CROWN POINT ENERGY INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("**MD&A**") of the consolidated financial results of Crown Point Energy Inc. ("**Crown Point**" or the "**Company**") is at and for the three months and year ended December 31, 2014.

This MD&A is dated as of April 29, 2015 and should be read in conjunction with the Company's audited December 31, 2014 consolidated financial statements. The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("**IFRS**").

The functional currency of the Company's Argentine subsidiaries is the United States dollar ("**USD**"); the functional currency of the Company is the Canadian dollar ("**CAD**"). The Company's presentation currency is the USD. In this MD&A, unless otherwise noted, all dollar amounts are expressed in USD. References to "**ARS**" are to Argentina Pesos.

This MD&A contains non-IFRS measures, abbreviations and forward-looking information relating to future events and the Company's future performance. Please refer to "Non-IFRS Measures", "Abbreviations and BOE Presentation" and "Advisories" sections at the end of this MD&A for further information.

Additional information relating to Crown Point, including Crown Point's audited December 31, 2014 consolidated financial statements and other filings are available on SEDAR at www.sedar.com.

CORPORATE OVERVIEW AND STRATEGY

Crown Point (TSX-V:CWV) is a Calgary-based junior international oil and gas company with cash flow from production and with an opportunity base in two of the largest producing basins in Argentina, the Austral basin in the province of Tierra del Fuego ("**TDF**") and the Neuquén basin, in the province of Mendoza.

The Company's production is entirely from its 25.78% interest in three Exploitation Concessions in TDF where an active development and exploration program is in place to expand the Company's production. Crown Point also has a 100% interest in the prospective Cerro de Los Leones Exploration Concession in Mendoza province, an area surrounded by several large conventional oil pools.

The Company's strategy is designed to deliver low-risk growth and capitalize on large potential exploration upside. Specifically, Crown Point is focused on increasing its production base in TDF through exploration and development drilling supplemented by recompletion and fracture stimulation of selected older producing wells. Starting in the fourth quarter of 2014 this program began to add to the production from existing TDF wells. The Company is also pursuing high impact exploration programs in the Neuquén basin.

Crown Point's production is weighted to natural gas and is levered to benefit from expected increasing natural gas prices in Argentina.

SUMMARY – Q4 2014 AND SUBSEQUENT

Strategic Financing

In November 2014, the Company entered into an Investment Agreement amended and restated as of December 19, 2014 pursuant to which, subject to the terms of the Investment Agreement, two investors (the "**Strategic Investors**") would subscribe for and purchase an aggregate of 60,000,000 common shares of the Company at an issue price of $0.25 per share for aggregate gross proceeds of $15 million (the "**Strategic Financing**"). Pursuant to the terms of the Investment Agreement, the Strategic Investors and the Company agreed to complete the Strategic Financing in two tranches.

The first tranche was completed on December 19, 2014 at a price of $0.25 (CAD $0.29) per share pursuant to which 25,965,704 common shares were issued for gross proceeds of $6,491,426.

The completion of the second tranche would result in the Strategic Investors becoming a "control person" of the Company as defined by the TSX Venture Exchange, thereby requiring disinterested shareholder approval. At the Company's special meeting of shareholders held on February 24, 2015, shareholders voted in favor of the second tranche.

The second tranche was completed in three stages in March and April 2015 for aggregate gross proceeds of $8,508,574 upon the issuance of 34,034,296 common shares at $0.25 (CAD $0.32) per share. Following the closing of the second tranche, the Company has 164,515,222 common shares issued and outstanding of which the Strategic Investors hold approximately 36.5% of Crown Point's issued and outstanding shares.

Rejection of Dissident Resolutions

At the February 24, 2015 special meeting, shareholders also voted against resolutions put forward by a dissident shareholder.

HSBC Argentina Loan

In November 2014, the Company obtained and drew down a second loan facility with HSBC Argentina in the amount of ARS 14,500,000 ($1,704,600). The outstanding amount was repaid in full in April 2015.

Operations

During and subsequent to the three months ended December 31, 2014 ("**Q4 2014**"), the Company continued to progress on its 14-well development, recompletion and exploration program in TDF and commenced a program to drill three additional wells on the Las Violetas Concession prior to the Argentine winter.

<u>TDF Development Drilling Program (8 wells)</u>

#	Well Name	Spud Date	Production Start / Anticipated Test Finish Date	On-stream Date
1	LF-1024	July 2014	Oct 2014	October 6, 2014
2	LF-1027	June 2014	Nov 2014	November 15, 2014
3	LFE-1002	Sept 2014	Dec 2014	December 11, 2014
4	LF-1008	May 2014	Dec 2014	March 5, 2015
5	LF-1028	Aug 2014	Suspended (1)	TBD
6	LFE-1003	Dec 2014	Q2 2015	TBD
7	LF-1029	Jan 2015	Q2 2015	TBD (2)
8	LF-1004	Feb 2015	Q2 2015	TBD (3)

(1) This well may be re-entered at a later date for remedial work. It was cased as a potential Springhill gas well but due to borehole conditions could not be successfully cemented. Remedial work is planned for Q2 2015.

(2) Completion operations currently underway.

(3) Cased and waiting on completion rig.

- During Q4 2014, Crown Point placed into production the initial three of eight planned development wells: LF-1024, LF-1027 and LFE-1002. This is the first development drilling program at TDF since 2012.
- The fourth well, LF-1008 was placed on production on March 5, 2015 following recompletion work.
- The fifth development well, LF-1028, was cased as a potential Springhill formation gas well but suffered mechanical problems while running casing. Remedial work to evaluate the Springhill interval is planned for the second quarter of 2015, after which it is anticipated that the well will be completed and tested.
- LFE-1003, the sixth development well drilled to a total depth of 2,139 metres, was spud on December 15, 2014 and cased on December 30, 2014 as a potential Springhill formation gas well with approximately seven metres of potential gross gas pay. Fracture stimulation is planned for the second quarter of 2015.
- LF-1029, the seventh development well drilled to a total depth of 2,237 metres, was spud on January 6, 2015 and cased on January 24, 2015 as a potential Springhill formation gas well with approximately 14 metres of potential gross gas pay in two separate fractured intervals within the Tobifera formation. Completion operations are currently underway with results expected in the second quarter of 2015.

- LFE-1004, the final development well in the eight development well program, was spud on February 8, 2015, drilled to a total depth of 2,253 metres and cased as a potential gas well with between four to 14 metres of potential gross gas pay in the basal Pampa Rincon formation and approximately 31 metres of potential gross gas pay in the Tobifera formation. Subsequent log and sample analysis indicated that both gas-bearing intervals are highly fractured. It is anticipated that the well will be completed and production tested in the second quarter of 2015. The Springhill formation was not encountered in this well, likely due to localized minor faulting at this location.

TDF Recompletion Program (4 wells)

#	Well Name	Latest Previous Production Year	Production Start / Test Finish Date	On-stream Date
1	LF-1003	2012	Oct 2014	October 1, 2014
2	LFE.x-1	2009	Oct 2014	October 27, 2014
3	LF-1013	Never in production	Dec 2014	Suspended
4	LAz.x-2	Never in production	Dec 2014	Suspended

- During Q4 2014, Crown Point placed into production the initial two of four planned well recompletions following fracking to stimulate output. The other two wells were suspended due to unsuccessful fracking results. This is the first fracking program at TDF since 2010.

TDF Exploration Drilling Program (2 wells)

#	Well Name	Spud Date	Production Start / Anticipated Test Finish Date	On-stream Date
1	SL.x-1003	Oct 2014	Dec 2014	December 30, 2014
2	PQ.x-1001	Nov 2014	Q2 2015	TBD

- The first of the two TDF exploration wells on the Las Violetas concession, SL x-1003, was tied in to the Company-owned San Luis gas plant and placed on production on December 30, 2014. The second exploration well, PQ x-1001, was drilled to a total depth of 1,939 metres and cased on December 8, 2014 with approximately 14 metres of potential gross oil and gas pay in the Springhill sandstones formation. PQ x-1001 was drilled to evaluate the Springhill formation over the 50 km^2 3-D seismic mapped Puesto Quince structure.
- Subsequent testing in late December 2014, together with log and sample analysis, indicates that PQ x-1001 is a new pool discovery. Fracture stimulation to obtain definitive flow rate information is planned for the second quarter of 2015.

TDF 3-Well Follow-up Program

In the first quarter of 2015, the Company commenced a program to drill three additional wells on its Las Violetas Concession.

#	Well Name	Actual / Anticipated Spud Date
1	LFE-1001	March 2015
2	LV-112	April 2015
3	SLx-1004	May 2015

TDF 3-D Seismic Program

In April 2015, the Company commenced the acquisition of new 3-D seismic in TDF comprised of:

- Approximately 50 km^2 on the Rio Cullen concession in northern TDF;
- Approximately 52 km^2 on the La Angostura Concession located between the Rio Cullen and Las Violetas Concessions to the south; and
- Approximately 120 km^2 on the eastern extension of the Los Flamencos gas pool in the Las Violetas Concession.

TDF Pricing

As shown in the table below, although the Company received higher unit prices for oil, NGL and natural gas in Q4 2014, total revenue per BOE declined by 15% from the 2013 comparative quarter due primarily to a decrease in oil sales volumes.

	Three months ended December 31		
	2014	2013	Change
Light oil revenue per bbl ($)	77.30	74.88	+3%
NGL revenue per bbl ($)	24.39	20.88	+17%
Natural gas revenue per Mcf ($)	3.54	3.38	+5%
Revenue per BOE ($)	26.00	30.45	-15%

TDF Sales and Production Volumes

During Q4 2014, the Company's average daily sales volumes were 1,296 BOE per day, down 3% from 1,336 BOE per day in Q3 2014 and down 15% from 1,521 BOE per day in Q4 2013 due to natural decline rates from existing wells.

TDF average daily production volumes for Q4 2014 averaged 1,393 BOE per day, up 9% from 1,281 BOE per day in Q3 2014 due to three new wells brought on production in the fourth quarter and down 6% from Q4 2013 due to natural declines from existing wells.

New Gas Incentive Program

On August 9, 2014 Crown Point received formal notification of its inclusion in a New Gas Incentive Program, under which Argentina provides an incentive for producers to earn higher natural gas prices for production above a base level. The New Gas Incentive Program will remain in effect until the end of 2017 and is expected to apply to new production resulting from the Company's TDF development drilling program. Under certain circumstances the New Gas Incentive Program may increase the Company's cash flows starting in 2015 compared with what Crown Point would have received in the absence of the program.

General and Administrative ("**G&A**") Expenses

G&A expenses increased by 16% from Q3 2014 due to fees related to year-end regulatory filing requirements but decreased 28% from Q4 2013 due to lower salaries, benefits and travel costs.

OUTLOOK

Capital Expenditures

Crown Point estimates a total of $11.5 million of capital expenditures for 2015 comprised of $9 million on the TDF concessions and $2.5 million on the Cerro de Los Leones concession. Crown Point expects to meet these obligations, along with its other anticipated expenses, using funds flow from continuing operations, working capital which totaled approximately $2.7 million at the end of Q4 2014 and $8.5 million of proceeds received subsequent to Q4 2014 from the completion of the second tranche of the Strategic Financing as described above.

TDF Development Drilling, Recompletion and Exploration Programs

During the first quarter of 2015, Crown Point continued to progress on its 14-well drilling and fracture stimulation program and commenced a program to drill three additional wells on the TDF Las Violetas Concession.

The first of these three wells, LFE-1001, is located on the eastern flank of the Los Flamencos gas field and was targeted to exploit the Springhill formation at an approximate depth of 2,100 metres. This well spud on March 9, 2015 and was cased as a potential Springhill gas well on March 28, 2015. Completion operations are scheduled during the second quarter of 2015.

The second well, designated LV-112, is a step out location on the Las Violetas gas pool which is situated to the north of the Puesto Quince structure. Gas from Las Violetas is piped to the Rio Chico gas treatment plant located approximately 25 km to the south. This Company-owned gathering system has sufficient capacity to transport additional production from the new well. LV-112 was drilled to a depth of approximately 1,900 metres after being spud on April 8, 2015 and was cased as a potential Springhill gas well on April 24, 2015. Completion operations are scheduled during the second quarter of 2015.

The third well in the drilling program, SL x-1004, is a one km northern offset to the San Luis exploration well SL x-1003 discussed above. This location is scheduled to be drilled after operations are completed at LV-112.

TDF 3-D Seismic Acquisition Programs

The Company has approved the acquisition of additional 3-D seismic in TDF for which field recording of the first program commenced on April 13, 2015. The first program, comprising approximately 50 km^2, is located on the Rio Cullen Concession in northern TDF.

The second program, comprising approximately 52 km^2, will be recorded on the La Angostura Concession which is located between the Rio Cullen and Las Violetas Concessions. Both programs are designed to map and evaluate the Springhill formation which is productive for both oil and gas in the area.

The third seismic program, comprising approximately 120 km^2, will evaluate the eastern extension of the Los Flamencos gas pool (located in the Las Violetas Concession). The program will extend 3-D coverage on this pool to the east and south of current seismic mapping and recent drilling locations.

After completing and interpreting the Rio Cullen and La Angostura Concession 3-D seismic programs, the Company will evaluate the viability of drilling a well on either or both of the concessions in the fourth quarter of 2015. The seismic survey at Los Flamencos is intended to identify additional step out locations on the eastern extension of this pool for drilling later in 2015 and 2016.

TDF Fracture Stimulation Program

A TDF fracture stimulation program is expected to commence in the second quarter of 2015 and will include LFE-1003, PQ x-1001 and, if necessary, LF-1029, LFE-1004, LF-1028 and LFE-1001.

TDF Pricing

TDF revenue per BOE for Q1 2015 was approximately $29.95 per BOE, higher than TDF revenue per BOE of $26.00 achieved in Q4 2014 and $27.32 per BOE earned in the prior year comparative Q1 2014 quarter due to an increase in oil sales volumes which more than offset the decrease in the price of oil combined with an increase in the price of gas.

Crown Point believes the long-term outlook for natural gas prices in Argentina remains favourable because, unlike North America, there is not sufficient production in Argentina to meet demand. This is especially important for Crown Point because its production is weighted approximately 80% to natural gas.

As for Argentina's government-regulated oil prices, local benchmark Medanito crude oil has been posted at $77 per bbl for January 2015 (where it remains today), down approximately 8% from $83.90 per bbl for the May 2014 to December 2014 period. Oil from Crown Point's TDF concessions, which sells at a discount to Medanito crude, was sold at approximately $70.60 per bbl in Q1 2015, down approximately 8% from $77 per bbl for the May 2014 to December 2014 period. The decline is relatively small compared with the recent sharp price slump in global crude oil markets and is not expected to have a material impact on the Company's cash flows, particularly because crude oil comprises only approximately 20% of the Company's production volumes.

The Argentine Government continues to support high internal oil pricing as a means to encourage investment in the upstream oil and gas business. Nevertheless it is not clear how sustainable this policy will be should low international oil prices persist. The outcome of presidential elections scheduled in late October 2015 may also influence the government's policy towards domestic energy pricing.

The Company's Q1 2015 average oil price was approximately 28 per cent higher than the Q1 2015 average price for global benchmark Brent crude of approximately $55 per bbl.

TDF Sales Volumes

TDF average daily sales volumes for Q1 2015 were approximately 1,499 BOE per day, an increase over the average daily sales volumes of 1,296 BOE per day for Q4 2014 as a result of the Company's ongoing drilling and recompletion programs.

Cerro de Los Leones Exploration

The Company has a 100% working interest in an approximate 306,646 acre area (100,907 acre area subsequent to the relinquishments described below) in the Cerro de Los Leones area of the Neuquén basin pursuant to the Cerro de Los Leones Permit (the "**Permit**"). The area covered by the Permit is located in the northern portion of the Neuquén Basin in the Province of Mendoza, Argentina. The southern half of the Permit incorporates a part of the eastern foothills of the Andean mountain fold belt whereas the northern and eastern sector of the concession lies in the basin foreland which rises and extends to the basin edge east of the concession boundary. The southern structured region contains several anticlinal features which form part of a regional trend that contains oil fields with multiple pay zones both to the northwest and south of the concession. The northern and eastern sectors of the concession are less structured. To the north of the Permit, more modest oil discoveries have been made in this fairway near the basin edge in traps which rely on faulting and stratigraphic pinch outs and/or facie changes.

The Company initially focused its efforts on developing oil prospects in the southern portion of the Permit where YPF shot a regional 2-D seismic grid in the 1980s, which YPF followed up by drilling several wells. The most significant of these were drilled on the Vega del Sol structure located in the southwest corner of the concession. Vega del Sol x-1, drilled in 1995, was successfully completed and flowed oil from the Chachao formation which produced oil at rates between 250 and 350 bbls of oil per day. Vega del Sol x-3, drilled in 2002, was completed and flow tested gas from the shallow Neuquén Group sandstones. The Company, as the first element of a multi-phase evaluation strategy, shot, processed and evaluated 140 km^2 of 3-D and 120 km of 2-D seismic to better evaluate the southern area.

Based on this work, in late 2013 and early 2014, the Company commenced drilling operations on the La Hoyada feature (the "**LH x-1 well**" or "**LH x-1**") which had been mapped as an untested anticlinal structure on the 3-D seismic. Drilling operations were completed in February 2014 and the exploration well was cased as a potential oil discovery. In the second quarter of 2014, the Company performed completion operations and testing LH x-1. However, in June 2014, completion and evaluation operations were suspended for the duration of the Argentine winter. In March 2015, following delays in securing equipment, the Company returned to the well and sampled the fluid column. The initial field inspection of samples indicated water with no indication of oil: well head pressure was zero indicating that no gas was present in the well bore. The samples have been sent to a lab for formal testing and LH x-1 has been suspended pending further evaluation and results from the next phase of exploration activities, as described below.

Integrating the information obtained from the drilling of LH x-1, the Company reprocessed its previously shot 3-D and 2-D seismic with a focus on the La Hoyada and Vega del Sol areas. The re-processed seismic is being integrated into an ongoing reinterpretation to fully evaluate the potential in the Vega del Sol structure which is located to the west of LH x-1. In the fourth quarter of 2015, the Company plans to re-enter and re-test two older wells drilled by YPF, Vega del Sol x-1 and Vega del Sol x-3, for which well logs and sample descriptions for both wells also indicate the potential for bypassed oil pay in the Neuquén Group. The cost to re-enter and test the Vega del Sol wells is estimated at $2.5 million.

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

The following provides details of the work commitments required to be completed during each of the exploration periods as at the end of the 2014 periods, as recently amended:

Period	Term of Exploration Period	Required Work Commitment
Period 1	3 years commencing May 21, 2012 (1)	A minimum of approximately $9.14 million in expenditures (2)(3)
Period 2	2 years commencing May 21, 2015 (1)	A minimum of approximately $0.75 million (2)(3) in expenditures plus a minimum of 1 exploration well at an estimated cost of $2.5 million
Period 3	1 year commencing upon expiry of Period 2	1 exploration well at an estimated cost of $2.5 million

(1) Effective April 27, 2015, the Company entered into an agreement (the "Agreement") with the Province of Mendoza government to transfer unused work units from Period 1 to Period 2 and thus extend the concession to May 2017 with an option to extend Period 2, at the Company's request, for one additional year to May 2018.

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

(3) As at December 31, 2014, the Company had approximately US$5.04 million of expenditures remaining (1,009 work units x US$5,000 per unit). Pursuant to the Agreement, the Company will, effective May 22, 2015, relinquish certain acreage which has been either sterilized because of environmental considerations or restricted/prohibited access due to the presence of the European Space Agency's Deep Space 3 antenna on the Permit or deemed non-prospective by the Company. The relinquishments will reduce the acreage of the Permit to approximately 100,907 acres and the remaining work units to approximately 780, thereby reducing the remaining Period 1 expenditure commitment to $3.9 million which will then be transferred to Period 2. As a result, Period 2 commitments will increase from $750,000 to $4.6 million plus one exploration well which must be incurred by May 2017 or, at the Company's request, May 2018. Should the Company fail to complete its work commitments within the specified time period, it must surrender the concession exploration lands.

SUMMARY FINANCIAL INFORMATION

(expressed in $, except shares outstanding)	December 31 2014	December 31 2013	December 31 2012
Working capital	2,575,201	15,049,226	14,892,869
Exploration and evaluation assets	14,828,994	10,350,417	9,945,769
Property and equipment	29,063,224	32,029,851	53,550,285
Total assets	57,569,312	64,868,464	84,011,091
Non-current financial liabilities (1)	1,451,658	3,942,392	–
Share capital	107,575,856	101,334,798	101,536,837
Total common shares outstanding	130,480,926	104,515,222	104,515,222

(expressed in $, except shares outstanding)	Three months ended December 31		Year ended December 31	
	2014	2013	2014	2013
Oil and gas revenue	3,099,203	4,260,729	13,793,035	15,686,650
Petroleo Plus Credits	–	–	363,539	–
Net loss from continuing operations	(3,318,889)	(2,011,465)	(6,989,342)	(6,324,403)
Net loss per share – continuing operations (2)	(0.03)	(0.02)	(0.07)	(0.06)
Net loss from discontinued operations	–	(1,631,485)	(8,446,525)	(8,666,858)
Net loss per share from discontinued operations (2)	–	(0.02)	(0.08)	(0.08)
Net loss	(3,318,889)	(3,642,950)	(15,435,600)	(14,991,261)
Net loss per share (2)	(0.03)	(0.03)	(0.15)	(0.14)
Funds flow from (used by) continuing operations	(1,024,457)	(1,078,900)	841,565	(212,155)
Funds flow per share – continuing operations (2)	(0.01)	(0.01)	0.01	(0.00)
Weighted average number of shares	107,902,053	104,515,222	105,368,889	104,515,222

(1) Non-current financial liabilities are comprised of bank debt. The total amount outstanding at December 31, 2014 is $4,748,908 of which $3,297,250 is classified as current and $1,451,658 is long-term (2013 – $4,113,800; $171,408 current and $3,942,392 long-term).

(2) All per share figures are based on the basic weighted average number of shares outstanding in the period. The effect of options is anti-dilutive in loss periods. Per share amounts may not add due to rounding.

In the following discussion, the three months and year ended December 31, 2014 may be referred to collectively as the "**2014 periods** and the three months and year ended December 31, 2013 may be referred to collectively as the "**2013 periods**".

RESULTS OF CONTINUING OPERATIONS

Results of Operations – TDF

Operating Netback

	Three months ended December 31		**Year ended December 31**	
Per BOE	**2014**	**2013**	**2014**	**2013**
Oil and gas revenue ($)	26.00	30.45	28.13	27.73
Royalties ($)	(4.10)	(4.71)	(4.51)	(4.30)
Operating costs ($)	(11.83)	(11.76)	(10.63)	(10.67)
Operating netback ($)	10.07	13.98	12.99	12.76

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

Sales Volumes and Revenues

	Three months ended December 31		**Year ended December 31**	
	2014	**2013**	**2014**	**2013**
Light oil (bbls)	10,064	26,020	72,345	96,279
NGL (bbls)	1,641	1,655	7,612	13,586
Natural gas (Mcf)	645,065	673,607	2,462,465	2,734,415
Total BOE	119,216	139,943	490,368	565,601
Light oil bbls per day	109	283	198	264
NGL bbls per day	18	18	21	37
Natural gas Mcf per day	7,012	7,322	6,746	7,492
BOE per day	1,296	1,521	1,343	1,550
Light oil revenue ($)	777,959	1,948,454	5,416,578	6,714,382
NGL revenue ($)	40,028	34,563	130,724	356,960
Natural gas revenue ($)	2,281,216	2,277,712	8,245,733	8,615,308
Total revenue	3,099,203	4,260,729	13,793,035	15,686,650
Light oil revenue per bbl ($)	77.30	74.88	74.87	69.74
NGL revenue per bbl($)	24.39	20.88	17.17	26.27
Natural gas revenue per Mcf ($)	3.54	3.38	3.35	3.15
Revenue per BOE ($)	26.00	30.45	28.13	27.73

Production and Sales Volumes

TDF net production for the three months and year ended December 31, 2014 averaged 1,393 BOE per day and 1,369 BOE per day, respectively, which is higher than the average net production volume of 1,281

BOE per day for the quarter ended September 30, 2014 due to three new wells brought on production in the fourth quarter.

TDF sales volumes were weighted as follows:

	Three months ended December 31		Year ended December 31	
	2014	2013	2014	2013
Light oil	9%	19%	15%	17%
NGL	1%	1%	1%	2%
Natural gas	90%	80%	84%	81%
Total	100%	100%	100%	100%

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

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

During the year ended December 31, 2014, oil production was 80,385 bbls (220 bbls per day) and sales were 72,345 bbls (198 bbls per day) as compared to the year ended December 31, 2013 for which oil production was 90,270 bbls (247 bbls per day) and sales were 96,279 bbls (264 bbls per day). Oil inventory at December 31, 2014 was 12,241 bbls, which was sold in the first quarter of 2015. Oil inventory at December 31, 2013 was 4,202 bbls, which was sold in the first quarter of 2014. Oil inventory at December 31, 2012 was 10,210 bbls, which was sold in the first quarter of 2013.

During the year ended December 31, 2014, NGL production was 8,921 bbls (24 bbls per day) and sales were 7,612 bbls (21 bbls per day) as compared to the year ended December 31, 2013 for which NGL production was 10,234 bbls (28 bbls per day) and sales were 13,586 bbls (37 bbls per day). NGL inventory at December 31, 2014 was 1,772 bbls, the majority of which was sold in the first quarter of 2015. NGL inventory at December 31, 2013 was 763 bbls, which was sold in the first quarter of 2014. NGL inventory at December 31, 2012 was 4,115 bbls, which was sold in first quarter of 2013.

A portion of the Company's NGL production is sold into the domestic TDF island market, but starting in June 2013, the majority of NGL production was left in the gas stream. TDF average daily natural gas sales volumes increased in the latter half of 2013 due to the re-injection of butane volumes, decreased the first nine months of 2014 due to staged shut-downs for compressor maintenance and natural declines and then increased in the fourth quarter of 2014 as a result of three new wells brought on production through the Company's TDF 14-well program.

Revenues

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

All TDF NGL sales in the 2014 periods were to the lower-priced domestic market. The price earned in the three months ended September 30, 2014 increased as the Company had fulfilled its annual commitment to the residential market by June 30, allowing sales in the third quarter to be made to the higher priced industrial market. The price earned by the Company on TDF NGL sales in 2013 includes the effect of 4,845 bbls of export sales at an average price of $45.68 per bbl, which is higher than the domestic market price for both residential and industrial sales.

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

The price earned by the Company on TDF natural gas sales in the three months and year ended December 31, 2014 averaged $3.54 per Mcf and $3.35 per Mcf, respectively, as compared to $3.38 per Mcf and $3.15 per Mcf, respectively, in the 2013 periods. The natural gas price earned in the 2014 periods increased due to a higher proportion of gas sales to the industrial market in the 2014 periods than in the 2013 periods. In addition, the industry-average natural gas price for the industrial market increased from $3.37 per mcf in late 2013 and early 2014 to $4.89 per mcf in May 2014 followed by a decline to $3.80 per mcf in October 2014.

Royalties

	Three months ended December 31		**Year ended December 31**	
	2014	**2013**	**2014**	**2013**
Provincial royalties ($)	488,863	658,662	2,213,468	2,429,920
Royalties as a % of Revenue	16%	16%	16%	16%
Royalties per BOE ($)	4.10	4.71	4.51	4.30

Prior to receiving approval for the extension of the TDF concessions in July 2013, the combined royalty rate paid in TDF was typically 14% to 15% of revenue. However, as part of the terms for the extension of the TDF concessions, the base royalty rate was increased from 12% to 15%.

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

Operating Costs

	Three months ended December 31		**Year ended December 31**	
	2014	**2013**	**2014**	**2013**
Production and processing ($)	1,293,654	1,510,671	4,752,241	5,453,376
Transportation and hauling ($)	116,889	136,013	458,844	580,895
Total operating costs ($)	1,410,543	1,646,684	5,211,085	6,034,271
Production and processing per BOE ($)	10.85	10.79	9.69	9.64
Transportation and hauling per BOE ($)	0.98	0.97	0.94	1.03
Operating costs per BOE ($)	11.83	11.76	10.63	10.67

Production and processing costs per BOE were higher in the 2014 periods due to the devaluation of the ARS, an increase in facility repair and maintenance costs and the BOE effect of fixed costs over lower volumes.

Transportation and hauling costs per BOE consist of contracted services hired to perform vacuum truck and transportation activities for crude oil. Costs per BOE are lower in the year ended December 31, 2014 period due to the allocation of transportation costs between oil volumes sold and oil volumes in inventory at year-end which resulted in lower transportation costs expensed over total sales volumes. Costs per BOE are higher in the Q4 2014 period due to an increase in the cost of contracted services which offset a portion of the allocation of costs to oil volumes in inventory.

G&A Expenses

	Three months ended December 31		Year ended December 31	
	2014	2013	2014	2013
Salaries and benefits ($)	534,735	1,147,751	2,337,190	3,469,246
Professional fees ($)	531,304	442,427	1,226,865	1,243,968
Office and general ($)	274,998	251,664	1,165,492	1,185,687
Travel and promotion ($)	63,169	98,875	335,886	464,143
	1,404,206	1,940,717	5,065,433	6,363,044

Salaries and benefits are lower in the 2014 periods due to the reversal of 2013 management bonus accruals due to the suspension of operations on the La Hoyada x-1 exploration well in mid-2014 (see the Capital Expenditures section). In addition, the 2014 periods do not include any bonuses for the year ended December 31, 2014. The 2013 periods include both bonus accruals for the year ended December 31, 2013 as well as the effect of annual 2012 bonuses for Canadian and Argentine executives and employees approved and paid in the first quarter of 2013.

Office and general expenses in the 2014 periods are comparable to the 2013 periods.

Professional fees include fees for reserve reports, financial reporting services, financing fees paid to consultants, and legal fees related to assistance with the preparation of various filing documents. Professional fees are higher in the three months ended December 31, 2014 than the comparative 2013 period due to an increase in the cost of the reserve report and audit fees for the Argentine subsidiaries. Professional fees are lower in the year ended December 31, 2014 than the year ended December 31, 2013 due primarily to a reduction in financing fees paid to consultants.

Travel and promotion expenses include the cost of management's investor relations activities and travel to Argentina. Travel and promotion expenses in the 2014 periods are lower than the 2013 periods due to a reduction in activities in the latter part of 2014 while management responded to actions taken by a dissident shareholder. In addition, travel and promotion expenses for the year ended December 31, 2013 where higher due, in part, to an operational tour of the Company's properties for the Board of Directors of the Company.

Depletion and Depreciation

	Three months ended December 31		Year ended December 31	
	2014	2013	2014	2013
TDF depletion ($)	1,225,505	1,157,685	4,399,744	4,860,032
Depreciation ($)	63,014	(7,853)	183,273	169,484
	1,288,519	1,149,832	4,583,017	5,029,516

As at December 31, 2014, TDF future development costs of proved plus probable reserves were estimated at $36.1 million (2013 – $22.5 million). Developed and producing assets in Argentina as at December 31, 2014 include $3.0 million (2013 – $3.3 million) of value added tax ("**VAT**").

During the year ended December 31, 2014, the Company capitalized $244,269 and $24,400 (2013 – $617,604 and $71,015) of G&A and share-based payments, respectively.

The TDF depletion rates are as follows:

	Three months ended December 31		Year ended December 31	
	2014	2013	2014	2013
TDF depletion rate per BOE ($)	10.28	8.27	8.97	8.59

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

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

Remediation and concession expenses

During 2014, the Company recognized $626,741 of remediation expenses comprised of $325,762 accrued in the third quarter of 2014 and an additional $300,979 in the fourth quarter of 2014.

Remediation expenses recorded in the third quarter relate to the Company's working interest share of the estimated cost to clean up pre-existing soil contamination identified at a gas plant location during a recent environmental assessment performed by Argentine provincial authorities. Remediation expenses recorded in the fourth quarter relate to the Company's working interest share of costs to clean-up a former flare pit at a second gas plant and repair a tank retaining wall.

The Company also recognized $200,250 of concession expenses for its working interest share of unpaid surface rights on the Cañadón Ramirez Concession. The operator of the Cañadón Ramirez Concession received a claim from the Province of Chubut tax authorities for unpaid surface rights related to acreage relinquished by the operator in 2008 and 2009 for which the relinquishments were not recognized by the Province of Chubut until 2013. The operator commenced legal proceedings and appeals to have the relinquishments recognized by the Province when submitted in 2008 and 2009 and the claim reversed, however, the Province has rejected the operator's recent appeals. As a result, the operator has decided to pay the unpaid surface rights and continue to appeal and receive a refund. The Company was invoiced for its share of the payment in the amount of $200,250 which has been expensed as the Company had fully impaired the Cañadón Ramirez Concession in 2013.

Impairment

During 2014, the Company recognized $608,722 (2013 – $477,777) of impairment in continuing operations comprised of $101,000 (2013 – $146,000) on trade and other receivables due to collectability concerns and $507,722 on exploration and evaluation assets for the entire carrying amount of the Laguna de Piedra Concession (2013 – $331,777 Cañadón Ramirez Concession) as the Company had no current plans to further develop the Concession.

The Company continues to address matters with the operator to collect the entire balance of impaired receivables.

Share-based Payments

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

During the three months and year ended December 31, 2014, the Company recognized $88,177 and $586,999, respectively, of SBP expense compared to $129,000 and $1,006,574, respectively, in the 2013 periods.

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

As at December 31, 2014, the remaining unvested SBP balance was $197,070.

Foreign Exchange Gain (Loss)

During the three months and year ended December 31, 2014, the Company recognized a foreign exchange gain of $96,762 and a foreign exchange loss of $671,783, respectively, compared to foreign exchange losses of $377,142 and $371,427, respectively, during the three months and year ended December 31, 2013.

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

Exchange rates [(1)] as at December 31:	2014	2013
CAD to USD	0.8620	0.9402
ARS to USD	0.1182	0.1534
USD to ARS	8.4617	6.5172

(1) Source Bank of Canada

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

During 2013, the value of the ARS declined by 25 percent against the USD, including an 11 per cent decline in the fourth quarter. During 2014, the value of the ARS declined an additional 23 percent and declined to 0.1124 (8.8943 USD to ARS) at April 29, 2015. As a result, foreign exchange losses recognized in the 2014 periods are largely due to the decline in the value of the ARS against the USD.

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

Currency devaluation in Argentina effects the cost of ARS denominated items which are translated to the USD functional currency of the Argentine subsidiaries. Approximately 50% of TDF operating costs and 50% of general and administrative expenses incurred in Argentina are denominated in ARS. During 2014, the devaluation of ARS resulted in lower TDF operating costs and general and administrative expenses incurred in Argentina by approximately 11%.

During the three months ended December 31, 2013, following the change in functional currency of the Argentine subsidiaries, the ARS devaluation resulted in lower Argentine costs by approximately 6%.

During 2014, the devaluation of ARS resulted in a reduction in the USD equivalent of ARS denominated foreign currency denominated financial instruments, excluding bank debt, by approximately $777,000 (2013 – $1,094,000).

The HSBC Argentina bank debt, as described under Liquidity and Capital Resources, is denominated in ARS and translated to USD at each reporting date. The effects of currency devaluation are shown in the following table:

	2014	2013
Development loan facility (ARS 26,800,000)	$ 4,113,800	$ 4,486,320
Repayment of development loan facility (ARS 1,116,667)	(130,872)	–
	3,892,928	4,486,320
Loan facility (ARS 14,500,000)	1,704,600	–
Effect of change in exchange rates	(938,620)	(372,520)
	$ 4,748,908	$ 4,113,800

Net Finance Expense

During the three months and year ended December 31, 2014, the Company earned $26,840 and

$196,889, respectively, of interest income on short-term deposits compared to $38,595 and $189,989, respectively in the 2013 periods.

During the three months and year ended December 31, 2014, the Company incurred $133,240 and $512,741, respectively, of financing fees and bank charges compared to $135,019 and $480,877, respectively, in the 2013 periods.

Financing fees and bank charges result primarily from bank taxes charged in Argentina on cash transfers. Charges in the 2014 periods also include $55,551 of commissions and fees on $3.3 million of deposits held as security for the HSBC Bank Argentina S.A. loans.

During the three months and year ended December 31, 2014, the Company incurred $205,481 and $583,244 (three months and year ended December 31, 2013 – $95,125), respectively, of interest expense on bank debt with HSBC Bank Argentina S.A. that was drawn in November 2013 (ARS 26,800,000) and November 2014 (ARS 14,500,000).

Other Income (Expenses)

Recovery of VAT

In 2009, Antrim Argentina wrote off $1.1 million of VAT credits which were considered uncollectible at the time due to the tax free status of the Province of Tierra del Fuego. However, as a result of the decision of the Federal Government of Argentina in 2012, subsequent to the acquisition of Antrim Argentina, which removed certain favourable tax laws pertaining to the Province of Tierra del Fuego, the Company is able to apply the credits against VAT now charged on TDF sales.

During 2013, the Company recognized $327,962 of recoveries of VAT in results from continuing operations for amounts previously estimated as unrecoverable. The balance was recognized by the end of September 2013.

Petroleo Plus Credits

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") to offset taxes on oil sold off shore at the market price. Petroleo Plus Credits were transferrable and companies were able to sell their credits to other domestic oil exporters. The Company recognized revenue from the sale of its Petroleo Plus Credits when proceeds were received.

During the second quarter of 2014, the Company received and recognized $363,539 of Petroleo Plus Credits in results from continuing operations.

Special Meeting Expenses

During the three months ended December 31, 2014, the Company incurred $422,396 of expenses in response to actions by a dissident shareholder which resulted in the preparation of various documents in advance of a special meeting of shareholders held on February 24, 2015.

CAPITAL EXPENDITURES

The Company recognized the following additions in exploration and evaluation ("**E&E**") assets during the year ended December 31, 2014:

Cerro de Los Leones ($)	$	4,905,879
Decommissioning additions ($)		80,420
	$	4,986,299

During 2014, the Company drilled, logged, cased and rig released the LH x-1 exploration well as a potential oil discovery. The La Hoyada x-1 well was drilled to a total depth of 1,953 metres. In late June 2014, completion and evaluation operations were suspended for the duration of the Argentine winter. In March 2015, initial field inspection of samples in the fluid column indicated water with no indication of oil and no well head pressure, indicating that no gas was present in the well bore. In April 2015, the Company suspended LH x-1 in connection with plans to re-enter and re-test two wells in the Vega del Sol area as described in the Outlook section of this MD&A.

The Company also recognized the following additions to property and equipment assets during 2014:

Drilling and completion ($)	$ 10,598,022
VAT ($)	(47,442)
Capitalized G&A ($)	244,269
Corporate assets ($)	254,305
Cash expenditures ($)	11,049,154
Capitalized SBP ($)	24,400
Decommissioning additions ($)	61,592
	$ 11,135,146

Allocation of cash expenditures:	
TDF ($)	$ 10,794,849
Corporate ($)	254,305
	$ 11,049,154

During 2014, the Company incurred $10,794,849 of expenditures in the TDF area related to the Company's 14-well development, recompletion and exploration program.

VAT

	2014	2013
Included in prepaid expenses	$ 2,262	$ 469,201
Included in E&E assets	1,406,578	1,316,702
Included in property and equipment	2,982,033	3,274,782
	$ 4,390,873	$ 5,060,685

VAT on purchases is applied against VAT on sales to reduce the amount paid to the Argentine government. VAT is included in prepaid expenses when amounts are expected to be offset with VAT on current sales. VAT is included in E&E assets and property and equipment when related sales have not yet commenced (E&E assets) or sales are lower than capital expenditures (property and equipment) and VAT amounts are not expected to be offset with VAT on sales within the next 12 months. VAT does not expire and may be carried forward indefinitely.

DISCONTINUED OPERATIONS

On June 30, 2014, the Company completed the disposition of its 50% interest in the El Valle Exploitation Concession ("El Valle") for consideration of $525,000, plus certain disposition adjustments, to its former joint interest partners in El Valle. As the cash flows of El Valle are clearly distinguished, both operationally and for financial reporting purposes, from the rest of the entity, the financial performance of El Valle for both the current and comparative periods have been presented separately as discontinued operations in the consolidated statements of loss and comprehensive loss and statement of cash flows.

The reported net loss from the discontinued operations of El Valle is comprised of the following:

	For the three months ended December 31		For the year ended December 31	
	2014	2013	2014	2013
Oil and natural gas revenue	$ –	$ 948,015	$ 1,661,944	$ 6,029,997
Royalties	–	(262,544)	(445,085)	(1,632,095)
Operating expenses	–	(468,953)	(671,392)	(2,488,723)
Depletion and depreciation	–	(297,281)	(425,664)	(2,066,295)
Loss on disposition	–	–	(8,330,741)	–
Impairment	–	(4,653,986)	–	(14,250,507)
Foreign exchange loss	–	(140,345)	(232,480)	(209,397)
Accretion of decommissioning provision	–	(3,564)	(2,840)	(33,402)
Petroleo Plus credits	–	3,247,173	–	5,983,564
Net loss from discontinued operations, net of tax	$ –	$ (1,631,485)	$ (8,446,258)	$ (8,666,858)

The carrying amount of the El Valle Exploitation Concession was $8.8 million, resulting in the recognition of an approximate $8.3 million loss on disposition for the year ended December 31, 2014.

The disposition of El Valle was part of an ongoing effort to focus human and capital resources on areas that the Company believes will provide the greatest return for its shareholders and drive growth in the future. As part of the disposition agreement the purchasers have assumed Crown Point's $13 million of net future capital commitments in respect of its 50% interest in the El Valle Exploitation Concession.

Operating Netbacks

	Three months ended December 31		**Year ended December 31**	
Per bbl	**2014**	**2013**	**2014**	**2013**
Argentina light oil (bbls)	–	13,384	24,827	90,188
bbl per day	–	145	68	247
Oil and gas revenue ($)	–	70.83	66.94	66.86
Royalties ($)	–	(19.62)	(17.93)	(18.10)
Operating costs ($)	–	(35.04)	(27.04)	(27.60)
Operating netback ($)	–	16.17	21.97	21.16

Production and Sales Volumes

Production and sales volumes in the year ended December 31, 2014 are for production and sales up to May 2014 as there was no allocation of production volumes in June 2014 due to various disputes with its working interest partners at El Valle, some of which had become the subject of formal arbitration proceedings, and the disposition of El Valle on June 30, 2014. Production and sales during this 2014 period are also lower due to ongoing natural declines.

Sales volumes in the year ended December 31, 2013 include the sale of 9,120 bbls in inventory at December 31, 2012 and 6,375 bbls of oil sold in advance by the operator.

Revenues

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

Royalties

Royalties as a percentage of revenues were relatively unchanged in the year ended December 31, 2014 as compared to the year ended December 31, 2013.

Operating Costs

In general, operating costs per BOE increased in 2013 due to poor cost control by the operator. Higher costs combined with lower production and sales volumes resulted in higher operating costs per BOE. Operating costs per BOE for the year ended December 31, 2014 were comparable to those for the year ended December 31, 2013.

Impairment

During 2013, the Company recognized $14,250,507 of impairment related to discontinued operations comprised of $446,589 on trade and other receivables due to collectability concerns, $2,120,000 on exploration and evaluation assets and $11,683,918 on property and equipment related to the El Valle cash generating unit ("**CGU**").

El Valle CGU

During 2013, the Company identified certain business risks related to its El Valle CGU, such as steeper natural production declines than forecast on some producing wells, increasing operating costs and the deferral of future capital investment, as indicators of impairment. As a result, the Company performed impairments tests at June 30, 2013 and December 31, 2013.

Management estimated the recoverable amount of the El Valle CGU based on the higher of the fair value less costs to sell and its value in use. The estimated recoverable amount for the El Valle CGU was based on 25% discounted cash flows expected to be derived from the El Valle CGU's proved plus probable reserves based on the externally prepared December 31, 2013 reserve report. The December 31, 2013 estimated recoverable amount was $13,803,918 lower than the carrying amount at December 31, 2013 of which $9,043,918 was initially recognized in the quarter ended June 30, 2013 and an additional $4,760,000 was recognized at December 31, 2013. Of the total impairment recognized in 2013, $11,683,918 was allocated to property and equipment and $2,120,000 was allocated to exploration and evaluation assets.

Petroleo Plus Credits

During the three months and year ended December 31, 2013, the Company recognized $3,247,173 and $5,983,564, respectively, of Petroleo Plus Credits related to 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, 2014, the Company had working capital of $2,575,201 (2013 – $15,049,226) including $4.7 million of cash and cash equivalents comprised of $2.1 million of cash held in bank accounts and $2.5 million of short-term guaranteed investment certificates with a major Canadian financial institution. Management has received confirmation from the financial institution that these funds are available on demand. The remaining cash is in bank deposit/chequing accounts available as required for operations and vendor payments.

The Company's December 31, 2014 consolidated financial statements have been prepared on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. During the year ended December 31, 2014, the Company incurred a net loss of approximately $15.4 million. As noted above, as at December 31, 2014, the Company has working capital of approximately $2.6 million and significant future capital commitments to develop its properties.

The ability of the Company to continue as a going concern and the recoverability of its assets is dependent upon the existence of economically recoverable reserves and upon the Company's ability to obtain additional financing to continue the development of the Company's properties and generate funds therefrom and to meet current and future obligations. The need to obtain capital to fund the existing and ongoing operations creates a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The Company's December 31, 2014 consolidated financial statements do not reflect adjustments in the carrying values of the assets and liabilities, expenses and the statements of financial position classifications that would be necessary if the going concern assumption were not appropriate. Such adjustments could be material.

The Company anticipates using existing working capital, cash flow and $8.5 million of Strategic Financing proceeds received in March and April 2015 (as described under the Summary – Q4 2014 and Subsequent – Strategic Financing section of this MD&A) to fund the Company's capital expenditure program through to the end of 2015. For details of the Company's 2015 capital expenditure program, see the Outlook – Capital Expenditures section of this MD&A. However, as new opportunities arise or planned expenditures are revised, the Company is committed to raising the necessary funds required for operations and capital expenditures through equity financing, joint venture agreements, and debt. If more of the Company's properties become economic and productive, the additional cash flow generated will assist in funding the Company's future activities.

<u>Monetary and Currency Exchange Controls</u>

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

<u>HSBC Argentina Loans</u>

In November 2013, the Company obtained a development loan facility with HSBC Argentina in the amount of ARS 26,800,000, of which ARS 25,683,333 ($3,035,283) was outstanding as at December 31, 2014 and secured by a USD denominated $1,585,000 guaranteed investment certificate ("**GIC**") on deposit with a major Canadian financial institution. The development loan facility bears interest at a fixed rate of 15.25% per annum and is repayable in 24 monthly installments commencing December 8, 2014.

In November 2014, the Company obtained and drew down a second loan facility with HSBC Argentina in the amount of ARS 14,500,000 ($1,713,625 as at December 31, 2014). The loan bears interest at a rate of 34% per annum on ARS 8,500,000 and 31.5% per annum on ARS 6,000,000, calculated and paid monthly. ARS 8,500,000 is repayable on October 16, 2015 and ARS 6,000,000 was renewed on February 11, 2015 until April 12, 2015 at the Company's option at the prevailing interest rate of 30.5% per annum. The Company has provided HSBC Argentina security in the form of a USD denominated $1,700,000 GIC on deposit with a major Canadian financial institution.

In April 2015, the Company repaid the full amount of the second loan facility with HSBC Argentina.

<u>Financing</u>

As disclosed under the Summary – Q4 2014 and Subsequent – Strategic Financing section of this MD&A, the Company received $6,491,426 of Strategic Financing proceeds in December 2014 and the remaining $8,508,574 of Strategic Financing proceeds in March and April 2015.

SUBSEQUENT EVENTS

Subsequent to December 31, 2014, the Company:

- Received $8.5 million of Strategic Financing proceeds (see the Summary – Q4 2014 and Subsequent – Strategic Financing section of this MD&A);
- Repaid $1.7 million of HSBC Argentina loans (see the Liquidity and Capital Resources – HSBC Argentina Loans section of this MD&A); and
- Signed an agreement with the Province of Mendoza government to amend the terms governing the Company's 100% interest in the Cerro de Los Leones concession (see the Outlook – Cerro de Los Leones Exploration section of this MD&A).

COMMITMENTS AND CONTINGENCIES

(a) Leased premises

- The Company is committed to future payments for Canadian office rental and a proportionate share of operating costs in the amount of CAD $24,817 ($21,392) per month from January 1, 2015 until October 31, 2017 and CAD $25,426 ($21,917) from November 1, 2017 to October 31, 2019.
- The Company has expected future payments for Buenos Aires office rental in the amount of $12,000 per month from January 1, 2015 to March 31, 2015, $12,600 per month from April 1, 2015 to March 31, 2016 and $13,230 per month from April 1, 2016 to March 31, 2017. The Company has the option to cancel the rental arrangement at any time for a penalty of one month rent cost.

(b) TDF Concessions

The Company has a 25.78% working interest in the TDF area of Argentina covering approximately 489,000 acres (126,000 net acres) in the Austral Basin and includes the Las Violetas, La Angostura and Rio Cullen Exploitation Concessions. The Company's share of expenditure commitments with respect to the concessions are as follows:

Concession	Term of Expenditure Period	Required Expenditure Commitment
Las Violetas	Over the remaining life of the concession which expires in August 2026	A minimum of $12.1 million of exploration and development investment of which $4.4 million of development investment remains
Rio Cullen	Until December 31, 2015	A minimum of $0.85 million of exploration investment including seismic and drilling(1)
La Angostura	Until December 31, 2015	A minimum of $0.98 million of exploration investment including seismic and drilling(1)

(1) After fulfillment of the exploration commitments, the Corporation has the option to extend the concession by making a cash payment plus an investment commitment for exploration and development work, both of which are on a sliding scale based on a proved plus probable reserves range discovered during the initial exploration period of between zero and greater than 18 million BOE. The cash payment is a minimum of $32,500 to a maximum of $1.29 million (net to the Company's interest) and the investment commitment is a minimum of $0.46 million to a maximum of $9.28 million (net to the Company's interest).

(c) Cerro de Los Leones Concession

Expenditure commitments for the Cerro de Los Leones Concession are described under the Outlook – Cerro de Los Leones Exploration section of this MD&A.

(d) Laguna de Piedra Concession

Although the Company has no current plans to develop its 100% interest in the Laguna de Piedra Concession, the Company will have the following work commitments in the event that the necessary environmental work permits are received:

Term of Exploration Period	Required Work Commitment
2 years commencing the upon the receipt of environmental permits	A minimum of approximately $2.85 million in expenditures including 1 exploration well
1 year commencing upon expiry of preceding term	A minimum of approximately $1.75 million in expenditures including 1 exploration well

RELATED PARTY TRANSACTIONS

There were no transactions between the Company and related parties of the Company during the 2014 or 2013 periods.

SHARE CAPITAL

Issued and outstanding	Common Shares	Stock Options
December 31, 2013	104,515,222	7,585,000
Issued	25,965,704	–
Granted	–	1,265,000
Forfeited	–	(540,000)
Expired	–	(150,000)
December 31, 2014	130,480,926	8,160,000
Issued	34,034,296	–
Expired	–	(25,000)
April 29, 2015	164,515,222	8,135,000

DIVIDENDS

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

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off balance sheet arrangements.

FINANCIAL INSTRUMENTS

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

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

NEW ACCOUNTING STANDARDS AND PRONOUNCEMENTS

On January 1, 2014, the Company adopted the following amendments and interpretations:

IAS 32 Financial Instruments: Presentation

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

IAS 36 Impairment of Assets

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

IFRIC 21 Levies

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

The adoption of these amendments and interpretation had no measurement or disclosure impact on the Company's December 31, 2014 consolidated financial statements.

NEW AND AMENDED STANDARDS NOT YET ADOPTED

The Company has reviewed new and amended accounting pronouncements that have been issued but are not yet effective and determined that the following may have an impact on the Company:

IFRS 15 Revenue from Contracts with Customers

In May 2014, the International Accounting Standards Board issued *IFRS 15 Revenue from Contracts with Customers* which specifies how and when an entity will recognize revenue as well as requiring entities to provide users of financial statements with more informative, relevant disclosures. *IFRS 15* is effective for annual period beginning on or after January 1, 2017.

IFRS 9 Financial Instruments

In July 2014, the IASB issued the final version of *IFRS 9 Financial Instruments* which replaces *IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9* includes requirements for recognition and measurement, impairment, de-recognition and general hedge accounting. *IFRS 9* is effective for annual period beginning on or after January 1, 2018.

The Company is currently assessing the impact of these standards and amendments on its financial statements.

BUSINESS RISKS AND UNCERTAINTIES

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

- the risks of the oil and gas industry both domestically and internationally, such as operational risks in exploring for, developing and producing crude oil and natural gas and market demand;
- general economic conditions in Canada, Argentina and globally;
- the ability of management to execute its business plan;

- reliance on third party operators and joint venture partners to satisfy their commitments under existing agreements and arrangements and to carry out operations in a safe, efficient and effective manner;
- the risks of disputes with third party operators and joint venture partners and the effect that such disputes can have on the Company's operations and results;
- uncertainties inherent in estimating quantities of oil and natural gas reserves and cash flows to be derived therefrom and the risk that the value of such reserves may be impaired in future periods;
- fluctuations in the price of oil and natural gas, interest rates and exchange rates;
- governmental regulation of the oil and gas industry, including environmental regulation;
- lack of diversification of the Company's interests;
- risks associated with foreign operations, including changes in energy policies or personnel administering them, nationalization of the Company's assets, the development of hyper-inflationary conditions, currency fluctuations between the USD, the CDN and the ARS and/or devaluations of the ARS, monetary and currency exchange controls, export controls and changes in royalty and tax rates;
- the impact of work disruption and labour unrest on the Company's operations;
- actions taken by governmental authorities, including increases in taxes and changes in government regulations and incentive programs;
- geological, technical, drilling and processing problems;
- risks and uncertainties involving geology of oil and gas deposits;
- risks inherent in marketing operations, including credit risk;
- the ability to enter into, renew and/or extend leases and/or concessions;
- constraints on foreign subsidiaries to make payments to the Company;
- the uncertainty of estimates and projections relating to production, costs and expenses;
- potential delays or changes in plans with respect to exploration or development projects or capital expenditures including delays arising as a result of the Company's inability to obtain the necessary oilfield services required, including drilling rigs;
- the insufficiency of cash flow to fund operations;
- 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 or processing capacity for the Company's production;
- 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 enforcement of civil liability in Argentina;
- risks associated with conflicting interests with partners;
- income tax reassessments and other taxes payable by the Company;
- the ability to add production and reserves through development and exploration activities;
- the possibility that government policies or laws, including laws and regulations related to the environment, may change or governmental approvals may be delayed or withheld;
- uncertainty in amounts and timing of royalty payments;
- failure to obtain industry partner and other third party consents and approvals, as and when required;
- risks associated with having a control person owning approximately 36.5% of the Company's shares and two representatives on the board of directors, including the potential that the Strategic

Investors may exert a significant amount of influence over the Company's affairs;
- stock market volatility and market valuations;
- competition for, among other things, capital, acquisition of reserves, undeveloped land and skilled personnel; and
- the availability of capital on acceptable terms.

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

LEGAL, ENVIRONMENTAL, REMEDIATION AND OTHER CONTINGENT MATTERS

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

SELECTED CONSOLIDATED QUARTERLY INFORMATION

The following table sets forth selected consolidated financial information of the Company for the periods presented.

Unaudited (1)	December 31 2014	September 30 2014	June 30 2014	March 31 2014	December 31 2013	September 30 2013	June 30 2013	March 31 2013
Working capital ($)	2,575,201	2,603,388	7,070,257	11,062,943	15,049,226	14,242,848	12,818,352	14,062,065
Oil and gas revenue from continuing operations ($)	3,099,203	3,982,151	3,267,888	3,443,793	4,260,729	3,823,254	3,538,018	4,064,649
Petroleo Plus Credits ($)	–	–	363,539	–	3,247,173	1,536,202	–	1,200,189
Cash flow from (used by) operating activities ($)	(262,682)	1,177,581	690,625	874,387	2,523,814	2,757,622	1,304,916	716,398
Net loss from continuing operations ($)	(3,318,889)	(946,711)	(996,788)	(1,726,954)	(2,839,827)	(1,155,271)	(3,061,827)	(1,399,954)
Basic and diluted net loss from continuing operations per share (2) ($)	(0.03)	(0.01)	(0.01)	(0.02)	(0.03)	(0.01)	(0.03)	(0.01)
Net income (loss) ($)	(3,318,889)	(930,062)	(9,349,944)	(1,836,705)	(3,642,950)	146,978	(11,299,597)	(195,692)
Basic and diluted net income (loss) per share (2) ($)	(0.03)	(0.01)	(0.09)	(0.02)	(0.03)	0.00	(0.11)	(0.00)
Expenditures on property and equipment and E&E assets ($)	4,700,214	4,042,559	4,346,107	2,114,845	3,351,388	554,796	439,377	2,998,995
Total assets ($)	57,569,312	52,443,977	53,648,371	61,316,664	64,868,464	63,019,390	69,797,016	80,465,946
Bank debt ($)	4,748,908	3,161,050	3,296,150	3,345,943	4,113,800	–	–	–

(1) The financial data for each quarter has been prepared in accordance with IFRS. The functional currency of Crown Point is the CAD. The functional currency of each of Crown Point's wholly owned subsidiaries, Crown Point Oil & Gas S.A., CanAmericas (Argentina) Energy Ltd. and Antrim Argentina, is the USD. The presentation currency of Crown Point is the USD.

(2) The sum of quarterly per share amounts may not add to annual figures due to rounding.

- Net loss in the quarter ended December 31, 2014 increased primarily due to a decrease in oil and gas revenue combined with $0.5 million of expenses associated with actions taken by a dissident shareholder, $0.5 million of remediation and concession expenses, an increase in G&A expenses related to year-end audit and reserve report costs and $0.5 million of E&E asset impairment.
- Working capital decreased in the third quarter of 2014 due to continued expenditures on property and equipment.
- Net loss in the quarter ended September 30, 2014 decreased compared to previous quarters (excluding the effect of the $8.3 million loss on the sale of El Valle recognized in the second

quarter of 2014) due to decreases in operating, G&A and depletion expenses.

- Working capital and cash flow from operating activities decreased in the first and second quarters of 2014 due to a reduction in oil and gas revenue. The decreases were offset by Petroleo Plus proceeds received in the second quarter of 2014.
- Net loss increased in the quarter ended June 30, 2014 due to the recognition of an $8.3 million loss on the sale of the Company's 50% interest in the El Valle Exploitation Concession.
- Net loss improved in the quarter ended March 31, 2014 compared to the quarter ended December 31, 2013 as the Company did not recognize any impairment during the 2014 period which offset the impact of not receiving Petroleo Plus proceeds.
- Working capital and cash flow from operating activities improved in the quarter ended December 31, 2013 due to $3.2 million of Petroleo Plus proceeds received in the period.
- The Company recognized $3.9 million of impairment on property and equipment and $0.8 million of impairment on exploration and evaluation assets in the quarter ended December 31, 2013 which reduced the positive effect of Petroleo Plus proceeds on earnings.
- Working capital improved in the quarter ended September 30, 2013 due to $1.5 million of Petroleo Plus proceeds received in the period.
- Cash flow from operating activities increased and the Company recognized $0.2 million of net income in the quarter ended September 30, 2013 primarily related to the recognition of $1.5 million of Petroleo Plus proceeds.
- Cash flow from operating activities decreased in the quarter ended June 30, 2013 due to an increase in net loss related to a decrease in sales volumes and a decrease in the Company's operating netback.
- Net loss increased in the quarter ended June 30, 2013 due to a decrease in the Company's operating netback and the recognition of $9.9 million of impairment comprised of $0.5 million on accounts receivable, $1.6 million on exploration and evaluation assets and $7.8 million on property and equipment
- Expenditures on property and equipment and E&E assets decreased in the quarter ended June 30, 2013 due to a curtailment of activity in El Valle and the pending approval of extensions of the TDF Concessions.
- Cash flow from operating activities decreased in the quarter ended March 31, 2013 due to an increase in trade and other receivables and a decrease in trade and other payables related to operating activities.
- Net loss decreased in the quarter ended March 31, 2013 due to an increase in the Company's operating netback and net proceeds from the sale of Petroleo Plus Credits.
- Expenditures on property and equipment and E&E assets in the quarter ended March 31, 2013 relate to interpretation of the Cerro de Los Leones seismic program and workover and stimulation expenditures in the El Valle area.

NON-IFRS MEASURES

This MD&A contains the term "funds flow from (used by) continuing operations" which should not be considered an alternative to, or more meaningful than, operating cash flows from (used by) continuing operations as determined in accordance with IFRS as an indicator of the Company's performance. Funds flow from (used by) continuing operations and funds flow from (used by) continuing 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 by) continuing operations to analyze operating performance and considers funds flow from (used by) continuing 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 by) continuing operations per share is calculated using the basic and diluted weighted average number of shares for the period consistent with the calculations of earnings per share.

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

	Three months ended December 31		Year ended December 31	
	2014	2013	2014	2013
Operating cash flows from (used by) continuing operations ($)	(262,682)	(799,532)	2,190,924	(380,596)
Changes in non-cash working capital ($)	(761,775)	(279,368)	(1,349,359)	168,441
Funds flow from (used by) continuing operations ($)	(1,024,457)	(1,078,900)	841,565	(212,155)
Weighted average number of shares	107,902,053	104,515,222	105,368,889	104,515,222
Funds flow per share – continuing operations	(0.01)	(0.01)	0.01	(0.00)

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:

2-D	-	two dimensional
3-D	-	three dimensional
bbls	-	barrels
BOE	-	barrels of oil equivalent
km	-	kilometres
km^2	-	square kilometres
Bcf	-	billion cubic feet
Mcf	-	thousand cubic feet
NGL	-	natural gas liquids
YPF	-	Yacimientos Petroliferos Fiscales S.E.

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.

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: the Company's expectation that it is levered to benefit from expected increasing natural gas prices in Argentina; the expectation that new production and stronger natural gas prices coupled with the benefits of the New Gas Incentive Program may have a positive impact on Crown Point's cash flows; the Company's assessment of the potential for re-entry operations being conducted at LF-1028 for remedial work; Crown Point's estimates of capital expenditures for the first half of 2015, and how Crown Point expects to meet these obligations; the Company's expectations with respect to production volumes and revenues in 2015 and that market conditions in Argentina will continue to have a positive impact on natural gas prices; the Company's assessment of its ability to continue as a going concern and the potential risks and consequences to the Company as a result of the same; the Company's assessment of additional work related to its TDF properties (including follow up operations) and the expected costs associated with certain of such operations; the acreage to be relinquished at Cerro de Los Leones and the other terms relating to the extension of such permit to become effective on May 22, 2015; various other potential operations and expenditures under the heading "Outlook"; expected uses of current capital; certain expenditures and activities, including those set forth under the heading "Commitments and Contingencies"; Crown Point's estimates of its future capital commitments and how it expects that it may satisfy such commitments; the potential sources of funds to meet the Company's commitments and other items described under "Liquidity and Capital Resources"; the Company's assessment of the monetary impact of an adverse ruling with respect to an ongoing dispute with the Province of Chubut; the Company's assessment that it may raise the necessary funds required for operations and capital expenditures through equity financing, joint venture agreements, and debt; and the expectation that if more of the Company's properties become economic and productive, the additional cash flow generated will assist in funding the Company's future activities. The reader is cautioned that such information, although considered reasonable by the Company, may prove to be incorrect. Actual results achieved during the forecast period will vary from the information provided in this MD&A as a result of numerous known and unknown risks and uncertainties and other factors.

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

In addition, note that information relating to reserves and resources is deemed to be forward-looking information, as it involves the implied assessment, based on certain estimates and assumptions that the reserves and resources described can be economically produced in the future.

With respect to forward-looking information contained in this MD&A, the Company has made assumptions regarding, among other things: the impact of increasing competition; the general stability of the economic and political environment in which the Company operates; the timely receipt of any required regulatory approvals; the ability of the Company to continue as a going concern without the loss of any assets; 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 (including the effect of the New Gas Incentive Program thereon); 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.

Analogous Information

Certain information contained herein is considered "analogous information" as defined in NI 51-101. In particular, this document presents certain information with respect to oil discoveries in the northern part of the Cerro de Los Leones Permit in which the Corporation does not have any interest. Such analogous information has not been prepared in accordance with NI 51-101 and the Canadian Oil and Gas Evaluation Handbook and Crown Point is unable to confirm whether such information has been prepared by a qualified reserves evaluator. Such information is not intended to be a projection of future results. Such information is based on independent public data and public information received from other producers and Crown Point has no way of verifying the accuracy of such information. Such information has been presented to help demonstrate the basis for Crown Point's business plans and strategies. There is no certainty that such results will be achieved by Crown Point and such information should not be construed as an estimate of future reserves or resources or future production levels.

ADDITIONAL INFORMATION

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