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, 2016.

This MD&A is dated as of March 15, 2017 and should be read in conjunction with the Company's audited December 31, 2016 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 two 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, 2016 consolidated financial statements and other filings are available on SEDAR at www.sedar.com.

In the following discussion, the three months and year ended December 31, 2016 may be referred to as "Q4 2016" and "YE 2016" or "2016", respectively, the comparative three months and year ended December 31, 2015 referred to as "Q4 2015" and "YE 2015" or "2015", respectively, and the previous three months ended September 30, 2016 referred to as "Q3 2016".

CORPORATE OVERVIEW AND STRATEGY

Crown Point (TSX-V:CWV) is a Calgary-based junior international oil and gas company with producing assets and 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 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. At Cerro de Los Leones, the Company is developing additional drilling plans contingent on successful results from the proposed fracture stimulation and production testing of the Vega del Sol x-1 well and is designing a 3-D seismic program to be shot over the northern part of the concession.

Currently, the Company's production is derived 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 reserves and production. Crown Point's production is weighted to natural gas and is levered to benefit from expected increasing natural gas prices in Argentina.

Crown Point is conducting an active exploration program in the 100% interest Cerro de Los Leones exploration concession in Mendoza province, an area surrounded by several large conventional oil pools.

OPERATIONAL UPDATE

Tierra del Fuego Concession

Drilling Program

During 2014 and 2015 Crown Point and its partners drilled 13 new wells, of which eight wells are on production, three wells have been suspended pending further study, one well was reentered for a remedial completion workover, and one well was cased and will be completed and tested in 2017.

Interpretation of 3-D seismic acquired in 2015 on the Las Violetas, Rio Cullen and Angostura concessions has been completed and the results have been integrated into geological mapping.

In January 2016, the Company received confirmation from the government of the Province of Tierra del Fuego of a one-year extension of the commitment dates for the drilling of two exploration wells on the Rio Cullen and La Angostura concessions to December 31, 2016. Further studies on both concessions were completed in late July 2016. The Rio Cullen study identified nine gas prospects. The Angostura study identified seven oil prospects. The Company high-graded the prospects on both concessions and selected one drilling location on each.

In Q4 2016, the Company requested a two year extension of the December 31, 2016 commitment dates for the drilling of both wells. Approval of the extension was received from both the Secretary of Energy and Governor of the Province, however it was not received prior to the recess of the Provincial Legislature on December 15, 2016 and therefore was not ratified. To evidence their desire to fulfill the exploration commitments and avoid penalties or loss of the concessions, the Company and its partners commenced preparation of the two drilling sites in late December 2016. In February 2017, the Company commenced drilling the San Martin X-1001 exploration well, located on the Angostura concession in Tierra del Fuego. Drilling operations for both wells are expected to be completed by the end of the first quarter of 2017 at which time the Company's work commitments on both concessions will have been satisfied.

During 2016, the Company identified a number of older producing and non-producing wells on the Las Violetas concession as candidates for fracture stimulation and carried out fracture stimulations on 4 older wells.

- LV-104, an older producing gas well offsetting LV-112, was successfully fracture stimulated in April 2016 and placed back on production.
- El Monte-2 (EM-2), located immediately to the west of the San Luis Field, was fracture stimulated in March 2016. This well was drilled and cased by YPF and tested gas from the Springhill Formation in the 1970s before being suspended. The well was tied-in to the San Luis field gathering system and placed on production in August 2016.
- LVx-4, a shut in gas well offsetting LV-104 and LV-112, was fracture stimulated in June 2016. On cleanup, small volumes of gas plus frac fluid were recovered and the well was suspended. A chemical treatment will be carried out in Q1 2017 to remove near wellbore emulsion buildup and improve inflow.
- RCh-6, a shut in oil and gas well located on the eastern flank of the Los Patos pool, was fracture stimulated in early July 2016. The well was suspended after subsequent swabbing operations only recovered frac fluid with minor oil and gas shows.
- Prospect identification and evaluation to develop additional exploitation, step out and appraisal locations on the Las Violetas concession is ongoing.

Cerro de Los Leones Concession

The Company has a 100% working interest in the 100,907 acre area covered by the Cerro de Los Leones ("**CLL**") Concession Permit (the "**Permit**"), which is located in the northern portion of the Neuquén Basin in the Province of Mendoza, Argentina.

During 2015, the Company undertook an evaluation of the potential of two older wells previously drilled in the Vega del Sol structure, which lies approximately 4km west of the La Hoyada exploration well (LH x-1) drilled by the Company in 2014.

Vega del Sol x-1 (VdS x-1) was drilled and cased in 1995 and completed in a naturally fractured volcanic intrusive within the Chachao formation, producing oil at rates between 250 and 350 bbls of oil per day. Vega del Sol x-3 (VdS x-3) was drilled and cased in 2002 and completed in several zones within the shallow Neuquén group where two separate sand intervals tested natural gas. Both wells were subsequently abandoned by YPF when they relinquished the acreage.

After completing its evaluation of the Vega del Sol wells, the Company took the decision to re-enter both wells and conduct further testing.

VdS x-3 was re-entered in November 2015 and three additional sand zones within the Neuquén Group were perforated, stimulated and tested. The well was then placed on an 80 hour production test with all perforated zones co-mingled. During the test period, the well flowed gas, oil and water at restricted rates of

665 Mcf per day of gas, 10 bbls per day of oil plus 18 bbls per day of treatment fluid and formation water. Total gross production during the test was 1.75 MMcf of gas and 90 bbls of liquids comprised of 35% oil and 65% treatment fluid and water. The well has been suspended as a potential oil and gas producer. A decision as to whether the Company will place this well on long-term test by pipelining the production through the VdS x-1 facilities (see below) has been delayed until production testing of the VdS x-1 well has been completed.

VdS x-1 was re-entered in December 2015 to swab test the fractured igneous sill in the Chachao formation. Swabbing operations continued for 3 days at the end of which time a stabilized production rate of 8.9 bbls of oil per hour or 215 bbls per day (zero water cut) was achieved. A total of 145.8 bbls of oil and 497.6 bbls of treatment water were recovered. The well was suspended while a pump jack, tanks and separator were installed at the well site. Installation was completed in April 2016 after which the well was placed on long-term production test. During the first week of testing the well flowed gas with little fluid inflow. Testing operations were suspended, and in May 2016 the pump was pulled and de-emulsifier was pumped into the reservoir to clear any near bore emulsion blockage. The pump was re-run and in early June 2016, the well was placed back on long-term production test. During June and July 2016, the well produced at an average rate of 12 bbls of fluid per day with a 75% oil cut (9 bbls of oil per day), however production levels continued to drop and for Q3 2016 the average production was 1.5 bbls of oil per day with little or no water. The well was shut in on October 27, 2016. Additional analysis of the reasons for the restricted inflow has been undertaken. The Company believes that the fractures are not naturally propped and can close as the reservoir pressure near the well drops due to production, thus impeding fluid flow from further back in the pool. Other operators have reported similar performance issues in local wells producing from this reservoir type which were remedied by a limited fracture stimulation designed to prop open the natural fracturing in the intrusive immediately around the well bore. Crown Point has designed a fracture stimulation program at an estimated cost of $0.5 million to improve production rates at VdS x-1. The Company is planning to perform the fracture stimulation on VdS x-1 in Q3 or Q4 2017, subject to equipment availability.

During 2016, the Company recognized $2,527,270 of exploration expense in relation to expenditures on the VdS x-1 and VdS x-3 wells in the CLL concession as the wells are not expected to be proven commercially viable or technically feasible without further significant capital investment which is not currently planned or budgeted.

In December 2016, the Company applied for an extension to the Period 2 exploration period which expires on May 21, 2017. The extension was requested to allow the Company time to acquire 234 km2 of 3-D seismic data and drill one exploration well. The Company expects to receive formal approval from the Mendoza provincial government at the end of March 2017 to extend the deadline to acquire seismic data until January 22, 2018 and extend the commitment to drill one exploration well until 2018.

The Company is seeking a partner in the CLL concession to share future capital costs and provide capital cost recovery opportunities on existing and previous capital projects.

OUTLOOK

Capital Spending

Crown Point estimates a total of $12.3 million of capital expenditures for 2017 comprised of $3.6 million of expenditures on the TDF concessions and $8.7 million of expenditures on the CLL concession. Crown Point expects to meet these obligations, along with its other anticipated expenses, using funds flow from operations, working capital which totaled approximately $0.2 million at the end of Q4 2016 and $1.6 million of expected Petróleo Plus bond proceeds (see the Liquidity and Capital Resources – Petróleo Plus Bonds section of this MD&A) as well as additional debt and/or equity financings and potential joint venture arrangements.

The Company anticipates the following activities to occur during the first half of 2017 at a total estimated cost of $5.7 million:

- Acquisition of 234 km^2 of 3-D seismic on the CLL concession to fulfill the work commitment for the second exploration period.

- Completion of geological and seismic work to build a drilling inventory on the Rio Chico and Los Flamencos eastern extensions, Puesto Quince and the south flank of the Las Violetas gas pool.
- Recomplete and stimulate one shut-in well in the Las Violetas gas pool and two shut-in wells in the San Luis gas pool.
- Re-enter and chemically treat one gas well in the Las Violetas gas pool.
- Drilling of one exploration well on each of the Rio Cullen and Angostura concessions in TDF.

Argentina – Economic Summary

Since December 2015, the President of Argentina, Mauricio Macri, has undertaken several measures to stabilize the Argentine economy and rebuild trust and confidence. Some of these measures include: relaxing of currency controls, reaching an agreement with holdout creditors, lifting restrictions to capital inflow/outflow, returning to the international capital markets, removing or reducing export duties, gradually removing import restrictions, correcting exchange rates and subsidies, and reestablishing relations with countries that have traditionally been Argentina's business and political partners.

The relaxation of currency controls in December 2015 resulted in the devaluation of the ARS. A portion of TDF operating costs and general and administration expenses incurred in Argentina are denominated in ARS. As a result, a portion of the Company's operating costs per BOE and general and administrative expenses have decreased in USD equivalent terms.

Mr. Macri appointed Juan Jose Aranguren, the former CEO of Shell´s Argentine branch, as Minister of Energy and Mines. This appointment underlines the strategic importance of the energy industry to the Macri government. One of the first measures of the Minister of Energy and Mines was the declaration of the state of emergency of Argentina's electricity sector through an executive decree from President Macri which will last until December 31, 2017. The Company expects the government will implement gradual increases in natural gas and electricity rates until the end of 2019.

Commodity Prices

Oil

Domestic oil pricing policy has been influenced by the worldwide collapse in international oil prices. The stated intent of the Government is to allow domestic oil pricing to be coupled with international benchmarks during 2017.

In January 2017, at the request of the Government, an agreement to converge the Medanito and Escalante oil prices with international Brent pricing over the coming months (the "Pricing Agreement") was signed by a majority of producers and refiners in Argentina.

Under the terms of the Pricing Agreement, local refiners will pay $59.40 per bbl for Medanito crude oil and $48.30 per bbl for Escalante crude oil in January 2017 and the prices will be gradually decreased every month until they reach $55 per bbl and $47 per bbl, respectively, in July 2017. Prices in effect in July 2017 will then be applicable until December 31, 2017, when the terms of the Pricing Agreement are set to expire.

The Pricing Agreement will remain in place until December 31, 2017 unless (1) the Brent price falls below $45 per bbl for ten consecutive days or (2) the Argentinian peso depreciates more than 20%, in which case the Pricing Agreement will be renegotiated. Further, the Pricing Agreement outlines that should Brent remain higher than $1.00 above the monthly Medanito floor price for ten consecutive days, the Pricing Agreement will be suspended and the Brent price will be adopted.

Oil from Crown Point's TDF concessions is sold at a discount to the Medanito crude oil price. Under the terms of the Pricing Agreement and taking the discount into account, the Company expects to receive an average of $49 per bbl for its TDF oil in 2017.

Natural gas

Crown Point sells its gas production to both industrial and residential consumers. Residential demand for natural gas in Argentina is higher during the colder months of April through October, reducing the average natural gas prices during this period as sales to the residential market earn a government-imposed lower price than sales to the industrial market. Seasonal reductions in average natural gas prices earned during the winter months are typically offset by increased sales to the much higher-priced industrial market during November through March.

On October 6, 2016, the Ministry of Energy and Mines issued Resolution 212/2016 which specified that new prices for residential users would commence on October 7, 2016 with a 300% to 400% increase limit to prices set in the comparative period of the previous year, depending on the type of residential user, and a 500% increase limit for small and medium-sized companies. Resolution 212/2016 supersedes resolutions issued in March, June and July of 2016 which had mandated higher price increases that were subsequently blocked by class action suits initiated by residential consumers and small business.

As a result, the Company adjusted its previous estimates of prices for residential gas sales to reflect the prices that were in effect before the aforementioned superseded resolutions were issued, and has based its estimates for future gas prices based on Resolution 212/2016.

FINANCIAL INFORMATION

SUMMARY OF FINANCIAL INFORMATION

(expressed in $, except shares outstanding)	December 31 2016	December 31 2015	December 31 2014
Working capital	194,679	642,828	2,575,201
Exploration and evaluation assets	6,336,658	7,731,691	14,828,994
Property and equipment	26,442,251	32,250,082	29,063,224
Total assets	39,023,203	47,197,795	57,569,312
Non-current financial liabilities (1)	427,761	1,253,469	1,451,658
Share capital	116,003,355	116,003,355	107,575,856
Total common shares outstanding	164,515,222	164,515,222	130,480,926

(expressed in $, except shares outstanding)	Three months ended December 31		Year ended December 31	
	2016	2015	2016	2015
Oil and gas revenue	3,567,107	3,765,903	14,015,458	15,142,662
Net loss	(5,204,658)	(11,032,823)	(9,742,651)	(15,373,360)
Net loss per share (2)	(0.03)	(0.07)	(0.06)	(0.10)
Cash flow from operations	47,770	1,227,370	1,166,870	1,380,672
Cash flow per share – operations (2)	0.00	0.01	0.01	0.01
Funds flow (used by) from operations (3)	(152,170)	60,942	1,880,044	585,345
Funds flow per share – operations (2) (3)	(0.00)	(0.00)	(0.01)	(0.00)
Weighted average number of shares	164,515,222	164,515,222	164,515,222	155,794,165

(1) Non-current financial liabilities are comprised of bank debt. The total amount outstanding at December 31, 2016 is $2,376,639 of which $1,948,878 is classified as current and $427,761 is long-term (2015 – $2,416,186; $1,162,717 current and $1,253,469 long-term; 2014 – $4,748,908; $3,297,250 current and $1,451,658 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.

(3) "Funds flow from operations" and "Funds flow per share" are non-IFRS measures. See Non-IFRS Measures for a reconciliation of these measures to the nearest comparable IFRS measures.

RESULTS OF OPERATIONS

Results of Operations – TDF

Operating Netback

Per BOE	Three months ended December 31 2016	Three months ended December 31 2015	Year ended December 31 2016	Year ended December 31 2015
Oil and gas revenue ($)	27.46	28.91	27.29	28.57
Royalties ($)	(5.07)	(4.94)	(5.00)	(4.96)
Operating costs ($)	(11.64)	(12.00)	(10.42)	(11.28)
Operating netback ($)	10.75	11.97	11.87	12.33

Variances in the TDF operating netback for the 2016 periods as compared to the 2015 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 2016	Three months ended December 31 2015	Year ended December 31 2016	Year ended December 31 2015
Light oil (bbls)	25,039	19,444	83,828	74,845
NGL (bbls)	2,705	538	9,549	6,617
Natural gas (Mcf)	612,986	661,680	2,520,904	2,691,313
Total BOE	129,908	130,263	513,527	530,013
Light oil bbls per day	272	211	229	205
NGL bbls per day	29	6	26	18
Natural gas Mcf per day	6,663	7,192	6,888	7,373
BOE per day	1,412	1,416	1,403	1,452
Light oil revenue ($)	1,200,174	1,333,886	4,715,527	5,226,621
NGL revenue ($)	45,989	13,855	171,583	104,656
Natural gas revenue ($)	2,320,944	2,418,162	9,128,348	9,811,385
Total revenue	3,567,107	3,765,903	14,015,458	15,142,662
Light oil revenue per bbl ($)	47.93	68.60	56.25	69.83
NGL revenue per bbl ($)	17.00	25.74	17.97	15.82
Natural gas revenue per Mcf ($)	3.79	3.65	3.62	3.65
Revenue per BOE ($)	27.46	28.91	27.29	28.57

<u>TDF Sales and Production Volumes</u>

During Q4 2016, the Company's average daily sales volumes were 1,412 BOE per day, up 9% from 1,301 BOE per day in Q3 2016 due mainly to sales of inventoried volumes of oil and comparable to average daily sales of 1,416 BOE per day in Q4 2015.

TDF average daily production volumes for Q4 2016 averaged 1,329 BOE per day, down 3% from 1,376 BOE per day in Q3 2016 and down 7% from 1,431 BOE per day in Q4 2015. The decrease in Q4 2016 daily production volumes is due to the natural decline of wells.

TDF sales volumes were weighted as follows:

	Three months ended December 31		Year ended December 31	
	2016	**2015**	**2016**	**2015**
Light oil	19%	15%	16%	14%
NGL	2%	0%	2%	1%
Natural gas	79%	85%	82%	85%
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 YE 2016, oil production was 76,621 bbls (209 bbls per day) and sales were 83,828 bbls (229 bbls per day) as compared to YE 2015 for which oil production was 79,102 bbls (217 bbls per day) and sales were 74,845 bbls (205 bbls per day). YE 2016 oil sales volumes include 16,498 bbls of oil in inventory at December 31, 2015 while YE 2015 oil sales volumes include 12,241 bbls of oil in inventory at December 31, 2014. As at December 31, 2016 oil inventory was 9,292 bbls.

NGL production for YE 2016 was 9,340 bbls (26 bbls per day) and sales were 9,549 bbls (26 bbls per day) as compared to YE 2015 period for which NGL production was 6,536 bbls (18 bbls per day) and sales were 6,616 bbls (18 bbls per day). YE 2016 NGL sales volumes include 1,692 bbls of NGL in inventory at December 31, 2015 while YE 2015 NGL sales volumes include 1,772 bbls of NGL in inventory at December 31, 2014. As at December 31, 2016 NGL inventory was 1,483 bbls.

TDF Revenues and Pricing

TDF revenue per BOE for Q4 2016 was approximately $27.46 per BOE, higher than TDF revenue per BOE of $25.02 achieved in Q3 2016 due to an increase in oil sales volumes combined with an increase in gas prices that was partially offset by a lower oil price. TDF revenue per BOE for Q4 2016 was lower than the $28.91 per BOE earned in Q4 2015 due mainly to a lower oil price received in Q4 2016.

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 sale to 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 Q4 2016 and YE 2016 averaged $3.79 per Mcf and $3.62 Mcf respectively, as compared to $3.65 per Mcf, in both Q4 2015 and YE 2015.

The natural gas price received in Q4 2016 is higher than the price received in Q4 2015 as a result of a higher price received for gas sales to the industrial market. The average natural gas price for the industrial market was $4.01 per Mcf in Q4 2016 compared to $3.88 per Mcf in Q4 2015, showing an upward trend in pricing.

The average natural gas price earned in YE 2016 is slightly lower than YE 2015 due to a decrease in the price received in the residential market before the issuance of Resolution 212/2016 combined with a higher proportion of gas sales to the lower-priced residential market than in the comparative year. Resolution 212/2016 issued in October 2016, specified that residential gas price increases would commence on October 7, 2016.

Oil from Crown Point's TDF concessions was sold at $47.93 per bbl in Q4 2016, down 16% from $56.84 per bbl in Q3 2016 due mainly to the impact of companies importing oil at prices lower than the Argentine oil price which increased oil inventory levels. In order to sell domestic oil, lower oil prices were negotiated between Argentine producers and refiners.

See also the Outlook – Commodity Prices section of this MD&A.

The price earned by the Company on TDF NGL sales was lower in Q4 2016 than the price earned in Q4 2015 as sales in Q4 2016 were to the lower-priced residential market. The price earned by the Company on TDF NGL sales was higher in YE 2016 than the price earned in YE 2015 as a greater portion of sales in 2016 were to the higher-priced industrial market.

Royalties

	Three months ended December 31		Year ended December 31	
	2016	**2015**	**2016**	**2015**
Provincial royalties ($)	659,233	643,939	2,568,354	2,626,237
Royalties as a % of Revenue	18%	17%	18%	17%
Royalties per BOE ($)	5.07	4.94	5.00	4.96

The base royalty rate for revenue from the TDF concessions is 15% plus other royalties at an average rate of 2% on revenues for which the base royalty is paid in cash rather than in-kind. Variances in TDF royalties are also impacted by commodity prices over certain thresholds which may increase the base rate by 0.5% increments and by the level of export sales volumes which bear an additional royalty of 2% compared to mainland Argentina sales which carry a 1% royalty.

The royalty rate is higher in Q4 2016 and the YE 2016 period than in the 2015 comparative periods due mainly to a reduction in the amount of royalties paid in-kind resulting in more revenue attracting the additional 2% royalty.

Operating Costs

	Three months ended December 31		Year ended December 31	
	2016	**2015**	**2016**	**2015**
Production and processing ($)	1,360,877	1,432,982	4,871,813	5,481,147
Transportation and hauling ($)	150,076	130,710	479,692	496,689
Total operating costs ($)	1,510,953	1,563,692	5,351,505	5,977,836
Production and processing per BOE ($)	10.48	11.00	9.49	10.34
Transportation and hauling per BOE ($)	1.16	1.00	0.93	0.94
Operating costs per BOE ($)	11.64	12.00	10.42	11.28

Operating costs are lower in the 2016 periods as compared to the 2015 periods due in part to the effect of the devaluation of the ARS against the USD. During the year ended December 31, 2015, the ARS declined 53% against the USD and declined a further 22% during 2016. The majority of the devaluation has occurred since December 16, 2015, the date currency controls were lifted. A portion of the Company’s operating costs, including rates for field personnel and trucking, are set and settled in ARS based on the ARS to USD exchange rate at a particular point in time. Rates are subsequently adjusted in the event of significant changes in the ARS to USD exchange rate.

Transportation and hauling costs per BOE consist of contracted services hired to perform vacuum truck and transportation activities for crude oil.

G&A Expenses

	Three months ended December 31		Year ended December 31	
	2016	2015	2016	2015
Salaries and benefits ($)	452,942	680,951	2,064,744	2,948,665
Professional fees ($)	266,722	378,940	593,858	1,011,948
Office and general ($)	167,602	219,568	809,793	1,055,467
Travel and promotion ($)	34,874	16,936	91,361	187,020
Capitalized G&A expenses ($)	–	(166,675)	(342,436)	(402,266)
	922,140	1,129,720	3,217,320	4,800,834

Salaries and benefits are lower in the 2016 periods due to an overall reduction in staffing levels combined with the devaluation of the ARS against the USD which resulted in lower salary costs for Argentine employees.

Professional fees include reserve reports fees, consulting fees for financial reporting and investor relations services and legal and consulting fees related to assistance with the preparation of various documents for regulatory compliance. Professional fees are lower in the 2016 periods due mainly to a reduction in legal and consulting services.

Office and general expenses are lower in the 2016 periods due to efficiencies and cost-savings achieved in the Canadian and Argentina offices.

Travel and promotion expenses include the cost of management's investor relations activities and travel to Argentina. Travel and promotion expenses are lower in the YE 2016 period as compared to the YE 2015 period as there were fewer but more extended trips by management to Argentina which reduced airfare costs. Travel and promotion expenses are higher in Q4 2016 as compared to Q4 2015 due to the timing of travel.

Capitalized G&A relates to direct costs associated with the Company's capital programs. During the YE 2016 period, capitalized G&A expenses were directly attributed to drilling operations on the CLL concession and the TDF drilling program as compared to 2015 periods for which capitalized G&A primarily related to the Company's 13-well drilling program in TDF. The Company did not incur directly attributable costs for capitalization in Q4 2016.

Depletion and Depreciation

	Three months ended December 31		Year ended December 31	
	2016	2015	2016	2015
TDF depletion ($)	1,613,663	1,633,195	6,471,514	5,841,084
Depreciation ($)	46,725	41,009	224,202	169,990
	1,660,388	1,674,204	6,695,716	6,011,074
TDF depletion rate per BOE ($)	12.42	12.54	12.60	11.02

Depletion rates reflect the all-in combined charge of drilling operations, various asset acquisitions and investments in facilities and gathering systems. Office furniture, equipment and other assets are recorded at cost less accumulated depreciation. Depreciation is provided over the estimated useful lives of the assets using: a 20% declining balance basis for Canadian office furniture and equipment; a straight line basis over 3 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 is higher in the YE 2016 period as compared to the YE 2015 period due mainly to a reduction in the proved plus probable reserves estimated in the externally prepared December 31, 2016 reserve report as compared to the December 31, 2015 reserve report, from 4,917,500 BOE to 3,922,200 BOE. The decrease in proved plus probable reserves in the 2016 reserve report is due to 2016 production of 506,100 BOE and downward revisions of probable reserves with a corresponding decrease in future development capital from $32.4 million in the 2015 reserve report to $22.6 million in the 2016 reserve report.

Exploration and Evaluation Expense

During 2016, the Company recognized $2,527,270 of exploration expense in relation to expenditures on the VdS x-1 and VdS x-3 wells in the CLL concession as the wells are not expected to be proven commercially viable or technically feasible without further significant capital investment. The Company incurred $898,585 of expenditures in 2016 and $1,628,685 in 2015.

During 2015, the Company recognized $9,401,452 of exploration expense in relation to expenditures on the CLL concession on relinquished acreage and an unsuccessful exploration well (LH x-1).

Impairment

Exploration and evaluation assets

The Company did not identify impairment indicators in relation to the remaining exploration and evaluation assets as at December 31, 2016 and 2015.

Development and production assets

The Company identified indicators of impairment in relation to its TDF CGU as at December 31, 2016 and December 31, 2015 and performed an impairment test. Management estimated the recoverable amount of the TDF CGU based on fair value less costs to sell. The estimated recoverable amount for the TDF CGU was based on the discounted after-tax cash flows expected to be derived from the TDF CGU's proved plus probable reserves from the externally prepared December 31, 2016 reserve report. As at December 31, 2016 and 2015, the TDF CGU was determined not to be impaired as the estimated recoverable amount was higher than the carrying amount.

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.

The Company recognized the following SBP in the periods noted below:

	Three months ended December 31		Year ended December 31	
	2016	2015	2016	2015
Expensed (reversed) ($)	–	(2,665)	30,226	125,442
Capitalized ($)	–	696	2,127	4,820
	–	(1,969)	32,353	130,262

SBP expense is in a credit position in Q4 2015 due to the reversal of previously recognized SBP on the unvested portion of options forfeited in the period.

As at December 31, 2016, there is no remaining unvested balance of SBP.

Foreign Exchange Gain (Loss)

During Q4 2016 and YE 2016, the Company recognized foreign exchange gains of $8,344 and $119,795, respectively, compared to a foreign exchange gain of $159,213 and $882,495, respectively, during Q4 2015 and YE 2015.

The functional currency of Crown Point is the CAD. The functional currency of each of Crown Point's wholly owned subsidiaries, CanAmericas (Argentina) Energy Ltd. and Antrim Argentina, is the USD. The presentation currency of Crown Point is the USD.

Foreign exchange gains (losses) reported in the consolidated statement of loss and comprehensive loss occur as a result of translation of foreign denominated monetary assets and liabilities to the functional currency of the respective entity and the related currency fluctuations between the CAD and the USD and the USD and the ARS.

Exchange rates [1] as at December 31:	2016	2015
CAD to USD	0.7448	0.7225
ARS to USD	0.0636	0.0772
USD to ARS	15.7311	12.9467

[1] Source Bank of Canada

In Crown Point, the translation of USD denominated foreign currency to CAD during 2016 resulted in a foreign exchange loss of approximately $85,000 (2015 – $659,000 foreign exchange gain).

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.

In the Argentine subsidiary, the translation of ARS denominated net monetary liabilities during 2016 resulted in a foreign exchange gain of approximately $205,000 (2015 – $223,000 foreign exchange gain)

The devaluation of ARS against the USD is linked to Argentina's rate of inflation, which has been a persistent problem for several years, causing significant increases in the Company's USD cost of operations and capital expenditures. During the year ended December 31, 2015, the value of the ARS declined by 53% against the USD and declined a further 22% during 2016. The majority of the 2015 devaluation occurred in the latter part of December 2015 following the lifting of currency controls on December 16, 2015 by the Government of Argentina.

Currency devaluation in Argentina affects the cost of ARS denominated items which are translated to the USD functional currency of the Argentine subsidiaries. A portion of TDF operating costs and general and administrative expenses incurred in Argentina are denominated in ARS. During 2016, the devaluation of ARS resulted in lower TDF operating costs and general and administrative expenses incurred in Argentina by approximately 9% (2015 – 17%).

During 2016, 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 $141,000 (2015 – $400,000).

The HSBC Argentina and Trend Capital debt amounts, as described under Liquidity and Capital Resources, are denominated in ARS and translated to USD at each reporting date. The effects of currency devaluation on the HSBC Argentina and Trend Capital debt during 2016 are shown in the following table:

		December 31 2016
November 2013 Development loan facility (ARS 12,283,329)	$	948,710
Repayment of November 2013 development loan facility (ARS 12,283,329)		(842,185)
		106,525
June 2015 Loan facility (ARS 9,500,000)		733,738
Repayment of June 2015 Loan facility (ARS 1,979,167)		(129,427)
October 2015 Loan facility (ARS 9,500,000)		733,738
Repayment of October 2015 Loan facility (ARS 791,667)		(50,902)
February 2016 Loan facility (ARS 10,000,000)		709,300
Repayment of February 2016 Loan facility (ARS 3,000,000)		(198,566)
October 2016 Trend Capital facility (ARS 14,000,587)		922,262
November 2016 Renewal Trend Capital facility (ARS 907,413)		58,384
Repayment Trend Capital facility (ARS 14,908,000)		(959,029)
Effect of change in exchange rates		(449,384)
	$	1,476,639

Net Finance Expense

During Q4 2016 and YE 2016, the Company earned $15,327 and $42,667, respectively, of interest income on short-term deposits compared to $32,276 and $98,305, respectively, in the comparative 2015 periods. The decrease in interest income is consistent with the decrease in the balance of short-term deposits.

During Q4 2016 and YE 2016, the Company incurred $104,693 and $324,499 respectively, of financing fees and bank charges compared to $157,034 and $633,886, respectively, in the comparative 2015 periods. Financing fees and bank charges result primarily from bank taxes charged in Argentina on cash transfers.

During Q4 2016 and YE 2016, the Company incurred $177,507 and $561,070, respectively, of interest expense on bank debt compared to $126,628 and $582,260, respectively, in the comparative 2015 periods. Interest expense is higher in Q4 2016 than in Q4 2015 due to Trend Capital loan facility drawn in October 2016 and is lower in the YE 2016 period as compared to the YE 2015 period due to the repayment of loans as scheduled and described under the Liquidity and Capital Resources – HSBC Argentina Loans section of this MD&A.

Other Income and Expenses

Petróleo Plus Proceeds

The Government of Argentina implemented the Petróleo Plus Program in 2008 to reward producers who materially increased oil reserves and production through drilling and development by issuing export tax credits ("Petróleo Plus Credits") that could be used to offset taxes on oil sold off shore at market price. Petróleo Plus Credits were transferrable and could be sold to other domestic oil exporters. The Company recognized income from the sale of Petróleo Plus Credits when proceeds were received. The Petróleo Plus Program was cancelled in late 2014.

In July 2015, the Government of Argentina issued the decree 1330/2015 under which it began offering bonds to qualifying companies with outstanding certificates under the cancelled Petróleo Plus Program. The Company made a submission for approximately $2.2 million of bonds with respect to its outstanding Petróleo Plus certificates and, in September 2015, the Company recognized $287,263 of proceeds for bonds received for the same amount of Petróleo Plus certificates.

On November 29, 2016, the Government of Argentina issued the decree 1204/2016 under which it offered bonds to the companies with outstanding certificates under the cancelled Petróleo Plus Program that were not compensated under the decree 1330/2015. On December 2, 2016, the Company made a submission to receive $1.6 million of Bonar 2020 8% coupon rate ("**BONAR 2020**") bonds, denominated and settled in USD and maturing in October 2020, for the remainder of the Company's outstanding Petróleo Plus certificates.

There is no certainty that the Company will receive the BONAR 2020 bonds. Petróleo Plus income will be recognized if and when government-issued bonds are received for the outstanding Petróleo Plus certificates.

See also the Liquidity and Capital Resources – Petróleo Plus Bonds section of this MD&A.

Oil Incentive Bonus Payments

On February 3, 2015, the Government of Argentina announced a new oil incentive program (the "**Oil Incentive Program**") under the Resolution 14/2015 which replaces the Petróleo Plus Program. Under the Oil Incentive Program, companies that increase or maintain production at 95% of Q4 2014 volumes are eligible for a $3.00 per bbl bonus payment on a formula-derived quantity of production. The Oil Incentive Program was in effect from January 1, 2015 to December 31, 2015.

During 2015, the Company collected $70,451 of Oil Incentive Program bonus payments in respect of Q1 and Q2 2015 production volumes.

In January 2017, the Company collected ARS 884,603 ($55,461) of Oil Incentive bonus payments in respect of Q3 2015 and Q4 2015 production volumes.

Export Tax Recovery

In November 2006, the TDF UTE filed a lawsuit against the Ministry of Economy and Production claiming certain export taxes were unconstitutional and for such export taxes to be reimbursed. In September 2014, after numerous appeals at various levels of court by both sides, the Supreme Court of Justice of the Nation ruled in favor of the UTE for the reimbursement of export duties plus accrued interest. The Company recognizes revenue for its share of the export tax recovery when proceeds are received. During the YE 2015 period, the Company received $64,313 of proceeds.

Remediation expenses

During 2015, the Company recognized $343,671 of remediation expenses related to the Company's working interest share of the estimated cost to clean up pre-existing soil contamination, clean up a former flare pit and repair a tank retaining wall for deficiencies identified at two gas plant locations during an environmental assessment performed by Argentine provincial authorities.

Special Meeting Expenses

During 2015, the Company incurred $739,988 of expenses in response to actions by a dissident shareholder, which resulted in the preparation of various documents in advance of the special meeting of shareholders held on February 24, 2015.

Rights Offering Expenses

During 2016, the Company expensed $109,529 of costs in respect of a rights offering for which the minimum condition was not met.

Retirement Allowances

An officer of the Company retired effective November 9, 2016, and in connection with same, received a retiring allowance pursuant to the terms of the related employment agreement in the aggregate amount of $381,298.

Two officers and a senior manager of the Company retired effective August 31, 2015. In connection with their retirement, each of the retirees received a retiring allowance pursuant to the terms of the related employment agreements in the aggregate amount of $576,960.

Office Lease Termination

During 2016, the Company recognized $376,380 of lease termination expenses in connection with the surrender of the Canadian office lease comprised of a $172,257 lease termination fee, $17,455 for the forfeiture of the lease security deposit and $186,668 for the write-off of the carrying amount of leasehold improvements and office furniture at the time of the lease surrender.

Recovery (Impairment) of Receivable

During 2015, the Company evaluated the collectability of $319,835 from an Argentine operator and recognized $72,835 of impairment due to collectability concerns. During 2016, the Company recovered $70,031 of the impaired receivable.

CASH FLOWS FROM OPERATIONS, FUNDS FLOW FROM (USED BY) OPERATIONS AND NET LOSS

	Three months ended December 31		Year ended December 31	
	2016	2015	2016	2015
Cash flows from operations ($)	47,770	1,227,370	1,166,870	1,380,672
Funds flow from (used by) operations ($)	(152,170)	60,942	1,880,044	585,345
Net loss ($)	5,204,658	11,032,823	9,742,651	15,373,360

The decrease in cash flows from operations and funds flow from (used by) operations in Q4 2016 as compared to Q4 2015 is primarily due to the retirement allowance and lease termination costs. The increase in funds flow from operations in YE 2016 as compared to YE 2015 is due primarily to decreases in G&A expenses and net finance expense. In addition, the Company incurred $739,988 of special meeting expenses in 2015.

The decrease in net loss in Q4 2016 and YE 2016 as compared to the 2015 periods is due to lower G&A expenses, exploration expense and other expenses.

CAPITAL EXPENDITURES

The Company recognized the following additions in exploration and evaluation ("**E&E**") assets during 2016, primarily related to the completion of the VdS x-1 and VdS x-3 wells, and 2015, primarily related to seismic reprocessing and reinterpretation:

	Year ended December 31	
	2016	2015
Cerro de Los Leones ($)	822,543	1,597,047
TDF seismic program ($)	–	574,091
Capitalized G&A ($)	187,959	111,847
(Recovery of) capitalized VAT ($)	113,489	(2,663)
Cash expenditures ($)	1,123,991	2,280,322
Capitalized SBP ($)	1,379	–
Decommissioning revisions ($)	6,867	23,827
	1,132,237	2,304,149

The Company also recognized the following additions to property and equipment assets during 2016 and 2015:

	Year ended December 31 2016	2015
Drilling and completion ($)	1,443,130	7,968,676
Capitalized G&A ($)	154,477	290,419
Corporate assets ($)	88,082	74,849
Cash expenditures ($)	1,685,689	8,333,944
Recovery of capitalized VAT ($)	(1,495,491)	(10,433)
Capitalized SBP ($)	748	4,820
Decommissioning revisions ($)	785,268	968,217
	973,214	9,296,548

Allocation of cash expenditures (recoveries):	Year ended December 31 2016	2015
TDF ($)	1,597,607	8,248,662
Corporate ($)	88,082	74,849
	1,685,689	8,323,511

During 2016, the Company incurred $1,443,130 of expenditures and $154,477 of capitalized G&A in the TDF area primarily related to tangible costs for lease construction and completion and evaluation of the currently non-productive wells from the 2014/2015 TDF drilling program as described under the Operational Update section of this MD&A.

During 2015, the Company incurred $7,968,676 of expenditures and $290,419 of capitalized G&A in the TDF area related to the Company's multi-well development, recompletion and exploration program.

VAT

	2016	2015
Included in prepaid expenses	$ 64,303	$ 51,910
Included in E&E assets	1,517,404	1,403,915
Included in property and equipment	1,476,108	2,971,599
	$ 3,057,815	$ 4,427,424

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.

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.

During 2016, the Company incurred a net loss of $9,742,651. As at December 31, 2016, the Company has significant future capital commitments to develop its properties and working capital of $194,679 (2015 – $642,828) including $521,185 of cash and cash equivalents comprised of cash held in bank accounts.

Management has received confirmation from the financial institutions 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, 2016 audited 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. 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 audited December 31, 2016 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 funds flow from operations, existing working capital and the expected proceeds from the Petróleo Plus bonds (as described below under the Petróleo Plus Bonds section of this MD&A) as well as additional debt and/or equity financings and potential joint venture arrangements to fund the Company’s capital expenditure program through 2017. For details of the Company's capital expenditure program for 2017, see the Outlook 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.

Monetary and Currency Exchange Controls

On December 16, 2015, the new Argentine government lifted monetary and currency control measures, and there are no restrictions on foreign investment and on transferring funds abroad. The Central Bank has also eased regulations on foreign ownership of Argentine assets and companies and foreign investors can fully own an Argentine company and operate in financial markets without any form of prior government approval.

Argentina Loans

As at December 31, 2016, the Company had the following loans outstanding:

	Total	Current portion	Long-term portion
HSBC Argentina loan facility (a)	$ 1,031,661	$ 603,900	$ 427,761
HSBC Argentina loan facility (b)	444,978	444,978	–
Banco Industrial loan facility (c)	900,000	900,000	–
	$ 2,376,639	$ 1,948,878	$ 427,761

(a) The Company has an ARS denominated loan facility with HSBC Argentina which bears interest at 19%, calculated and paid monthly commencing on the date the amounts are drawn. ARS 9,500,000 of principal is repayable in 24 monthly installments commencing July 17, 2016 and ARS 9,500,000 of principal is repayable in 24 monthly installments commencing October 23, 2016. The loan facility is secured by two $350,000 USD denominated GICs on deposit with a major Canadian financial institution.

Antrim Argentina is subject to two financial covenants, tested on an annual basis, both of which were met as at December 31, 2016:

- Financial Debt to EBITDA ratio of 2 or less to 1 as defined in the loan agreement. In simplified terms, Financial Debt is the total of Antrim Argentina’s liabilities, excluding trade and other payables and decommissioning liabilities, and EBITDA is Antrim Argentina’s results from operating activities plus depreciation and depletion.

- Interest Coverage of 3.0 times or higher as defined in the loan agreement. In simplified terms, the Interest Coverage Ratio is determined as EBITDA divided by the sum of Antrim Argentina's interest, commissions, fees, pre-cancellation and other amounts related to Financial Debt, excluding principal payments.

As at December 31, 2016, the balance owing under this loan facility was ARS 16,229,167 ($1,031,661).

(b) The Company has an ARS 7,000,000 short-term loan facility with HSBC Argentina which bears interest at 25.50%, calculated and paid monthly commencing on December 5, 2016 and repayable in one installment on March 5, 2017. The loan is secured by a $480,000 USD denominated letter of credit held as a GIC with a major Canadian financial institution.

As at December 31, 2016, the balance owing under this loan facility was ARS 7,000,000 ($444,978).

On March 6, 2017, the Company renewed the loan facility at an interest rate of 25% per annum, calculated and paid monthly commencing on March 6, 2017 and repayable in one installment on June 6, 2017.

(c) On December 26, 2016, the Company obtained a USD 900,000 unsecured loan facility with Banco Industrial repayable in one installment on December 26, 2017. The loan bears an annual interest rate of 9.5%, calculated and paid monthly commencing on January 26, 2017.

As at December 31, 2016, the balance owing under this loan facility was $900,000.

Petróleo Plus Bonds

On July 13, 2015, the Government of Argentina issued decree N°1330/2015 under which the Government offered publically-traded government bonds to qualifying companies with outstanding certificates under the cancelled Petróleo Plus Program.

The Company made a submission to receive approximately $2.2 million of bonds with respect to its outstanding Petróleo Plus certificates, of which bonds were received in relation to approximately $0.3 million of outstanding certificates in September 2015.

On November 29, 2016, the Government of Argentina issued decree N°1204/2016 under which the Government offered publicly-traded BONAR 20 bonds to companies with outstanding Petróleo Plus certificates that were not compensated under decree N°1330/2015. On December 2, 2016, the Company made a submission to receive $1.6 million of BONAR 2020 bonds. Petróleo Plus income will be recognized if and when government-issued bonds are received for the outstanding Petróleo Plus certificates.

For further information, see Other Income and Expenses – Petróleo Plus Proceeds.

New Gas Subsidy Program

On May 23, 2016, the Government of Argentina issued decree N°704/2016 under which the Government offered publicly-traded government bonds to companies with outstanding New Gas Subsidy applications as of December 31, 2015 under the New Gas Subsidy Program. On June 22, 2016, the Company made a submission to receive $0.6 million of BONAR 2020 bonds in relation to ARS 8,645,200 of the Company's New Gas Subsidy applications.

As of the date hereof, the Company have not received the bonds. There is no certainty that the Company will receive the BONAR 2020 bonds. New Gas Subsidy income will be recognized if and when government-issued bonds are received.

RELATED PARTY TRANSACTIONS

Energía y Soluciones SA, a company controlled by Gabriel Obrador, who is a director of the Company and the majority shareholder of GORC S.A., a shareholder of the Company, owns a 1.46% overriding royalty on revenue earned from the CLL Permit. As of December 31, 2016, and the date of this MD&A, no revenue has been earned from the CLL Permit.

During Q4 2016 and the YE 2016 period, the TDF UTE (of which the Company is a member) sold a portion of natural gas volumes to Energía y Soluciones SA for which the Company recognized $123,241 (ARS 1,924,879) and $412,719 (ARS 6,206,844), respectively, of oil and gas revenue for its working interest share (Q4 2015 and YE 2015 – $nil).

Transactions with related parties are conducted and recorded at the exchange amount.

SUBSEQUENT EVENTS

In January 2017, the Company received $115,000 upon the release of a GIC back to the Company in respect of a loan with HSBC Argentina that was fully repaid in November 2016 as described under the Liquidity and Capital Resources – Argentina Loans section of this MD&A.

In January 2017, the Company collected ARS 884,603 ($55,461) of Oil Incentive bonus payments in respect of Q3 2015 and Q4 2015 production volumes.

On March 6, 2017, the Company renewed a loan facility with HSBC Argentina described in the Liquidity and Capital Resources – Argentina Loans section of this MD&A at an interest rate of 25% per annum, calculated and paid monthly commencing on March 6, 2017 and repayable in one installment on June 6, 2017.

COMMITMENTS AND CONTINGENCIES

(a) Leased premises

- The Company has expected future payments for its existing Buenos Aires office rental in the amount of $13,230 per month until March 31, 2017.
- The Company has expected future payments for a new Buenos Aires office rental in the amount of ARS $36,000 ($2,290) per month from February 1, 2017 to March 31, 2020. The monthly rental amount will increase in January 2018 and January 2019 based on Argentina's consumer price index. The Company has the option to cancel the rental agreement at any time for a penalty of 1.5 months of rent if cancellation occurs within the first six months of the rental term and for one month of rent if cancellation occurs thereafter.
- The Company is committed to future payments for an accommodation rental in Buenos Aires in the amount of ARS 24,900 ($1,584) per month from March 1, 2017 to August 31, 2017, ARS 28,635 ($1,821) per month from September 1, 2017 to February 28, 2018, ARS 32,930 ($2,094) per month from March 1, 2018 to August 31, 2018 and ARS 37,870 ($2,409) per month from September 1, 2018 to February 28, 2019.

(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 TDF 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	18 gross wells with a minimum of $12.1 million of exploration and development investment. As at December 31, 2016, the Company had drilled 13 gross wells and fulfilled the minimum $12.1 million investment.
Rio Cullen	Until December 31, 2016 (2)	A minimum of $0.85 million of exploration investment including seismic and drilling (1) of which $0.31 million has been spent.

La Angostura	Until December 31, 2016 (2)	A minimum of $0.98 million of exploration investment including seismic and drilling (1) of which $0.26 million has been spent.

(1) After fulfillment of the exploration commitments, the Company 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).

(2) The Company requested a two year extension of the December 31, 2016 commitment dates for the drilling of both wells, however the extension was not formally ratified prior to the recess of the Provincial Legislature on December 15, 2016. The Company expects to fulfill the expenditure commitment by March 31, 2017.

(c) Cerro de Los Leones concession

The CLL 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.

Effective April 27, 2015, the Company entered into an agreement (the "Agreement") with the Province of Mendoza government to transfer approximately $3.9 million of unused work units from the first exploration period ("Period 1") to the second period ("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. As a result, Period 2 commitments increased from $750,000 to $4.6 million plus one exploration well which must be incurred by May 2017.

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

Period	**Term of Exploration Period**	**Required Work Commitment (1)**
Period 1	Expired	Transferred to Period 2
Period 2	2 years commencing May 21, 2015 (3)	A minimum of approximately $4.6 million (2) 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) 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.

(2) $750,000 plus $3.9 million transferred from Period 1.

(3) Should the Company fail to complete its work commitments within the specified time period, it must surrender the concession exploration lands and will be obligated to make a payment equal to the value of the Company's outstanding Period 2 work commitments.

(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**
(1) 2 years commencing upon the receipt of environmental permits	A minimum of approximately $2.85 million in expenditures including 1 exploration well
(2) 1 year commencing upon expiry of preceding term	A minimum of approximately $1.75 million in expenditures including 1 exploration well

SHARE CAPITAL

Issued and outstanding	Common Shares	Stock Options
December 31, 2015	164,515,222	4,565,000
Expired	–	(920,000)
December 31, 2016	164,515,222	3,645,000
Expired	–	(1,087,500)
March 15, 2017	164,515,222	2,557,500

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, short-term bonds, 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, deposits 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

IFRS 2 Share-based Payment

In June 2016, the International Accounting Standards Board ("IASB") issued amendments to IFRS 2 Share-based Payment to clarify the accounting requirements related to classification and measurement of share-based payment transactions. The amendments are effective for annual periods beginning on or after January 1, 2018. The Company is currently assessing the impact of *IFRS 2* on its consolidated financial statements.

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* introduces a single approach to determine whether a financial asset is measured at amortized cost or fair value based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets and introduces a new expected credit loss model for calculating impairment of financial assets. For financial liabilities where the fair value option is applied, any change in fair value resulting from an entity's own credit risk is recorded in other comprehensive income rather than the statement of income, unless this creates an accounting mismatch. The Company anticipates that adoption of *IFRS 9* will result in changes to the classification of the Company's financial assets but will not will not change the classification of the Company's financial liabilities or result in material changes in the carrying values of the Company's financial instruments. *IFRS 9* also contains a new model to be used for hedge accounting for risk management contracts, however, the Company does not currently have any risk management contracts. *IFRS 9* is effective for annual periods beginning on or after January 1, 2018.

IFRS 15 Revenue from Contracts with Customers

In May 2014, the IASB issued *IFRS 15 Revenue from Contracts with Customers* which requires an entity to recognize revenue to reflect the transfer of goods and services for the amount it expects to receive, when control is transferred to the purchaser. Disclosure requirements have also been expanded. *IFRS 15* is required to be adopted retrospectively for annual periods beginning on or after January 1, 2018. The Company is currently in the process of reviewing its revenue streams and underlying contracts to determine the impact, if any, the adoption of *IFRS 15* will have on its consolidated financial statements.

IFRS 16 Leases

In January 2016, the IASB issued *IFRS 16 Leases* which replaces the previous leases standard, *IAS 17 Leases*. *IFRS 16* eliminates the classification of leases as either operating leases or finance leases as is required by IAS 17 and, instead, introduces a single lessee accounting model. Lessors continue to classify leases as operating leases or finance leases, and account for those two types of leases differently. *IFRS 16* is effective for periods beginning on or after January 1, 2019. The Company is currently assessing the impact of *IFRS 16* on its consolidated financial statements.

IAS 7 Statement of Cash Flows

Amendments to *IAS 7 Statement of Cash Flows* require disclosures that enable financial statement users to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendments are effective for annual periods beginning on or after January 1, 2017 and are not expected to have a significant impact on the Company's consolidated financial statements.

BUSINESS RISKS AND UNCERTAINTIES

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

- risks associated with operations in emerging markets, including changes in energy policies or personnel administering them, nationalization of the Company's assets, the development and/or persistence 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 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;
- the risk that the Company will not be able to reduce its operating costs and thereby improve the return on its investments;
- lack of diversification of the Company's interests;
- collection of and value of bonds issuable to the Company in consideration of amounts owing from the cancelled Petróleo Plus Program and under the New Gas Subsidy Program;

- 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 and fracture stimulation equipment and related personnel;
- 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 at CLL and the resulting loss of exploration and exploitation rights and the resulting obligation to pay the value of such unsatisfied work commitments to the provincial government;
- 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;
- governmental regulation of the oil and gas industry, including the possibility that government policies or laws, including laws and regulations related to the environment, may change in a manner that is adverse to the Company, or that governmental approvals may be delayed or withheld;
- 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 control person 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 to fund the Company's capital programs, including the ability of the Company to obtain new credit facilities, renegotiate the terms of its existing credit facilities and/or repay the principal and interest owing under its existing credit facilities.

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 Three months ended:	December 31 2016	September 30 2016	June 30 2016	March 31 2016	December 31 2015	September 30 2015	June 30 2015	March 31 2015
Working capital ($)	194,679	1,093,716	1,538,735	1,499,486	642,828	1,798,499	2,393,937	796,126
Oil and gas revenue ($)	3,567,107	2,993,957	3,778,045	3,676,349	3,765,903	3,447,010	3,887,066	4,042,683
Petróleo Plus Proceeds ($)	–	–	–	–	–	287,623	–	–
Oil Incentive Bonus Payments ($)	–	–	–	–	–	70,451	–	–
E&E expense ($)	2,527,270	–	–	–	9,401,452	–	–	–
Net loss ($)	(5,204,658)	(1,364,868)	(1,829,347)	(1,343,778)	(11,032,823)	(1,623,146)	(1,070,071)	(1,647,320)
Basic and diluted net loss per share (1) ($)	(0.03)	(0.01)	(0.01)	(0.01)	(0.07)	(0.01)	(0.01)	(0.01)
Cash flow from (used by) operating activities ($)	47,770	(326,872)	653,110	792,862	1,227,370	241,054	64,303	(152,055)
Expenditures on property and equipment and E&E assets ($)	205,503	562,671	541,127	4,888	2,115,804	975,889	4,321,607	3,190,533
Total assets ($)	39,023,203	42,755,626	44,378,558	45,422,188	47,197,795	56,831,790	58,773,838	57,144,674
Bank debt ($)	2,376,639	1,783,350	2,330,695	2,595,470	2,416,186	2,677,975	2,088,054	4,176,399

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

- Net loss in Q4 2016 is higher than Q3 2016 due primarily to E&E expense, retirement allowance and office lease termination costs incurred in Q4 2016.
- Working capital decreased in Q4 2016 due primarily to an increase in the current portion of bank debt.
- Net loss in Q3 2016 is lower than Q2 2016 due primarily to a decrease in net finance expense in connection with a decrease in bank debt, a decrease in depletion expense due to lower sales volumes and recognition of a recovery of deferred tax.
- Working capital decreased in Q3 2016 due to repayment of trade and other payables and current portion of long-term debt with proceeds from the collection of trade and other receivables and proceeds from the return of deposits.
- Net loss in Q2 2016 is higher than Q1 2016 due primarily to an increase in G&A expense and the recognition of an additional $0.8 million deferred tax expense.
- Net loss in Q1 2016 is lower than Q4 2015 due primarily to $9.4 million of E&E expense incurred in Q4 2015 combined with decreases in Q1 2016 in operating and G&A expenses offset by an increase in depletion and depreciation expense and recognition of $0.5 million deferred tax expense.
- Working capital increased in Q1 2016 due to lower expenditures on property and equipment.
- Net loss in Q4 2015 is higher than the previous quarter due primarily to $9.4 million of E&E expense and an increase in depletion expense offset by a decrease in other expenses.
- Working capital decreased in Q4 2015 due to the repayment of bank debt and expenditures on

property and equipment offset by the loan facility proceeds drawn in October 2015.

- Net loss in Q3 2015 is higher than the previous quarter due primarily to retirement allowances incurred in Q3 2015 and included in other expenses.
- Working capital decreased in Q3 2015 due to a decrease in oil revenue combined with the repayment of bank debt and expenditures on property and equipment offset by the proceeds from the bank loan.
- Net loss in Q2 2015 is lower than the previous quarter due primarily to special meeting expenses incurred in Q1 2015.
- Working capital increased in Q2 2015 due to the proceeds from an equity financing, which was offset by the repayment of bank debt and expenditures on property and equipment.
- Net loss in Q1 2015 decreased due to an increase in oil and gas revenue combined with decreases in operating and G&A expenses offset by an increase in depletion and depreciation expense.
- Working capital decreased in Q1 2015 due to expenditures on property and equipment and the repayment of bank debt.

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**	
	2016	**2015**	**2016**	**2015**
Cash flows from operations ($)	47,770	1,227,370	1,166,870	1,380,672
Changes in non-cash working capital ($)	(199,940)	(1,166,428)	713,174	(795,327)
Funds flow from (used by) operations ($)	(152,170)	60,942	1,880,044	585,345
Weighted average number of shares	164,515,222	164,515,222	164,515,222	155,794,165
Funds flow per share – continuing operations	(0.00)	(0.00)	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 an alternative to other terms such as net income as determined in accordance with IFRS as measures of performance. Crown Point's method of calculating this measure may differ from other companies, and accordingly, may not be comparable to similar measures used by other companies.

ABBREVIATIONS AND BOE PRESENTATION

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

3-D	-	three dimensional
bbls	-	barrels
BOE	-	barrels of oil equivalent
km	-	kilometres
km^2	-	square kilometres
Mcf	-	thousand cubic feet
NGL	-	natural gas liquids
YPF	-	Yacimientos Petrolíferos 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: under "Corporate Overview and Strategy", all elements of the Company's business strategy, the Company's assessment on its leverage to increased natural gas prices (and its expectation of increased natural gas prices) and certain intended and planned future operations; under "Operational Update – Tierra del Fuego Concession", the operations that the Company intends to conduct on certain of its TDF assets and the planned timing thereof and the benefits that the Company expects to derive therefrom; under "Operational Update – Cerro de Los Leones Exploration", the operations that the Company intends to conduct on certain of its CLL assets and the expected timing thereof and the benefits that the Company expects to derive therefrom and the budget for certain expenditures; under "Outlook – Capital Spending", our estimated capital expenditures for the first half of 2017 and the allocation of expenditures between our TDF and CLL Concessions, the elements of our capital program for these periods, our estimates of the costs to complete the elements of the program and the timing thereof, and our expectations for how we will fund our capital programs; under "Outlook – Commodity Prices", our expectations regarding the impact that the Argentine government's evolving energy policies and reforms may have on commodity prices in Argentina, including the Company's estimates with respect to its realized commodity prices for 2017; under "Liquidity and Capital Resources", our strategies for managing our liquidity risks and our expectations for how we will fund our capital expenditure program through 2017; under "Liquidity and Capital Resources – Petróleo Plus Bonds" and elsewhere in this MD&A, our expectation that the Company will receive an additional $1.6 million in bonds for its cancelled Petróleo Plus certificates and $0.6 million in bonds under the New Gas

Subsidy Program. The reader is cautioned that such information, although considered reasonable by the Company, may prove to be incorrect. Actual results achieved during the forecast period will vary from the information provided in this MD&A as a result of numerous known and unknown risks and uncertainties and other factors.

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 that the new federal government will have on the oil and gas industry in Argentina generally and the Company in particular; the impact of increasing competition; the general stability of the economic and political environment in which the Company operates, including operating under a consistent regulatory and legal framework in Argentina; future oil, natural gas and NGL prices (including the effects of governmental incentive programs thereon); 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; that the Company will be able to collect and realize the full value of bonds issuable to the Company in consideration of all amounts owing from the cancelled Petróleo Plus Program and under the New Gas Subsidy Program; the ability of the Company to obtain financing on acceptable terms when and if needed; the ability of the Company to service its debt repayments when required; 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; 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 describes certain information with respect to operational remedies performed by other oil and gas operators in areas in close proximity to the Company's Vega del Sol wells. 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.

Well-Flow Test Results and Initial Production Rates

Any references in this document to well-flow test results, swab test rates and/or initial production rates are useful in confirming the presence of hydrocarbons, however, such test results and rates are not determinative of the rates at which such wells will continue production and decline thereafter. While encouraging, readers are cautioned not to place reliance on such test results and rates in calculating the aggregate production for the Company. Well-flow test results, swab test rates and initial production rates may be estimated based on other third party estimates or limited data available at the time. Well-flow test result data should be considered to be preliminary until a pressure transient analysis and/or well-test interpretation has been carried out. In all cases in this document, well-flow test results and initial production results are not necessarily indicative of long-term performance of the relevant well or fields or of ultimate recovery of hydrocarbons.

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., PO Box 1526 Station M, Calgary, Alberta, T2P 3B9, or by phone at (403) 232-1150, by email at info@crownpointenergy.com or on the Company's website at www.crownpointenergy.com.