MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("MD&A") of consolidated financial results of Crown Point Ventures Ltd. ("Crown Point" or the "Company") is dated as of December 21, 2011 and should be read in conjunction with the audited consolidated financial statements and related notes for the year ended August 31, 2011. The financial data presented is in accordance with Canadian generally accepted accounting principles ("GAAP") in Canadian dollars, except where indicated otherwise.

Additional information relating to Crown Point, including Crown Point's Annual Information Form, is available on SEDAR at www.sedar.com.

DESCRIPTION OF COMPANY

Crown Point is an oil and gas exploration and development company which aims to be an opportunistic exploiter and aggregator of low to medium risk, high growth oil and gas opportunities in Argentina. Crown Point's main assets are the El Valle Exploitation Concession, the Cañadón Ramirez Exploitation Concession in the Golfo San Jorge basin, the Cerro De Los Leones Exploration Concession and the Laguna de Piedra Exploration Concessions in the Neuquén basin. The shares of Crown Point trade on the TSX Venture Exchange under the symbol CWV.

Non-GAAP MEASURES

This MD&A contains the term "funds flow used in operations" which should not be considered an alternative to, or more meaningful than, cash flow used in operating activities as determined in accordance with GAAP as an indicator of the Company's performance. Funds flow used in operations and funds flow used in operations per share (basic and diluted) do not have any standardized meaning prescribed by GAAP and may not be comparable with the calculation of similar measures used by other entities. Management uses funds flow used in operations to analyze operating performance and considers funds flow 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 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 used in operations to cash flow used in operating activities, which is the most directly comparable measure calculated in accordance with GAAP as follows:

Years ended August 31	**2011**	**2010**
Cash flow used in operating activities	$(529,050)	$(1,482,797)
Changes in non-cash working capital	$(1,117,187)	$(922,946)
Funds flow used in operations	$(1,646,237)	$(2,405,743)

This MD&A also contains other industry benchmarks and terms, such as net working capital position (calculated as current assets less current liabilities) and operating netbacks (calculated on a per unit basis as oil, gas and natural gas liquids revenues less royalties, transportation and operating costs), which are not recognized measures under GAAP. Management believes these measures are useful supplemental measures of, firstly, the total net position of current assets and liabilities the Company

has and, secondly, the Company's profitability relative to commodity prices. Readers are cautioned, however, that these measures should not be construed as alternatives to other terms such as current and long-term debt or net income as determined in accordance with GAAP as measures of performance. Crown Point's method of calculating these measures may differ from other companies, and accordingly, may not be comparable to similar measures used by other companies.

FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking information relating to future events and the Company's future performance. This forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. Although Crown Point believes that the expectations reflected in this forward-looking information are reasonable, 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. Please refer to our "Forward-Looking Information Advisory" at the end of this MD&A for further information.

BOE PRESENTATION

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 barrel of oil. Barrels of oil equivalent ("boe") may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet of gas ("mcf") to one barrel of oil ("bbl") (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.

OVERVIEW

Crown Point is a pure play exposure to Argentina, a country with improving fiscal environment, a government that desires to boost local production and fields with attractive netbacks and recycle ratios. Argentina also has the potential for ongoing or future structural changes that would increase the attractiveness of the country for oil and gas producers.

The Company is implementing a low risk development program at El Valle in the Golfo San Jorge Basin and is developing exploitation and exploration upside at Cerro De Los Leones, Laguna de Piedra and Cañadon Ramirez which should provide the company with a visible and well defined growth profile. Crown Point is an opportunistic exploiter and aggregator of low to medium risk, high growth oil and gas opportunities in Argentina. Crown Point plans to continue with its focus to develop and grow core business units in the Golfo San Jorge and Neuquén Basins.

Argentina has had price caps on petroleum and natural gas since 2002. These caps created an extended period of disinvestment in the domestic oil and gas business which has resulted in large decreases in Argentina's produced volumes of oil and natural gas. Recently the Federal government of Argentina, in response to declining production and reserves, introduced measures to induce capital spending on new developments in the oil and natural gas industry by the implementation of the Gas Plus and Oil Plus programs giving developers of new pools of natural gas access to market set commodity prices and for oil producers to get higher prices than the domestic market by exporting crude oil production. In addition, the domestic price of crude oil has seen a series of increases in the field prices over the past few years. At El Valle, the field price in late 2009 was USD$42/bbl, whereas currently the field price is USD$56/bbl. This gives a strong indication that the Argentine Federal government will continue this trend of increasing both field oil and natural gas prices.

The opportunity this creates is for a well financed aggregator to acquire high quality oil and gas assets at a significant discount to valuations elsewhere in Latin America and North America.

Crown Point's primary focus is on operated high working interest properties with an emphasis on oil maintaining a low to medium risk profile, with a drilling depth range between 1,000 metres to 2,500 metres. While continuing with the development of oil prospects, the Company is actively pursuing other gas focused opportunities to take advantage of higher prices obtainable through participation in the Gas Plus Program in Argentina.

Crown Point will continue to develop a strong Argentina based management and technical team. The Argentina team will be combining North American drilling, completion and production technologies and practices into our operations.

ARGENTINA

EL VALLE

Crown Point has a 50% working interest in the 15,000 acre El Valle exploitation concession located in the southern flank of the Golfo San Jorge Basin. Proven potential exists for secondary recovery programs such as water flood or horizontal drilling combined with workovers and recompletions on existing wells. Crown Point can propose joint operations to its partners in the concession, and if the partners decide not to participate it can fund 100% of the capital and obtain an 80% interest until the recovery of 300% of the costs of the program at which time the Company's interest reverts to 50%.

El Valle has three distinct productive sedimentary formations, which, in order of surface to deepest, are the Cañadon Seco, Caleta Olivia and Mina el Carmen. Each of these formations may contain multiple discrete hydrocarbon bearing zones. Typically, the Cañadon Seco oil produces medium grade oil (API gravity that ranges from 16 to 22°), while the Caleta Olivia and Mina el Carmen produce light oil (API gravity of approximately 30°). By continuing to re-interpret the seismic data and integrating the recent drilling results the Company has acquired a drilling inventory consisting of 12 development drilling and eight new exploration drilling targets in the El Valle field.

Crown Point has completed its six well drilling program on the El Valle Concession as part of its fiscal 2011 drilling program. All of the wells were completed as oil wells. Since it commenced drilling operations on the El Valle Concession, the Company has now drilled and completed 12 wells (11 oil wells and 1 natural gas well) with a 100% drilling and completion success rate.

CURRENT PRODUCTION

Management estimates that Crown Point's current production capacity is approximately 600 net barrels of oil per day ("bopd"). However, during October - December 2011 , Crown Point's production has experienced significant variances on a day to day basis and has generally been in the range of 400 to 600 net bopd, while averaging sales volumes during these months of approximately 450 net bopd. The difference between management's estimate of Crown Point's current production capacity and Crown Point's actual production and sales volumes during October – December, 2011 is attributable to several factors, including that a number of Crown Point's wells were either not on production for the entire period or experienced production curtailment due to certain new wells experiencing customary start-up production variances, certain wells being shut-in for routine maintenance and repairs and certain delays in production and sales associated with the late arrival of oil tankers and contractual limitations on sales volumes. The Company anticipates that a new daily oil shipping agreement will be in place by the end of January 2012. Management anticipates that field production and sales volumes will increase when this agreement is in place. In addition, management anticipates that field production volumes will increase when some minor workovers (which are scheduled to be completed by the end of January 2012 are completed. The El Valle Concession continues to experience production inefficiencies due to the lack of electrification and the resultant

inability to employ more efficient pumping systems such as progressive cavity pumps. A large number of the wells drilled by Crown Point, which have conventional insert bottom hole pumps, have low pump efficiencies and low rates of pumping production due to entrained natural gas in the oil. In calendar 2012, Crown Point plans to commence a program to electrify the field and install progressive cavity pumps on the majority of the wells on the El Valle Concession. Management anticipates that this program will result in further increases in Crown Point's field production volumes.

CALENDAR 2012 CAPITAL EXPENDITURE PROGRAM

Crown Point recently announced the ramp up of the Company's drilling plans across its four concessions covering 288,000 net acres in the Golfo San Jorge and Neuquén basins in Argentina. The Company anticipates using existing working capital (including the net proceeds of the financing that closed on December 15, 2011) and cash flow to fund the Company's capital expenditure program through the end of calendar 2012.

EL VALLE

In calendar 2012, Crown Point plans to drill up to 10 wells on the El Valle Concession, in which it has a 100% interest in capital and 80% in revenues. The first three to four wells in this program will be focused on the drilling of oil development wells with multiple-zones in the Cañadón Seco and Caleta Olivia formations. Capital costs for the El Valle Concession portion of the currently planned calendar 2012 drilling program are estimated to be US$15 million. Facility upgrades, including electrification, are planned for calendar 2012 at an estimated additional cost of US$2.5 million. The El

Valle Concession is in the central southern flank of the Golfo San Jorge Basin.

CAÑADÓN RAMIREZ

After completing the first three or four wells of the El Valle Concession during the calendar 2012 drilling program, the Company currently plans to move the drilling rig, currently being utilized for drilling on the El Valle Concession, to the 100% owned Cañadón Ramirez Concession, where the Company plans to drill two to three development wells. Depending on the results of the initial wells, following the 2012 winter season in Argentina, the Company may drill three to four additional wells on the Cañadón Ramirez Concession. The Company has current plans to drill up to six wells on the Cañadón Ramirez Concession in calendar 2012 at an estimated cost of approximately US$9 million.

Cañadón Ramirez is located on the northwest side of the Golfo San Jorge basin. The proposed wells are to be drilled on a 3-D seismically defined western extension of the Mata Magallanes Oeste field. A well bore drilled in 2008 confirmed the extension of the field. The Cañadón Ramirez Concession has access to existing infrastructure.

LAGUNA DE PIEDRA

Crown Point currently plans on drilling an exploration well on the Laguna de Piedra Concession, in which the Company has a 50% working interest, in the first half of calendar 2012. The primary targets on the Laguna de Piedra Concession are 3-D seismically defined targets focused on light oil objectives in the Punta Rosada and Quintuco sandstones. The Laguna De Piedra Concession is located in the south flank of the Neuquén basin. The Company estimates that the net capital expenditures to drill, complete and equip the well would be approximately US$1.25 million.

CERRO DE LOS LEONES

On the Cerro De Los Leones Concession located in the north Neuquén basin, in which the Company has a 50% working interest, Crown Point currently plans to commence the shooting of a planned 3-D and 2-D seismic program shortly after receiving the necessary environmental permits, which Crown Point expects to receive in the first calendar quarter of 2012. The seismic program is estimated to have a net cost to Crown Point of US$4.0 million. Following the completion of the interpretation and processing of the seismic data and depending on the results received, drilling on various high impact conventional plays and the unconventional Vaca Muerta shale play is expected to commence late in the second calendar quarter of 2012. Crown Point initially plans to commence a one to two well drilling program targeting the igneous intrusive rocks contained in the base of the Vaca Muerta formation on the western area of the Cerro De Los Leones Concession. Crown Point also intends to use these initial vertical wellbores to evaluate the unconventional Vaca Muerta shale play via perforation and fracture stimulation operations.

The Company then intends to drill an additional one to two wells targeting the Loncoche, Neuquén group, and Huitrin formation resource type plays located on the eastern area of the Cerro De Los Leones Concession.

After receiving the initial results from the wells expected to be drilled on the Cerro De Los Leones Concession, Crown Point may consider additional exploration and development programs in the area, including the possibility of drilling additional vertical and horizontal tests in the Vaca Muerta shale play if the Company successfully confirms key reservoir characteristics of the play. Net capital expenditures relating to the expected Cerro De Los Leones Concession drilling program are currently projected to be approximately US$6 million in calendar 2012; however, if the Company decides to pursue additional exploration and development programs in the area in calendar 2012 it will require additional capital expenditures.

RECENTLY ANNOUNCED REGULATORY CHANGES IN ARGENTINA FOR EXPORTERS OF HYDROCARBONS

The Government of Argentina recently announced changes to its oil and gas regulatory regime requiring oil, gas and mining exporters to repatriate all of their export revenue. The new regulations are intended to bring export revenue back into the Argentinean banking system, build reserves and allow greater control over foreign exchange rates. Management of Crown Point believes that these changes will not have a significant impact on Crown Point as the Company does not have existing arrangements or plans to export production. Crown Point's plans for the foreseeable future are to continue to re-invest all continued development back into Argentina. Further, management of Crown Point does not expect the regulatory regime changes will impact the ability of Crown Point's Argentinean subsidiary, Crown Point Oil & Gas S.A., to make dividend payments to Crown Point from after tax earnings.

CROWN POINT ANNOUNCES APPOINTMENT OF CARLOS OLIVIERI AS A DIRECTOR

Crown Point recently announced the appointment of Carlos Olivieri of Buenos Aires, Argentina as a director of the Company. Mr. Olivieri is the former Chief Financial Officer of YPF S.A., the largest energy company in Argentina. Mr. Olivieri has extensive experience as a director having served on the board of directors of Repsol YPF, Quilmes Industrial, Aerolineas Argentinas, TGS S.A. (a natural gas transportation company) and the Metlife Argentina Pension Fund. Mr. Olivieri holds a Chartered Public Accountant degree and postgraduate degrees in Corporate Financial Management from the University of Michigan, Columbia University and the Director's College at the University of Michigan. He is currently a Masters of Business Administration professor of Finance at Di Tella, Austral and Cema Universities.

CANADA, DISCONTINUED OPERATIONS

In August 2011, the Company completed the sale of all of its Canadian petroleum and natural gas properties for total cash proceeds of $427,500 (2010 - $707,560). As a result of the sale and disposal of the Company's Canadian cost center, the Company reclassified the property and equipment and asset retirement obligations associated with the Canadian property as at August 31, 2010 as separate assets and liabilities on the balance sheet.

FINANCING

In December 2011, the Company closed its short-form prospectus bought deal equity financing (the "Offering"). In total 13,774,900 common shares of the Company were sold pursuant to the Offering at a price of $0.95 per common share for aggregate gross proceeds of $13,086,155.

In March 2011 the Company closed a private placement equity financing and issued a total of 12,825,000 common shares of the Company pursuant to the offering at a price of $1.95 per common share for gross proceeds of $25,008,750.

During the year ended August 31, 2010 the Company issued 370,000 common shares for gross proceeds of $189,350 pursuant to the exercise of stock options.

During December 2010 the Company issued 9,167,917 common shares pursuant to a private placement bought deal financing at a price of $1.55 per share for gross proceeds of $14,210,271. Share issue costs of $1,189,438 were incurred as part of the financing.

In connection with the private placements issued during the 2011 year, the Company issued 203,311 warrants to the brokers and has included in $123,118 in share issue costs, included in share capital.

During the year ended August 31, 2010, the Company issued 5,187,500 common shares pursuant to the exercise of share purchase warrants at a price of $0.60 per share for gross proceeds of $3,112,498.

BUISNESS COMBINATION

On January 12, 2011, the Company completed the acquisition of CanAmericas (Argentina) Energy Ltd. ("CanAmericas"). The acquisition resulted in the Company issuing 258,065 common shares at $1.85 per share based on the market price of the Company's common shares at the date of closing and $50,000 in cash for 100% of the outstanding common shares of CanAmericas. The acquisition has been accounted for as a business combination whereby all of the assets acquired and liabilities assumed are recorded at fair value.

The Company purchased CanAmericas in order to gain access to a 100% exploitation concession at Cañadón Ramirez, and increase our interest at Laguna De Piedra to 50% from 25%. The acquisition provided access to high quality 3-D seismic in Cañadón Ramirez. The acquisition fits into the Company's corporate strategy of acquiring low to medium risk acquisitions in Argentina.

NET LOSS AND FUNDS FLOW USED IN OPERATIONS

Net loss for the year ended August 31, 2011 was $3,819,398 compared to a net loss of $1,595,261 for the year ended August 31, 2010. Basic and diluted loss per share was $0.09, compared to basic and diluted loss per share of $0.07 for the year ended August 31, 2011 and 2010, respectively.

Funds flow used in operations for the year ended August 31, 2011 was $529,050 compared to $1,482,797 for the year ended August 31, 2010. Basic and diluted funds flow used in operations was $0.01, compared to basic and diluted funds flow used in operations per share of $0.06 for the year ended August 31, 2011 and 2010, respectively.

Ongoing labour strikes had a negative impact on earnings and funds flow in 2011. The work stoppages in Santa Cruz in the months leading up to the Argentina federal election were of a longer than usual duration and more frequent. A lot of the labour activity was attributed to internal union strife relating to different factions within the unions. The strikes had an impact on the Company's recent drilling program by causing delays and periods of suspended activity both on the production side and the Company's drilling program. The impact was to reduce the level of production and revenue of Crown Point as the Company lost almost a month of production, in total.

SALES VOLUMES

For the year ended August 31, 2011 and 2010 average daily sales volumes were 202 and nil boe/d, respectively. Crown Point's Argentina light oil sales originate from the El Valle field in the Province of Santa Cruz. Sales volumes were negatively impacted by strikes and blockages in the latter half of the fiscal year. The strikes and blockages ended in July, 2011. Sales for the month of August 2011 were 14,099 barrels of oil (455 boe/d).

Prior to September 1, 2010 oil and gas sales from Argentina were included in property and equipment as the Company was in the development stage method of accounting. During the year ended August 31, 2010, Crown Point did not have any production in Argentina, and thus did not have any associated sales volumes.

Sales Volumes

Years ended August 31,	2011	2010
Argentina light oil (bbls)	73,696	-

REVENUES

Crude oil revenue for the year ended August 31, 2011 were $3,839,359 compared to $nil during the year ended August 31, 2010. The Company received an average oil price of $52.10 per barrel in 2011 compared to $nil per barrel for the year ended August 31, 2011.

During the year ended August 31, 2010, Crown Point did not have any production in Argentina, and thus did not have any associated revenues.

To date, Crown Point has not undertaken any hedging or other commodity price risk management contracts.

The increase in sales price from $48.24 for the month ended September 30, 2010 to $59.21 for the month ended August 31, 2011 is a result of Argentina increasing commodity prices closer to world levels.

ROYALTIES

Royalties for the year ended August 31, 2011 were $818,877 compared to $nil during the year ended August 31, 2010. During the year ended August 31, 2010, Crown Point did not have any production in Argentina, and thus did not pay any royalties.

Royalties as a % of Argentina Revenue

Years ended August 31,	**2011**	**2010**
Provincial	12.5%	-
Freehold and other	8.8%	-
Total	21.3%	-
Per BOE	$11.11	$ -

Royalties by Type Argentina

Years ended August 31,	**2011**	**2010**
Provincial	$479,742	-
Freehold and other	$339,135	-
Total	$818,877	-

OPERATING COSTS

Operating costs for the years ended August 31, 2011 and 2010 were $1,044,832 and $nil, respectively, or $14.18 and $nil, respectively, per boe. During the year ended August 31, 2010, Crown Point did not have any production in Argentina, and thus did not have any associated production expenses.

Operating Costs

Years ended August 31,	**2011**	**2010**
Production expenses	$ 1,044,832	$ -
Operating cost ($/boe)	$14.18	$ -

Argentina operating expenses for the year ended August 31, 2011 are composed of primarily a processing fee of $678,939 and hauling and related fees of $365,893 totaling $1,044,832 for the period. Operating costs per boe/d are high due to monthly contracted trucking costs that increased during the strike period in the last quarter.

OPERATING NETBACKS

During the year ended August 31, 2011, Crown Point's per unit netback for crude oil was 51% of gross revenues. During the year ended August 31, 2010, Crown Point did not have any production in Argentina, and thus no operating netback is disclosed.

Combined Field Operating Netback *(per boe)*

Years ended August 31,	**2011**	**2010**
Revenues	$52.10	-
Royalties	$(11.11)	-
Operating costs	$(14.18)	-
Field operating netback	$26.81	-

GENERAL AND ADMINISTRATIVE

General and administrative expenses during the year ended August 31, 2011 and 2010 were $2,230,172 and $1,269,278, respectively.

General and administrative costs for the year ended August 31, 2011 were 76% greater than in the year ended August 31, 2010, primarily due to salaries relating to increases in staff as a result of increased operations in Argentina, professional fees incurred in relation to, among other things, the preparation of reserve reports and public filings, the completion of quarterly reviews and insurance for the current drilling program.

STOCK-BASED COMPENSATION

The stock-based compensation expense is a non–cash amount, utilizing 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.

Effective March 1, 2011, the Company retrospectively changed its accounting policy for recognition of stock-based compensation to graded vesting to more appropriately align itself with policies applied by other comparable companies. Prior to March 1, 2011, the Company used the straight-line approach to recognize the fair value of the options granted (see “Changes in Accounting Policy”).

Stock-based compensation expense increased for the year ended August 31, 2011 to $1,478,359 (August 31, 2010 - $493,554) as a direct result of the grant of 1,355,000 stock options in 2011.

FINANCING FEES AND BANK CHARGES

Financing fees and bank charges result primarily from bank stamp taxes charged in Argentina on cash advances. The increase in expenses is a direct result of increased investing to Argentina, and the fees applied to monies transferred.

Financing fees and bank charges

Years ended August 31,	2011	2010
Financing fees and bank charges	$ 408,014	$ 164,809

FOREIGN EXCHANGE LOSS

As a result of foreign exchange transactions the foreign exchange loss was $70,744 in 2011 (August 31, 2010 – $115,888). The loss on exchanges occurs as a result of currency fluctuations between the Canadian Dollar, United States Dollar and the Argentina Peso due to translation of working capital items (excluding cash balances).

DEPLETION, DEPRECIATION AND ACCRETION

Depletion, depreciation and accretion expense for the years ended August 31, 2011 and 2010 totaled $2,185,745 and $53,785 respectively.

Depletion, Depreciation and Accretion Costs

Years ended August 31,	**2011**	**2010**
Depletion	$ 2,113,770	-
Depreciation	54,528	$ 53,785
Accretion	17,447	-
Total	$ 2,185,745	$ 53,785
Per BOE	$29.65	-

At August 31, 2011, unproved costs of $10.2 million, including $5.3 million of undeveloped properties and $4.9 million of value added tax ("VAT"), have been excluded from the Argentina cost centre full cost pool for the depletion calculation. Future development costs of proved reserves of $4.5 million (2010 - $nil) have been included in the depletion calculation. All costs in 2010 were excluded from depletion as the Argentinean cost centre was in a development stage and did not have any proven reserves attributable to it.

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. Increased accretion costs reflect the higher future retirement liabilities expected to be incurred from the incremental wells added through drilling activities and asset acquisitions.

CEILING TEST

The Company calculates a ceiling test quarterly and annually whereby the carrying amount of petroleum and natural gas properties is compared to estimated future cash flows from the production of proved reserves. In 2010, the ceiling test was performed in accordance with the requirements of the CICA AcG-16 "Oil and Gas Accounting – Full Cost".

At August 31, 2011, the Company calculated the ceiling test using weighted average prices of USD $68.45 for Argentina properties. The future prices used in the ceiling test calculation are based on a benchmark commodity price forecast provided by the Company's independent reserve evaluators.

At August 31, 2011 there were $5,281,229 of undeveloped costs excluded from the calculation.

In the year ended August 31, 2011, the Company performed a ceiling test in its property and equipment and an impairment charge of $nil (August 31, 2010 - $180,876) was recorded**.**

DISCONTINUED OPERATIONS

During the year ended August 31, 2011 the Company sold Canadian oil and gas properties for total proceeds of $427,500 resulting in a gain of $ 446,213.

During the year ended August 31, 2010 the Company sold Canadian oil and gas properties for total proceeds of $707,560 resulting in a gain of $587,879.

LIQUIDITY

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company manages its liquidity risk through management of its capital structure and annual budgeting of its revenues, expenditures and cash flows. As of August 31, 2011 the Company has working capital (deficiency) of $24,405,427 (2010 - ($186,069)) which given planned capital expenditures, administrative overhead requirements and commitments, is sufficient to meet all current financial obligations in the upcoming year.

Available cash has been, and is currently, 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 Company closed a short-form prospectus bought deal equity financing on December 15, 2011 and issued a total of 13,774,900 common shares of the Company pursuant to the offering at a price of $0.95 per common share for gross proceeds of $13,086,155.

The Company is committed to raising the necessary funds required for operations and property, and equipment through equity financing, joint venture agreements, and loans. When these properties become economic and productive, the cash flow generated will assist in funding the Company's future activities.

COMMITMENTS

At August 31, 2011 the Company is committed to future payments for office space and a proportionate share of the operating costs in the amount of $53,347 (2011 - $17,749, 2012- $35,598).

As of August 31, 2011 the Company had no outstanding material work commitments in any areas of its operations as all of its significant obligations are discretionary. However, the Company does have a US$6.75 million working commitment over a three year period with respect to the Cerro De Los Leones Concession which will commence, following the receipt by the Company of the necessary environmental permits, in its planned 3-D and 2-D seismic program. If the Company fails to make the necessary expenditures during such period, it will surrender all of the land.

The Company is also waiting on environmental permits on the Laguna de Piedra and Cañadón Ramirez concessions. If and when these permits are received, the Company would be committed to spending US$0.8 million and US$1.5 million over the following 12 months from the date of receipt on the concessions, respectively.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off balance sheet arrangements.

RELATED PARTY TRANSACTIONS

The Company paid or accrued $nil (2010 - $32,000) for management fees and $nil (2010 - $3,200) for office rent to a company controlled by the Company's chairman.

The above transaction is measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

SHARE CAPITAL

At August 31, 2011 there were 54,674,907 common shares, 3,365,000 options, 203,311 warrants, 396 Finders Options, 1,879,316 Series A Warrants, and 1,002,365 Series B Warrants outstanding.

At December 21, 2011 there were 68,464,808 common shares, 3,515,000 options, 203,311 warrants, 396 Finders Options, 1,864,316 Series A Warrants, and 1,071,365 Series B Warrants outstanding.

Pursuant to a private placement which closed in several tranches in May and June 2010, the Company granted finder's options (the "**Finder's Options**") to certain parties who assisted the Company in locating subscribers for such private placement. Each Finder's Option entitles the holder to purchase one finder's unit (a "**Finder's Unit**") at a price of $0.75 per Finder's Unit for a period of two years from the closing date of the private placement. Each Finder's Unit consists of one Common Share and one-half of a Series A Warrant.

On May 5, 2010, Crown Point issued 4,289,334 units of the Company (the "**Units**") pursuant to a non-brokered private placement at a price of $0.75 per Unit for aggregate gross proceeds of approximately $3.2 million. Each Unit consisted of one Common Share and one-half of one Common Share purchase warrant (each whole warrant, a "**Series A Warrant**"). Each Series A Warrant is exercisable for one Common Share and one additional Common Share purchase warrant (each whole warrant, a "**Series B Warrant**") at an exercise price of $1.00 per Series A Warrant until two years from the date of issue (subject to acceleration in certain circumstances).

On June 1, 2010, Crown Point closed the second tranche of the private placement, issuing 1,567,516 Units for aggregate gross proceeds of approximately $1.2 million.

The Company has a Stock Option Plan (the "Plan") whereby options to purchase Common Shares may be granted by the Board of Directors to directors, officers, and employees of, and consultants to, the Company. The Plan has reserved for issuance a number of Common Shares equal to ten percent of the aggregate number of Common Shares issued and outstanding from time to time.

In the year ended August 31, 2011, a total of 370,000 options were exercised, 1,355,000 options were granted, and 60,000 options were forfeited. As at August 31, 2011, 3,365,000 options were issued and outstanding at a weighted-average exercise price of $1.32.

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 such future time.

FOURTH QUARTER PERFORMANCE

Net loss for the quarter ended August 31, 2011 was $1,537,544 compared to a net loss of $682,786 for the quarter ended August 31, 2010. Basic and diluted loss per share was $0.03, compared to basic and diluted loss per share of $0.03 for the quarters ended August 31, 2011 and 2010, respectively.

Funds flow used in operations for the quarter ended August 31, 2011 was $715,200 compared to $477,766 for the quarter ended August 31, 2010. Basic and diluted funds flow used in operations was $0.02, compared to basic and diluted funds flow used in operations per share of $0.02 for the quarters ended August 31, 2011 and 2010, respectively.

Ongoing labour strikes had a negative impact on earnings and funds flow in 2011. The work stoppages in Santa Cruz in the months leading up to the Argentina federal elections were of a longer than usual duration and more frequent. A lot of the labour activity was attributed to internal union strife relating to different factions within the unions. The strikes had an impact on the Company's recent drilling program by causing delays and periods of suspended activity both on the production side and

the Company's drilling program. The impact was to reduce the level of production and revenue of Crown Point as the Company lost almost a month of production, in total.

SALES VOLUMES

For the fourth quarters of 2011 and 2010 average daily sales volumes were 235 and nil boe/d respectively. During the quarter ended August 31, 2010, Crown Point did not have any production in Argentina, and thus did not have any associated sales volumes. Sales for the month of August 2011 were 14,099 barrels of oil (455 boe/d).

Sales Volumes

Three months ended August 31,	2011	2010
Argentina light oil (bbls)	21,650	-

REVENUES

Crude oil revenue for the three months ended August 31, 2011 were $1,231,147 compared to $nil during the quarter ended August 31, 2010. The Company received an average oil price of $56.86 per barrel in the fourth quarter of 2011. During the quarter ended August 31, 2010, Crown Point did not have any production in Argentina, and thus did not have any associated revenues.

The average price received in Argentina for the month of August, 2011 was $59.21.

To date, Crown Point has not undertaken any hedging or other commodity price risk management contracts.

The increase in sales price from $50.52 from the third quarter of 2011 to $59.21 for the month ended August 31, 2011 is a result of Argentina increasing commodity prices closer to world levels.

ROYALTIES

Royalties for the three months ended August 31, 2011 were $231,060 compared to $nil during the three months ended August 31, 2010. During the quarter ended August 31, 2010, Crown Point did not have any production in Argentina, and thus did not pay any royalties.

Royalties as a % of Argentina Revenue

Three months ended August 31,	2011	2010
Provincial	11.1%	-
Freehold and other	7.7%	-
Total	18.8%	-
Per BOE	$10.67	$ -

Royalties by Type Argentina

Three months ended August 31,	2011	2010
Provincial	$137,125	-
Freehold and other	$93,935	-
Total	$231,060	-

OPERATING COSTS

Operating costs for the three months ended August 31, 2011 and 2010 were $341,856 and $nil, respectively, or $15.79 per boe and $nil, respectively, per boe. During the quarter ended August 31, 2010, Crown Point did not have any production in Argentina, and thus did not have any associated production expenses.

Operating Costs

Three months ended August 31,	2011	2010
Argentina		
Production expenses	$ 341,856	$ -
Operating cost ($/boe)	$15.79	-

Argentina operating expenses for the quarter ended August 31, 2011 are composed of primarily a processing fee of $239,763 and hauling and related fees of $102,093 totaling $341,856 for the period. Operating costs per boe are high due to monthly contracted trucking costs that increased during the strike period in the quarter.

OPERATING NETBACKS

During the three months ended August 31, 2011, Crown Point's per unit netback for crude oil was 100% of gross revenues. During the quarter ended August 31, 2010, Crown Point did not have any production in Argentina, and thus no operating netback is disclosed.

Combined Field Operating Netback *(per boe)*

Three months ended August 31,	2011	2010
Revenues	$56.86	-
Royalties	$(10.67)	-
Operating costs	$(15.79)	-
Field operating netback	$24.07	-

GENERAL AND ADMINISTRATIVE

General and administrative expenses for the three months ended August 31, 2011 and 2010 were $970,028 and $414,193, respectively.

General and administrative costs for the quarter ended August 31, 2011 were 134% greater than in the three months ended August 31, 2010, primarily due to salaries relating to increases in staff as a result of increased operations in Argentina, professional fees incurred in relation to, among other things, the preparation of reserve reports and public filings, the completion of quarterly reviews and insurance for the current drilling program.

STOCK-BASED COMPENSATION

Effective March 1, 2011, the Company retrospectively changed its accounting policy for recognition of stock-based compensation to graded vesting to more appropriately align itself with policies applied by other comparable companies. Prior to March 1, 2011, the Company used the straight-line approach to recognize the fair value of the options granted (see “Change in Accounting Policy”).

Stock-based compensation

Three months ended August 31,	2011	2010
Stock-based compensation	$ 293,731	$ 388,459

FINANCING FEES AND BANK CHARGES

Financing fees and bank charges result primarily from bank stamp taxes charged in Argentina on cash advances. The increase in expenses is a direct result of increased investing to Argentina, and the fees applied to monies transferred.

Financing fees and bank charges

Three months ended August 31,	2011	2010
Financing fees and bank charges	$ 258,838	$ 101,165

DEPLETION, DEPRECIATION AND ACCRETION

Depletion, depreciation and accretion expense for the three months ended August 31, 2011 and 2010 totaled $701,256 and 20,457 respectively.

Depletion, Depreciation and Accretion Costs

Three months ended August 31,	2011	2010
Depletion	$696,487	-
Depreciation	$23,107	$20,457
Accretion	$6,016	-
Total	$725,610	$20,457
Per BOE	$33.51	-

At August 31, 2011, unproved costs of $10.2 million, including $5.3 million of undeveloped properties and $4.9 million of value added tax (“VAT”), have been excluded from the Argentina cost centre full cost pool for the depletion calculation. Future development costs of proved reserves of $4.5 million (2010 - $nil) have been included in the depletion calculation. All costs in 2010 were excluded from depletion as the Argentinean cost centre was in a development stage and did not have any proven reserves attributable to it.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The fair values of the Company’s cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities approximate their carrying amounts due to the short-term nature of these financial instruments.

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.

ADOPTION OF NEW ACCOUNTING POLICIES

On September 1, 2010 Crown Point early adopted CICA Handbook Section 1582, Business combinations. Pursuant to this Standard, assets and liabilities acquired in a business combination, contingent consideration and certain acquired contingencies are measured at their fair market values as at the date of acquisition. Costs incurred in such transactions are expensed.

On September 1, 2010 Crown Point early adopted Sections 1601, Consolidated Financial Statements, and 1602, Non-controlling Interests. Section 1601 provides guidance for the preparation of consolidated financial statements. The adoption of Section 1601 had no impact on the Company's consolidated financial statements. Section 1602 provides guidance on accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. The Company does not have a non-controlling interest in a subsidiary in consolidated financial statements and therefore the adoption of Section 1602 had no effect on the Company's consolidated financial statements.

CHANGE IN ACCOUNTING POLICY

Effective March 1, 2011 the Company retrospectively changed its accounting policy for recognition of stock-based compensation to more appropriately align itself with policies applied by other comparable companies. Prior to March 1, 2011 the Company used the straight-line approach to recognize the fair value of the options granted.

The Company now recognizes the fair value of options based on the graded-vesting method. The impact of this change on the previously reported August 31, 2010 consolidated financial statements is as follows:

	Previously reported	Adjustment	Restated
Consolidated balance sheet:			
Deficit	$ (15,950,556)	$ (44,443)	$(15,994,999)
Contributed surplus at August 31, 2010	1,476,163	44,443	1,520,606
Consolidated statement of operations:			
Stock-based compensation	$ 449,111	$ 44,443	$ 493,554

There was no change to earnings per share as a result of the change in accounting policy.

INTERNATIONAL FINANCIAL REPORTING STANDARDS

In February 2008, the CICA Accounting Standards Board ("AcSB") confirmed that IFRS will become Canadian GAAP effective January 1, 2011 for profit-oriented Canadian publicly accountable enterprises. The adoption of IFRS requires the restatement, for comparative purposes, of amounts reported by Crown Point for the year ended August 31, 2011, including the opening balance sheet as at September 1, 2010.

Crown Point commenced its IFRS convergence project in 2010 and is currently executing a specific convergence plan which includes assessing and quantifying anticipated impacts, determining appropriate changes to accounting policies and disclosures, identifying and implementing associated changes to processes and information systems, updating and ensuring compliance with internal controls and educating staff and other stakeholders.

Management has identified key areas of impact related to the conversion to IFRS, the most significant of which is property and equipment ("PP&E"), the differences for which are as follows:

- First time adoption exemption – IFRS 1, First-time Adoption of International Financial Reporting Standards, generally requires first-time adopters to retrospectively apply IFRS. However, the standard does provide certain optional exemptions from the retrospective application of IFRS, including the full cost exemption that allows full cost oil and gas companies to elect, at the date of transition to IFRS, to measure exploration and evaluation ("E&E") assets at the amount determined under Canadian GAAP. The Company will use this exemption.
- Re-classification of E&E expenditures from PP&E on the consolidated balance sheet – under IFRS, E&E expenditures are those that are incurred after the right to explore is obtained and before technical feasibility and commercial viability is demonstrable. E&E expenditures are capitalized and classified separately on the balance sheet. Under Canadian GAAP E&E assets are excluded from the depletion calculation and are assessed for impairment on an annual basis. Under IFRS, E&E assets will not be depleted and must be assessed for impairment when indicators suggest the possibility of impairment. When an area or project is determined to be technically feasible and commercially viable, it enters the development and production phase and the associated E&E costs will be transferred to PP&E. Unrecoverable E&E costs associated with an area or project will be expensed.
- Impairment of PP&E assets – Under IFRS, impairment tests of PP&E must be performed at the cash generating unit (CGU) level as opposed to under Canadian GAAP where the entire PP&E balance attributed to the country cost center is subject to the full cost ceiling test. Impairment calculations will be performed at the CGU level based on discounted cash flows using either total proven or proven plus probable reserves. Impairments recognized under Canadian GAAP are not reversed, however under IFRS impairment can be reversed in future periods if there are indicators of reversal.
- Calculation of depletion expense for PP&E – Under IFRS, the Company has the option to use either proved reserves or proved plus probable reserves in the depletion calculation. The Company anticipates that it will use proved plus probable reserves in determining depletion expense.
- Asset retirement obligation ("ARO") – The primary difference between current Canadian GAAP and IFRS is the discount rate used to measure ARO. Under current Canadian GAAP, a credit adjusted risk free rate is used, whereas IFRS allows the use of a risk free rate when the estimated cash flows are risked. The Company has made a preliminary decision to use a risk free interest rate. Under Canadian GAAP, existing liabilities are not re-measured using current discount rates, whereas under IFRS ARO is re-measured at each reporting date using the best estimate of expenditure to be incurred and current discount rates.

Other key differences identified by the Company that may impact the financial statements include stock-based compensation and foreign currency translation. With respect to stock-based compensation, the Company must estimate a forfeiture rate at grant date as opposed to recognizing the impact of forfeitures when they occur. At this time the Company does not anticipate the impact of the stock-based compensation differences, on transition, to be material.

The Company's foreign currency translation methods and the functional currency of the Company's foreign operations must be re-evaluated. Under IFRS, the functional currency emphasizes the currency that determines the pricing of the transactions that are undertaken, rather than focusing on the currency in which those transactions are denominated. At this time the Company anticipates that its Argentina subsidiaries will have a functional currency change. Converting the subsidiaries' financial statements into the Company's presentation currency (Canadian dollars) will result in a cumulative translation difference. The Company will elect to utilize the first time adoption exemption available in IFRS 1 and thus set the cumulative translation difference to zero at the transition balance sheet date with the difference recorded directly to retained earnings.

Any changes in accounting policies required to address reporting and first-time adoption of IFRS will be made in consideration of the integrity of internal control over financial reporting and disclosure controls and procedures. However, the Company does not expect that any material changes in control procedures will be required as a result of the transition to IFRS.

At this time, the impact on the Company's financial position and results of operations for the accounting policy differences previously identified are not finalized. The Company anticipates completing assessing accounting policy alternatives, finalizing the opening and interim 2011 results under IFRS and making any necessary system changes in the first quarter of 2012.

CRITICAL ACCOUNTING ESTIMATES

The significant accounting policies used by the Company are disclosed in note 2 to the Company's annual audited financial statements. Certain accounting policies require that management make appropriate decisions with respect to the formulation of estimates and assumptions that affect the reported amounts of assets, liabilities and expense. Estimating reserves is also critical to several accounting estimates and requires judgments and decisions based upon available geological, geophysical, engineering and economic data. Reserves affect net income through depletion, site restoration and abandonment estimates and the ceiling test calculation. Estimating reserves is very complex, requiring many judgments based on available geological, geophysical, engineering and economic data. Changes in these judgments could have a material impact on the estimated reserves. These estimates may change, having either a negative or positive effect on net earnings as further information becomes available, and as the economic environment changes. Changes in these judgments and estimates could have a material impact on the financial results and financial condition of the Company.

In following the asset and liability method of accounting for income taxes, related assets and liabilities are recognized for the estimated tax consequences between amounts included in the financial statements and their tax base, using substantively enacted future income tax rates. Timing of future revenue streams and future capital spending changes can affect the timing of any temporary differences, and accordingly affect the amount of the future income tax liability calculated at a point in time. These differences could materially impact earnings.

The Black-Scholes option valuation model was developed for use in estimating the fair value of options, which were fully tradable with no vesting restrictions. This option valuation model requires the input of assumptions including the expected stock price volatility.

Because the Company's stock options have characteristics significantly different from those of traded options and because changes in the input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

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 the various types of business risks and uncertainties including:

-Finding and developing oil and natural gas reserves at economic costs;

-Production of oil and natural gas in commercial quantities; and

-Marketability of oil and natural gas produced.

In order to reduce exploration risk, the Company strives to employ highly qualified and motivated professional employees with a demonstrated ability to generate quality proprietary geological and geophysical prospects. To help maximize drilling success, Crown Point combines exploration in areas that afford multi-zone prospect potential, targeting a range of low to moderate risk prospects with some exposure to select high-risk plays with high-reward opportunities. Crown Point also explores in areas where the Company's officers and employees have significant drilling experience.

The Company mitigates its risk related to producing hydrocarbons through the utilization of the most appropriate technology and information systems. In addition, Crown Point seeks operational control of its projects, where feasible. Oil and gas exploration and production can involve environmental risks such as pollution of the environment and destruction of natural habitat, as well as safety risks such as personal injury. In order to mitigate such risks, Crown Point conducts its operations at high standards and follows safety procedures intended to reduce the potential for personal injury to employees, contractors and the public at large.

The Company maintains current insurance coverage for general and comprehensive liability as well as limited pollution liability. The amount and terms of this insurance are reviewed on an ongoing basis and adjusted as necessary to reflect changing corporate requirements, as well as industry standards and government regulations. Crown Point may periodically use financial or physical delivery hedges to reduce its exposure against the potential adverse impact of commodity price volatility, as governed by formal policies approved by senior management, subject to controls established by the Board of Directors.

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 eight most recently completed financial quarters ending at the fourth quarter of 2011:

Quarter ended (unaudited) (CAD$)	November 30, 2010	February 28, 2011	May 31, 2011	August 31, 2011
Gross revenues[1]	1,066,206	960,021	336,367	1,476,765
Funds from (used in) operations	359,593	33,885	(296,154)	(626,374)
Basic and diluted per share	0.02	0.01	(0.01)	(0.01)
Cash flow from (used in) operating activities	(219,783)	(2,382,434)	4,328	951,652
Loss from continuing operations	367,872	668,847	1,469,286	1,775,971
Basic and diluted per share	0.01	0.02	0.03	0.04
Net loss	475,974	386,251	1,341,997	1,615,176
Basic and diluted per share	0.02	0.01	0.03	0.04
Expenditures on property and equipment	1,442,078	1,408,311	2,293,954	8,117,738
Total assets	16,052,223	28,359,854	52,281,965	54,838,262
Long-term financial liabilities (ARO)	195,331	192,456	261,497	248,310

1 Oil and natural gas sales, before royalties and operating expense, excluding interest income.

Quarter ended (unaudited) (CAD$)	November 30, 2009 (restated)[2]	February 28, 2010 (restated)[2]	May 31, 2010 (restated)[2]	August 31, 2010 (restated)[2]
Gross revenues[1]	-	-	-	-
Funds flow used in operations	305,167	410,492	289,372	477,766
Basic and diluted, per share	0.01	0.02	0.01	0.03
Cash flow from (used in) operating activities	(253,176)	(1,651,601)	230,496	(731,462)
Loss from continuing operations	505,847	514,337	296,148	713,804
Basic and diluted per share	0.02	0.02	0.01	0.03
Net loss	483,340	111,624	294,596	705,701
Basic and diluted per share	0.02	0.00	0.01	0.06
Expenditures on property and equipment	3,178,978	403,408	19,843	2,252,509
Total assets	11,547,532	11,256,926	14,990,708	16,346,287
Long-term financial liabilities (ARO)	44,778	16,533	17,018	190,248

1 Oil and natural gas sales, before royalties and operating expense, excluding interest income.
2 Restated for change in accounting policy to graded vesting for stock-based compensation.

SELECTED CONSOLIDATED ANNUAL INFORMATION

(CAD$)	Year Ended August 31, 2011	Year Ended August 31, 2010 (restated)[2]	Year Ended August 31, 2009
Gross revenues[1]	3,839,359	-	76,273
Funds flow from (used in) operations	(529,050)	(1,482,797)	(2,251,959)
Basic and fully diluted per share	(0.01)	(0.06)	(0.12)
Cash flow provided by (used in) operating activities	(1,646,237)	(2,405,743)	(1,358,272)
Income (loss) from continuing operations	(4,281,976)	(2,030,136)	1,432,811
Basic and diluted per share	(0.10)	(0.09)	0.08
Net income (loss)	(3,819,398)	(1,595,261)	1,432,811
Basic and diluted per share	(0.09)	(0.07)	0.08
Expenditures on property and equipment	13,262,081	5,854,738	4,972,482
Proceeds from sale of property and equipment	427,500	707,560	6,427,220
Total assets	54,838,262	16,346,287	8,909,010
Long-term financial liabilities (ARO)	248,310	190,248	44,293

1 Oil and natural gas sales, before royalties and operating expense, excluding interest income.
2 Restated for change in accounting policy to graded vesting for stock-based compensation.

FORWARD-LOOKING INFORMATION ADVISORY

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", 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: timing for bringing production on stream, timing for entering into a new oil shipping agreement, expectations of production and sales volumes increases, timing for completing workovers, plans to improve production and other field infrastructure, expectations of improved productive capacity and operational efficiencies, expectations of achieving commercial production from certain fields, the Company's capital expenditure program including drilling and completion plans, the timing for receiving permits, the sufficiency of existing working capital, cash flow and the net proceeds of the Offering to fund capital expenditures and the Company's anticipated acquisition program. 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.

Some of the risks and other factors which could cause actual results to differ materially from those expressed in the forward-looking information contained in this MD&A include, but are not limited to:

- 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;
- 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;
- governmental regulation of the oil and gas industry, including environmental regulation;
- 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;
- 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;
- 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 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;
- the availability of capital on acceptable terms; and
- the other factors described under "Business Risks and Uncertainties" in this MD&A and under "Risk Factors" in our 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.