



FOR IMMEDIATE RELEASE  
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CWV:TSX.V

## **Crown Point Warns Shareholders of Continued Mischaracterizations by Dissident, Reiterates Growth Agenda and Discloses Positive Preliminary January Production**

- *Vote the **WHITE** proxy **FOR** the Second Tranche and **AGAINST** LAIG's dissident nominees.*
- *Don't let LAIG take control of Crown Point's Board with its empty and questionable promises.*

**TSX-V: CWV: Crown Point Energy Inc.** ("Crown Point" or the "Company") today commented on the diminishing credibility of dissident shareholder LAIG Oil Investments ("LAIG"). The Company also reiterated its transformative agenda for growth with the support of its highly respected and influential Argentine investor group (the "Strategic Investors"). The Strategic Investors have a significant ownership stake in the Company and a vested interest in ensuring the success of Crown Point. This success will benefit all shareholders. Already, Crown Point is showing positive production results as highlighted below.

"Our Strategic Investors, as significant shareholders, are keenly focused on transforming Crown Point into a profitable and significant player in the Argentine oil and gas sector," said Gordon Kettleon, Chairman of Crown Point. "They have aligned their interests with those of all shareholders by providing significant and much-needed capital to Crown Point and by placing two experienced representatives on Crown Point's Board."

"Unlike LAIG, which is not an Argentine company and whose principals are not Argentine, our Strategic Investors have strong reputations in Argentina, extensive experience in Argentina's energy and banking industries, and deep relationships with the local Argentine business community. Unlike LAIG, our Strategic Investors can open doors for Crown Point and deliver access to new and transforming growth opportunities such as acquisitions and farm-ins on strategic assets."

### **LAIG CONTINUES TO MISLEAD AND NOW BACKTRACKS AND BACKDATES HISPANIA**

LAIG has claimed that it will leverage its relationship with Hispania Petroleum S.A. ("Hispania") to the benefit of Crown Point. Only after Crown Point exposed to shareholders that Hispania sold off its sole Argentine concession, did LAIG withdraw a claim that Hispania currently has oil and gas operations in Argentina. This backtrack was released in LAIG's most recent news release, dated February 10, 2015 and comes days after Crown Point made the clarification. This is significant to the proxy contest because Hispania's Argentine capability is a central tenet of LAIG's dissident campaign.

Shareholders should also know that LAIG's backtracking goes beyond the two-paragraph reference at the bottom of LAIG's February 10, 2015 news release. Crown Point cautions shareholders that LAIG's disclosure on Hispania cannot be trusted. It has rewritten and backdated a six-page Hispania "Group Summary" document posted to LAIG's dissident website. The backdated document no longer claims, among other things, that Hispania currently has 9.5 million barrels of proved, probable and possible reserves in Argentina.

**We ask LAIG to answer the following questions for shareholders,**

- **Why won't LAIG explain how it could be unaware of Hispania's Argentine sell-off and focus on Russian and the USA while simultaneously claiming that LAIG has a**

relationship with Hispania so strong that LAIG can leverage it for Crown Point's benefit?

- **Why does LAIG not explain why its dissident circular misinformed shareholders with regard to Hispania? Was it on purpose to mislead shareholders?**
- **Why does LAIG not explain the reason its dissident website as of February 11, 2015 continues to state, even after backtracking and backdating, that "Hispania is an independent oil and gas company with three producing oil concessions in Argentina and Russia?"**
- **Why did LAIG feel the need to backdate their online disclosure on Hispania? Was it to hide the fact that the original document needed fixing?**

#### **LAIG'S LATEST CRITICISMS OF CROWN POINT AND THE STRATEGIC INVESTORS ARE UNFOUNDED**

In LAIG's February 10, 2015 news release LAIG largely reiterates old and unreasonable criticisms of Crown Point and the Strategic Investors that Crown Point has already dealt with. However, LAIG also makes a new unfounded governance claim that the Strategic Investors will have "full control" of Crown Point. **This unfounded governance claim only diminishes LAIG's credibility further.**

LAIG fails to mention that Crown Point's financing agreement has a clause that ensures that as long as the Strategic Investors are entitled to have a representative on the Board, **the Board will be comprised of at least a majority of directors who are independent of management and the Strategic Investors.**

This clause is consistent with best corporate governance practices. **Management negotiated this clause in order to protect shareholders other than management and the Strategic Investors.**

LAIG also attempts to create unwarranted concerns by suggesting that there are undisclosed arrangements in a so-called "Area of Mutual Interest Agreement" between the Strategic Investors and Crown Point. Crown Point advises shareholders that there is in fact no Area of Mutual Interest Agreement.

Crown Point believes LAIG is misleading shareholders on these matters in order to disrupt approval of the Second Tranche.

#### **THE SUPERIOR QUALIFICATIONS OF CROWN POINT'S BOARD**

Crown Point's Board, now reinforced by two representatives of the Strategic Investors, is far better qualified than the dissident nominees proposed by LAIG. Compare the stark differences,

- Crown Point's Board collectively has 136 years of board service for publicly traded companies in Canada, compared with nil for the dissident nominees.
- Globally, Crown Point's Board has approximately 150 years of board service for publicly traded companies, compared with approximately one year for the dissident nominees.
- Moreover, the vast majority of the publicly traded company board experience of Crown Point's incumbent directors is highly relevant because it involves the oil and gas sector or Argentina or both. In contrast, the publicly traded company board experience of LAIG's dissident nominees primarily involves a real estate company in Brazil and a water company in Mexico, which is not relevant to Crown Point's business.



The two Crown Point Board members who are representatives of the Strategic Investors have the following deep and relevant experience:

**Mr. Pablo Peralta**

- Has more than 30 years of experience in Argentina's financial services, insurance and real estate sectors and has extensive experience financing oil and gas companies, including the largest oil and gas company in Argentina, YPF.
- Mr. Peralta is co-founder, Vice-President and a major shareholder of Banco de Servicios y Transacciones S.A. (where he was President from 2002 to 2014) and President and controlling shareholder of each of the companies in the Orígenes Insurance group, which is the largest private institutional investor in Argentina, with more than US\$8 billion under management. Since 2012 Banco de Servicios y Transacciones and Orígenes Insurance led or co-led 19 major Argentine energy company financings, including 16 denominated in Argentine Pesos for a total of 4.5 billion Pesos, and three denominated in US\$ for a total of \$105.4 million.
- Of the 19 financings, three involved financings totaling 2.5 billion Pesos for YPF. One other involved a US\$91.5 million YPF financing.

**Mr. Gabriel Obrador**

- Is a seasoned entrepreneur and manager who has more than 30 years of experience operating in the oil and gas sector and other industries in Argentina.
- Mr. Obrador worked at YPF from 1982 to 1999, then Repsol-YPF from 1999 until 2006.
- One of his roles at YPF was to serve as President of YPF US Holdings LLC, the holding company for three exploration and production joint venture companies: Amarillo Resources, Crescendo Resources and Midgard Energy, each of which was focused on the production of crude oil, natural gas and natural gas liquids in Texas and Oklahoma.
- He left Repsol-YPF in 2006 to pursue his own businesses as an entrepreneur and managing director for several companies. Since then, among other companies, he either co-founded and/or acted as President, CEO or a board member of the following: Petrolera Piedra del Aguila (an oil and gas company in Argentina), Patagonia Bioenergia (largest biodiesel producer in Argentina), Celulosa Argentina (largest public pulp and paper, wood products and forestry company in Argentina), E-Pellets Group (a wood pellet producer and exporter in the US), and Energia & Soluciones (oil and gas trader in Argentina). With Mr. Obrador's assistance, these companies raised more than US\$450 million of equity and debt during his tenure.

**JANUARY PRODUCTION GAINS SHOW CROWN POINT'S STRATEGY IS WORKING**

Crown Point's preliminary data for January 2015 oil and gas production from its 25.78% interest in concessions in Tierra del Fuego ("TDF"), Argentina is further confirmation that Crown Point's strategy is working. The production rebound at TDF is attributable to a 14-well exploration and development program currently underway. The program is more than offsetting declining production from older TDF wells.

The preliminary data for January 2015 indicates:

- Net TDF oil and gas production averaged approximately 1,503 barrels of oil equivalent per day (boepd), up 5% from 1,432 boepd in the first quarter of 2014 and up 8% from a preliminary estimate of approximately 1,392 boepd in the fourth quarter of 2014.
- January 2015 production would have been higher but for pipeline capacity constraints that shut in approximately 75 boepd (net) of gas production from certain of the new wells. Crown Point is working to increase pipeline capacity and expects to have these additional volumes in production by the end of the first quarter of 2015.



Shareholders should note that:

- The full effect of Crown Point's 14-well exploration and development program on production volumes won't be evident until the first and second quarters are complete and Crown Point's new and recompleted TDF wells have produced for a full quarter.
- Crown Point's two new pool discoveries have helped to identify more highly prospective TDF exploration and development targets. As a result, planning is already underway for a five-well 2015 follow-up TDF drilling program. If these wells are successful, they will further accelerate Crown Point's growth rate in 2015 and beyond.

### **More on LAIG's diminishing credibility**

Crown Point believes that LAIG has diminished its credibility not just because of the Hispania retraction and backdating but because of other significant issues as well. In particular, LAIG:

- Attempted to represent itself as Argentine or Argentine-based until Crown Point disclosed otherwise
- Would have shareholders rely on an unnamed CEO and unnamed post-meeting Board appointees
- Has refused to disclose to shareholders the unfavourable terms of its initial, inferior proposal (C\$0.20 shares and C\$0.30 warrants), or the fact that LAIG used the threat of this proxy contest in an effort to bully Crown Point into accepting those terms
- Embellished the biographies of its nominees and obscured their inexperience as directors of public companies
- Neglected to disclose that LAIG's proposed substitute financing (the "Last-Minute Proposal") would make LAIG a "control person" under the rules of the TSX Venture Exchange ("TSXV") and that TSXV approval and shareholder approval at a subsequent shareholder meeting would be required. Neither has LAIG disclosed that it is improperly soliciting votes for the Last-Minute Proposal even though the Last-Minute Proposal has not been approved and might never be approved by the TSXV, and even though LAIG did not include the Last-Minute Proposal in its meeting requisition.

### **Protect Your Investment: Vote the WHITE Proxy FOR the Second Tranche and AGAINST the Dissidents**

For the reasons discussed above and for many other reasons outlined in Crown Point's proxy contest materials, shareholders should question LAIG's credibility and capability. Rather, shareholders should trust the growth focus of Crown Point's incumbent Board.

To learn more about the reasons for Crown Point's voting recommendations, shareholders may visit Crown Point's website at [www.crownpointenergy.com/proxycontest](http://www.crownpointenergy.com/proxycontest) and on SEDAR at [www.sedar.com](http://www.sedar.com).

Crown Point urges shareholders to follow the recommendation of the Board and of independent proxy advisor Institutional Shareholder Services Inc. by voting the **WHITE** proxy **FOR** the Second Tranche and **AGAINST** LAIG's dissident nominees.

**Don't let LAIG take control of Crown Point's Board with its empty and questionable promises.**



**ACT NOW** – Vote before 10:00 am Calgary time on February 20, 2015. Vote for growth, investment and experience for Crown Point. Vote to halt LAIG's opportunism.

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### **About Crown Point**

Crown Point Energy Inc. is an international oil and gas exploration and development company headquartered in Calgary, Canada, incorporated in Canada, trading on the TSX Venture Exchange and operating in South America. Crown Point's exploration and development activities are focused in the Austral and Neuquén basins in Argentina. Crown Point has a strategy that focuses on establishing a portfolio of producing properties, plus production enhancement and exploration opportunities to provide a basis for future growth.

### **FORWARD LOOKING INFORMATION**

*This press release 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. 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 press release contains forward-looking information concerning, among other things, the following: the assessment that Strategic Investor's ownership position in the Company will benefit all shareholders; the Company's assessment of the focus of the Strategic Investors; Crown Point's expectation that additional volumes from TDF will come on in the first quarter of 2015 and other expectations with respect to the impact of Crown Point's recent program at TDF, including a possible follow-up program; the Company's assessment that if additional wells are successful, they will further accelerate Crown Point's growth rate in 2015 and beyond; matters with respect to the terms of the investment agreement; the Company's assessment of LAIG'S motivations, capabilities and the*



*intended outcomes of its actions; the Company's assessment of LAIG's credibility; and matters with respect to the upcoming meeting, including the scheduled date and time of the Meeting and the cut off time for proxies. 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 press release including, but not limited to, the risk that the Company's assessments, as expressed herein, are incorrect; the risk the Company is unable to bring additional production on line in the time frames currently expected, or at all; the risk that the Company may not realize the expected benefits of its TDF program (and potential follow-up program); the risk that the Company may not realize the benefits from the Strategic Investors as expressed herein; the risk that the meeting date and time may be delayed, adjourned or otherwise; the risks and other factors described under "Risk Factors" in the Company's Annual Information Form, which is available for viewing on SEDAR at [www.sedar.com](http://www.sedar.com).*

*With respect to forward-looking information contained in this press release, Crown Point has made assumptions regarding, among other things: that LAIG's motivations and intended outcomes are as set forth herein; that the Company will realize the benefits from the Strategic Investors as set out herein; that the meeting will not be adjourned, postponed or otherwise; that additional production volumes will come on in the timelines set forth herein; the impact of increasing competition; the general stability of the economic and political environment in which the Company operates; 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; 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, commodity price controls, import/export matters, taxes and environmental matters in Argentina; the Company will have access to sufficient capital to fund its budgeted expenditures; and the ability of the Company to successfully market its oil and natural gas products. Additional information on these and other factors that could affect us are included in reports on file with Canadian securities regulatory authorities, including under the heading "Risk Factors" in our annual information form, and may be accessed through the SEDAR website ([www.sedar.com](http://www.sedar.com)). Management of Crown Point has included the above summary of assumptions and risks related to forward-looking information included in this press release 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 press release are expressly qualified by this cautionary statement. The forward-looking information contained herein is made as of the date of this press release 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.*

*Barrels of oil equivalent ("BOE") may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet (6 Mcf) to one barrel (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. In addition, given that the value ratio based on the current price of crude oil in Argentina as compared to the current price of natural gas in Argentina is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.*

***Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.***