company recognized the following additions and transfers in exploration and evaluation ("**E&E**") assets during the December 31, 2012 period and the August 2012 periods:

	Four months ended December 31 2012	**Three months ended August 31 2012**	**Year ended August 31 2012**
Cerro de Los Leones	$ 2,953,970	$ 932,594	$ 934,175
Laguna de Piedra	–	–	494,430
Cañadón Ramirez and other	32,095	29,794	180,251
VAT	1,487	6,887	(41,525)
Cash expenditures	2,987,552	969,275	1,567,331
Decommissioning revisions	5,562	43,468	(23,276)
Prior period El Valle expenditures transferred to property and equipment assets	–	–	(854,928)
	$ 2,993,114	$ 1,012,743	$ 689,127

In the second half of calendar 2012, the Company recorded 122 kilometers of 2D seismic and 143 square kilometers of 3D seismic in Cerro de Los Leones. The Company expects to have the processed data ready for interpretation in April 2013.

The Company recognized the following additions and transfers to property and equipment assets during the December 31, 2012 period and the August 2012 periods:

	Four months ended December 31 2012	**Three months ended August 31 2012**	**Year ended August 31 2012**
Intangible	$ 437,768	$ 6,065,736	$ 12,820,665
Tangible	431,878	210,601	461,690
VAT	405,047	1,423,704	1,814,585
El Valle electrification	486,868	254,369	478,243
Capitalized G&A	328,310	227,060	611,440
Corporate assets	478,583	66,695	233,794
Cash expenditures	2,568,454	8,248,165	16,420,417
Capitalized SBP	35,520	18,060	145,020
Decommissioning additions and revisions	42,157	(849,053)	(715,534)
Transferred to El Valle from E&E assets	–	–	854,928
	$ 2,646,131	$ 7,417,172	$ 16,704,831
Allocation of cash expenditures:			
El Valle	$ 1,278,429	$ 7,978,696	$ 15,983,849
TDF	811,442	202,774	202,774
Corporate	478,583	66,695	233,794
	$ 2,568,454	$ 8,248,165	$ 16,420,417

Since Crown Point commenced drilling operations on the El Valle Concession in 2009, the Company has drilled and completed 18 wells (16 oil wells, one suspended potential oil well and one non-producing natural gas well). During the August 31, 2012 year, Crown Point drilled six wells on the El Valle Exploitation Concession. During the December 31, 2012 period, the Company completed the electrification of the El Valle Concession and identified additional drilling locations in Cañadón Seco formation and is in the early conceptual planning stage of implementing a waterflood secondary recovery scheme. 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.

The Company, in accordance with the terms of its agreement with its partners in El Valle, paid 100% interest of the capital costs of the 2012 drilling program and will receive 80% of the revenues until the recovery of 300% of the costs incurred, at which time the Company's interest reverts to 50%. The 2012 drilling program 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.

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 December 31, 2012, the Company has working capital of $14,846,843 (August 31, 2012 – $17,736,716) which given planned capital expenditures, administrative overhead requirements and commitments, is expected to be sufficient to meet current financial obligations in the year ending December 31, 2013.

Of the Company's total cash resources at December 31, 2012, $11.8 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.

In addition, the Company has signed an agreement for a ARS$26,800,000 (Cdn$5.4 million) loan for the development of the TDF Concessions which will be available to the Company following the receipt of approval of the ten-year extension for the TDF concessions to 2026. The loan must be drawn in one lump sum on or before June 30, 2013.

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 loans. 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

Leased Premises

As at December 31, 2012, the Company is committed to future payments for an office rental in Calgary, Alberta and a proportionate share of operating costs in the amount of $23,294 per month from January 1, 2013 until October 31, 2014, $23,903 from November 1, 2014 to October 31, 2017 and $24,512 from November 1, 2017 to October 31, 2019.

As at December 31, 2012, the Company is committed to future payments for accommodation rental in Buenos Aires in the amount of US$3,000 (Cdn$2,985) per month until August 31, 2013.

As at December 31, 2012, the Company is committed to future payments for Buenos Aires office rental in the amount of US$10,000 (Cdn$9,949) per month from January 1, 2013 to May 31, 2013 and US$10,500 (Cdn$10,446) per month from June 1, 2013 to May 31, 2014.

As at December 31 2012, the Company had paid ARS$342,000 (Cdn$69,221) for Comodoro office rental from January 1, 2013 to May 31, 2013. The Company cancelled the office rental in Comodoro effective May 31, 2013.

In the cases of Argentina leases, the Company has the option to cancel the commitments at any time for a penalty of one month rent cost.

TDF Concessions

The TDF Concessions are not subject to any mandatory relinquishments of acreage or any outstanding work commitments at the present time; however, depending on the terms of any extensions of the TDF Concessions that are approved various capital expenditure or investment commitments may be imposed. In addition, the Company and its partners will likely be required to pay a fee for the extension. The Company is required to pay a yearly exploitation rent of US$353,429. (Cdn$351,626) based on a rate of ARS$3,445 (Cdn$697) per square kilometer on the acreage covered by the TDF Concessions at the Company's 25.78% working interest.

El Valle Exploitation Concession

On October 25, 2012, the Parliament of Santa Cruz Province approved the extension of the El Valle Exploitation Concession until January 2026. The extension includes the following commitments on the Lago de Desierto UTE (100% working interest):

(in millions of $)	2013 to 2016	2017 to 2020	2021 to 2024	2025 to 2028	Total
Total US$	9.3	8.8	5.1	3.5	26.7
Total Cdn$	9.2	8.7	5.0	3.5	26.4

The Company holds a 50% working interest in the Lago de Desierto UTE. The Company's 2013 capital expenditure program will fulfill its share of the 2013 to 2016 commitment.

As part of the extension commitment the Company paid US$66,953 (Cdn$66,612) on November 24, 2012 and US$18,576 (Cdn$18,481) on January 4, 2013 and will have to pay US$18,576 (Cdn$18,481) before July 3, 2013.

The Company has the right to freely market and dispose of the hydrocarbons lifted from the area, after paying 15% production royalties to the Province of Santa Cruz. In addition, the Company is required to pay a yearly surface rent of ARS$110,236 (Cdn$22,312) based on a rate of ARS$3,445 (Cdn$697) per square kilometre on the acreage covered by the El Valle Exploitation Concession at the Company's 50% working interest.

Cañadón Ramirez Exploitation Concession

The Cañadón Ramirez Exploitation Concession is not subject to any mandatory relinquishments of acreage nor any outstanding work commitments other than the work plans submitted by the Company to the Provincial and Federal governments on a yearly basis, however, the Company is required to pay a yearly surface rent of ARS$88,085 (Cdn$17,831) based on a rate of ARS$3,445 (Cdn$697) per square kilometre on the acreage covered by the Cañadón Ramirez Exploitation Concession.

Cerro de Los Leones Exploration Concession

Following the receipt of environmental permits for its 100% interest in the Cerro de Los Leones Exploration Concession in May 2012, the Company has the following work commitments with respect to the concession:

- Commencing May 2012, US$13.85 million (Cdn$13.78 million) of expenditures over a three-year period ("**Period 1**");
- Commencing upon the expiry of Period 1, US$0.75 million (Cdn$0.75 million) of expenditures including one exploration well over a two-year period ("**Period 2**"); and
- Commencing upon the expiry of Period 2, one exploration well ("**Period 3**").

Since May 2012, the Company has incurred Cdn$3.9 million of expenditures on the concession. If the Company fails to make the necessary expenditures during Period 1, it will surrender all of the land on the Cerro de Los Leones Exploration Concession.

If a commercial discovery is made by the Company, it will 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% royalties to the Province of Mendoza. The Cerro de Los Leones Exploration Concession is also subject to the payment of yearly surface rent of US$29,409 (Cdn$29,262) based on a rate of 25.04% of the previous year's average WTI price, which was US$23.65 (Cdn$23.55), per square kilometer on the acreage covered by the Cerro de Los Leones Exploration Concession plus ARS$63,941 (Cdn$12,944) as fiscalization fee determined yearly by Mendoza Government.

Laguna de Piedra Exploration Concession

The Company will have the following work commitments with respect to its 100% interest in the Laguna de Piedra Exploration Concession in the event that the necessary environmental work permits are received:

- Commencing upon the receipt by the Company of the environmental permits, US$2.85 million (Cdn$2.84 million) of expenditures over a two-year period ("**Period 1**") including a minimum of one exploration well; and
- Commencing upon the expiry of Period 1, US$1.75 million (Cdn$1.74 million) of expenditures including one exploration well over a one-year period.

If a commercial discovery is made by the Company, it will 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% royalties to the Province of Rio Negro. The Laguna de Piedra Exploration Concession is also subject to the payment of yearly surface rent per square kilometre on the acreage covered by the Laguna de Piedra Exploration Concession.

SUBSEQUENT EVENTS

On January 31, 2013, the Company granted 2,775,000 stock options to directors, officers and employees of the Company. The options are exercisable at $0.37 per share and expire January 31, 2018.

The Government of Argentina implemented the Petroleo Plus Program in 2008 to reward producers who materially increase oil reserves and production through drilling and development by issuing export tax credits ("**Petroleo Plus Credits**") that can be used to offset taxes on oil sold off shore at market price. Petroleo Plus Credits are transferrable and can be sold for cash to other domestic oil exporters. Subsequent to December 31, 2012, the Company received proceeds of $1.25 million for the sale of Petroleo Plus Credits. Crown Point has an additional US$1.86 million of outstanding certificates awaiting approval and payment relating to 2011 production and US$3.8 million of outstanding certificates relating to 2012 production and reserves.

OUTLOOK

The Company's efforts over the next twelve months will be focused principally on three areas: Tierra del Fuego, Cerro de Los Leones and El Valle.

Tierra del Fuego

Drilling operations and development work will only commence in TDF when and if the extensions for the TDF Concessions are approved by the provincial government of TDF. 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 3D seismically defined gas pool extensions, which would also qualify for Gas Plus pricing at US$4.10/MMBtu. or the New Gas Inventive price of US$7.50/MMbtu.

The Company plans to acquire additional 3D seismic on the Las Violetas, Angostura Sur and Rio Cullen concessions starting in 2014. The proposed Las Violetas 3D seismic program is designed to fully evaluate and identify drilling targets over areas and trends that have been mapped using older 2D seismic. The Angostura Sur and Rio Cullen seismic programs are following up exploration leads from existing 2D seismic and geological information.

Crown Point's TDF Concessions are natural gas weighted assets that management of the Company believes possess the capability to deliver increased levels of production and reserves in an increasing natural gas price market. Crown Point currently estimates net capital expenditures in the TDF area for 2013 of $7.2 million and $6.7 million for 2014. If the New Gas Incentive pricing is available to Crown Point and its partners, it is likely that the TDF capital spending plans would be revised to include additional drilling and 3D seismic acquisition to accelerate growth in production and reserves.

Cerro de Los Leones

In the second half of calendar 2012, the Company recorded 122 kilometers of 2D seismic and 143 square kilometers of 3D seismic. The Company is currently interpreting the processed seismic data. The total cost to record and process the two seismic programs was $6 million.

Drilling is expected to commence in late 2013, or early 2014, following interpretation of the seismic programs. A second 3D 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 Exploration Concession drilling programs are currently projected at $5 million for 2013.

El Valle

By continuing to re-interpret seismic data and integrating recent drilling results the Company 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 believes 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.

Other Areas

Future development of the Company's interests in the Cañadón Ramirez Exploitation Concession and the Laguna de Piedra Exploration Concession will depend on receiving certain required government approvals. The Company is currently awaiting the authorities in the Province of Chabut, Argentina to approve the assignments of interests to the Company of its interests in the Cañadón Ramirez Exploitation Concession. Once the approvals are received the Company may seek a ten year extension of the Cañadón Ramirez Exploitation Concession, which is set to expire in August 2016, from the provincial government.

The Company is currently in discussions with the local municipal governments and the government of the Province of Rio Negro, Argentina to receive the necessary environmental approvals to commence drilling operations on the Laguna de Piedra Exploration Concession. Once the environmental approvals are received Crown Point plans to drill one exploration well. The Company 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.

RELATED PARTY TRANSACTIONS

There were no transactions between the Company and related parties of the Company in either the December 31, 2012 period or the August 31, 2012 year.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off balance sheet arrangements.

SHARE CAPITAL

Issued and outstanding	Common Shares	Stock Options	Series B Warrants
August 31, 2012 and December 31, 2012	104,515,222	4,990,000	1,305,698
Granted January 31, 2013	–	2,775,000	–
April 24, 2013	104,515,222	7,765,000	1,305,698

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 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, other non-current assets and trade and other payables approximate their carrying amounts due to the short-term nature of these financial instruments. Financial instruments also include other non-current assets for which fair value is not materially different than the carrying amount.

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.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Significant estimates used by Crown Point are disclosed in Note 2(d) to the December 31, 2012 audited consolidated financial statements; significant accounting policies are disclosed in Note 3. Preparing financial statements in accordance with IFRS requires management to make certain judgments and estimates. Changes to these judgments and estimates could have a material effect on the Company's financial statements and financial position. There were no changes to Crown Point's critical accounting estimates during the December 31, 2012 period.

NEW ACCOUNTING STANDARDS AND PRONOUNCEMENTS

In May 2011, the International Accounting Standards Board (the "**IASB**") issued four new standards and two amendments. Five of these items related to consolidation, while the remaining one addresses fair value measurement. All of the new standards and amendments are effective for annual periods beginning on or after January 1, 2013 and are described below:

- IFRS 10, "Consolidated Financial Statements" replaces IAS 27 "Consolidated Separate Financial Statements". It introduces a new principle-based definition of control, applicable to all investees to determine the scope of consolidation. The standard provides the framework for consolidated financial statements and their preparation based on the principle of control.
- IFRS 11 "Joint Arrangements" replaces IAS 31, "Interests in Joint Ventures". IFRS 11 divides joint arrangements into two types, each having its own accounting model. A "joint operation" continues to be accounted for using proportionate consolidation, whereas a "joint venture" must be accounted for using equity accounting. This differs from IAS 31, where there was the choice to use

proportionate consolidation or equity accounting for joint ventures. A “joint operation” is defined as the joint operators having rights to the assets, and obligations for the liabilities, relating to the arrangement. In a “joint venture”, the joint ventures partners have rights to the net assets of the arrangement, typically through their investment in a separate joint venture entity.

- IFRS 12 “Disclosure of Interests in Other Entities” is a new standard, which combines all of the disclosure requirements for subsidiaries, associates and joint arrangements, as well as unconsolidated structured entities. IFRS 13 “Fair Value Measurement” is a new standard meant to clarify the definition of fair value, provide guidance on measuring fair value and improve disclosure requirements related to fair value measurement. IAS 28 “Investments in Associates and Joint Ventures” has been amended as a result of the issuance of IFRS 11 and the withdrawal of IAS 31. The amended standard sets out the requirements for the application of the equity method when accounting for interest in joint ventures, in addition to interests in associates. IAS 27 “Separate Financial Statements” has been amended to focus solely on accounting and disclosure requirements when an entity presents separate financial statements, due to the issuance of the new IFRS 10 which is specific to consolidated financial statements.
- IFRS 13 “Fair Value Measurement” is a new standard meant to clarify the definition of fair value, provide guidance on measuring fair value and improve disclosure requirements related to fair value measurement.
- IAS 28 “Investments in Associates and Joint Ventures” has been amended as a result of the issuance of IFRS 11 and the withdrawal of IAS 31. The amended standard sets out the requirements for the application of the equity method when accounting for interest in joint ventures, in addition to interests in associates.
- IAS 27 “Separate Financial Statements” has been amended to focus solely on accounting and disclosure requirements when an entity presents separate financial statements, due to the issuance of the new IFRS 10 which is specific to consolidated financial statements.

The Company is currently evaluating the impact of adopting all of the newly issued and amended standards and does not believe there would be any material impact at this time.

In November 2009, the IASB published IFRS 9, “Financial Instruments,” which covers the classification and measurement of financial assets as part of its project to replace IAS 39, “Financial Instruments: Recognition and Measurement.” In October 2010, the requirements for classifying and measuring financial liabilities were added to IFRS 9. Under this guidance, entities have the option to recognize financial liabilities at fair value through earnings. If this option is elected, entities would be required to reverse the portion of the fair value change due to a company’s own credit risk out of earnings and recognize the change in other comprehensive income. IFRS 9 is effective for the Company on January 1, 2015. Early adoption is permitted and the standard is required to be applied retrospectively. The Company is currently evaluating the impact of adopting IFRS 9.

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:

- 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;

- fluctuations in the price of oil and natural gas, interest and exchange rates;
- governmental regulation of the oil and gas industry, including environmental regulation;
- lack of diversification of the Corporation's interests;
- risks associated with foreign operations, including changes in energy policies or personnel administering them, nationalization, currency fluctuations, exchange and export controls and royalty and tax rates;
- the impact of work disruption and labour unrest on the Corporation'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 reserves estimates and reserves life;
- 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;
- the insufficiency of cash flow to fund operations;
- availability of sufficient financial resources to fund the Corporation'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;
- uncertainties inherent in estimating quantities of oil and natural gas reserves and cash flows to be derived therefrom;
- 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 of 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 recently completed December 31, 2012 period and the eight most recently completed financial quarters of the Company's fiscal years ended as at August 31, 2012 and 2011:

(unaudited) (CAD$)	Four months ended December 31 2012	Quarter ended			
		August 31 2012	May 31 2012	February 29 2012	November 30 2011
Working capital	14,846,843	17,736,716	26,409,900	34,318,352	22,006,302
Total revenues [1]	8,206,914	4,914,604	1,937,752	2,041,901	1,878,685
Funds flow from (used in) operations	2,572,120	303,339	(1,154,565)	108,010	42,936
Basic and diluted per share	(0.02)	(0.00)	(0.02)	0.01	(0.00)
Cash flow from (used in) operating activities	2,409,630	(256,500)	(422,164)	317,624	(202,219)
Net loss	(813,778)	(1,831,364)	(1,963,048)	(564,984)	(733,627)
Basic and diluted loss per share	(0.01)	(0.02)	(0.03)	(0.01)	(0.01)
Expenditures on property and equipment and E&E assets	5,556,006	9,217,440	6,556,149	65,428	2,148,731
Total assets	83,751,460	86,745,872	96,079,741	59,286,882	46,366,071

[1] Oil and natural gas revenue, before royalties and operating expense, excluding interest income.
[2] Certain figures have been reclassified to conform with current presentation.

- Net loss, funds flow used in operations and cash flow from operating activities increased in the May 31, 2012 quarter due primarily to $1,007,155 of transaction costs for the acquisition of Antrim Argentina. An additional $329,008 of transaction costs were incurred in the three months ended August 31, 2012).
- Expenditures on property and equipment and E&E assets in the December 31, 2012 period include $2.95 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 quarters ended August 31, 2012 and May 31, 2012 primarily relate to the El Valle drilling program.
- Increase in assets and long-term liabilities as at May 31, 2012 is due to the acquisition of Antrim Argentina.

(unaudited) (CAD$)	Quarter ended			
	August 31 2011 [2]	May 31 2011 [2]	February 28 2011 [2]	November 30 2010 [2]
Working capital (deficiency)	24,405,427	32,649,715	11,796,955	(455,627)
Total revenues [1]	1,476,765	345,490	982,130	1,034,974
Funds flow from (used in) operations	(1,574,940)	(331,227)	(5,872)	339,644
Basic and diluted per share	(0.01)	(0.03)	0.00	0.01
Cash flow from (used in) operating activities	(2,414,300)	140,120	32,277	(317,340)
Loss from continuing operations	(1,738,078)	(1,243,172)	(83,480)	(223,335)
Basic and diluted loss per share	(0.02)	(0.03)	(0.00)	(0.00)
Net loss	(1,294,423)	(1,242,356)	(68,582)	(220,126)
Basic and diluted loss per share	(0.02)	(0.03)	(0.00)	(0.00)
Expenditures on property and equipment and E&E assets	7,703,453	2,515,534	871,688	1,462,063
Total assets	51,411,935	48,631,465	25,255,424	13,569,783

[1] Oil and natural gas revenue, before royalties and operating expense, excluding interest income.
[2] Certain figures have been reclassified to conform with current presentation.

- Total revenues increased in the three months ended August 31, 2011 due to wells that came on production in the period and the sale of inventoried production from the previous quarter. Loss, funds flow used in operations and cash flow used in operating activities increased in the August 31, 2011 quarter due to increased operating costs resulting from Argentine work stoppages and strike action, increased travel and G&A.
- Total revenues were lower in the three months ended May 31, 2011 due to lower sales volumes due to Argentine work stoppages which resulted in production being stored in inventory rather than sold. Inventoried production was sold in June 2011.
- The increase in total assets and expenditures on property and equipment and E&E assets in the August 31, 2011 quarter relates 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; our belief that demand for oil and gas in Argentina will continue to increase and

that the government of Argentina will continue to allow commodity prices to rise in Argentina; our belief that the Company's asset base includes stable long life oil and gas production, low risk development upside and a portfolio of high working interest exploration lands with both conventional and non-conventional high impact plays; expectations regarding the impact that certain governmental actions and legal and regulatory changes may have on Crown Point and its operations, including our belief that the nationalization of YPF was a singular event that will be restricted to YPF and will not impact our operations or future activities in Argentina, our expectations regarding the adoption of the proposed New Gas Incentive program and the TDF Policy Change may have on us, and our belief regarding factors that may mitigate the negative impact of certain of such actions and changes; our intention to focus our efforts over the next twelve months principally on the Tierra del Fuego, Cerro de Los Leones and El Valle areas; our expectation that the Tierra del Fuego license extension and its terms will be ratified by the provincial legislature; our identification of additional drilling locations on the El Valle Exploitation Concession and our belief that a waterflood secondary recovery scheme may improve rates of production and result in higher ultimate recoveries of oil in place; our belief that we can meet our work commitments in a timely manner; our expectations regarding the exploration and production potential of our various assets; timing for bringing certain production on stream; expectations of future production and sales volumes; expectations of receiving higher prices for natural gas sales from the TDF area; expectations that future production from the TDF area will be eligible for Gas Plus pricing or the New Gas Incentive program; the Company's capital expenditure program including drilling and completion plans, seismic program plans, secondary recovery programs and the estimated timing for commencing and/or completing various components thereof; the Company's total budget and budget for each of its concessions; the timing for receiving permits; the sufficiency of existing working capital and cash flow to fund capital expenditures; expectations of obtaining future financing; management's expectation that no material changes in the domestic price of oil will be made by Argentine government authorities in the near term; our belief that our working capital is sufficient to meet current financial obligations in the upcoming year; details regarding the ability to draw on the loan from HSBC Argentina our proposed loan from a third party lender; and the expected effects of certain new accounting standards and amendments. 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 are 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: 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 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.