



**Notice of the Annual General Meeting of Shareholders  
to be held on August 30, 2018**

The annual general meeting (the "**Meeting**") of the holders of common shares of Crown Point Energy Inc. (the "**Corporation**", "**Crown Point**" or "**our**") will be held at the offices of Burnet, Duckworth & Palmer LLP, 2400, 525-8<sup>th</sup> Avenue S.W., Calgary, Alberta T2P 1G1 on August 30, 2018, at 10:00 a.m. (Calgary time), to:

1. receive and consider our financial statements for the year ended December 31, 2017, together with the auditors' report thereon;
2. elect five (5) directors for the ensuing year;
3. appoint PricewaterhouseCoopers LLP as the auditors of the Corporation and to authorize the directors to fix their remuneration as such;
4. consider, and if thought appropriate, to pass an ordinary resolution ratifying the Corporation's stock option plan, all as more particularly described in the accompanying management information circular – proxy statement of the Corporation dated July 12, 2018 (the "**Information Circular**"); and
5. transact such other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

**Registered shareholders may vote in person at the Meeting or any adjournment or postponement thereof or they may appoint another person (who need not be a shareholder) as their proxy to attend and vote in their place. Registered shareholders unable to be present at the Meeting in person are requested to date and sign the enclosed form of proxy and mail it to or deposit it with our transfer agent, Computershare Investor Services Inc. ("Computershare"): (i) by mail using the enclosed return envelope or one addressed to Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1; (ii) by hand delivery to Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1; (iii) by facsimile to 1-866-249-7775 (inside North America) or (416) 263-9524 (outside North America); or (iv) you may vote by telephone at 1-866-732-8683 (inside North America) or (312) 588-4290 (outside North America). If you wish to vote through the Internet, please go to [www.investorvote.com](http://www.investorvote.com) and follow the instructions. You will require your 15-digit control number found on your proxy form. In order to be valid and acted upon at the Meeting, forms of proxy must be received by Computershare not less than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) before the time of the Meeting or any adjournment or postponement thereof. The time limit for the deposit of proxies may be waived or extended by the Chair of the Meeting at his or her discretion without notice.**

Non-registered shareholders who hold shares through a broker, financial institution, trustee, nominee or other intermediary or otherwise should carefully follow the instructions found on their voting instructions form.

The board of directors of the Corporation has fixed the record date at the close of business on July 12, 2018 (the "**Record Date**"). Shareholders of record as at the Record Date are entitled to receive notice of the Meeting and to vote those shares included in the list of shareholders entitled to vote at the Meeting prepared as at the Record Date, unless any such shareholder transfers shares after the Record Date and the transferee of those shares, having produced properly endorsed certificates evidencing such shares or otherwise established that he owns such shares, demands, not later than ten (10) days before the Meeting, that the transferee's name be included in the list of shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such shares at the Meeting.

Particulars of the foregoing matters are set forth in the accompanying Information Circular.

Dated at Calgary, Alberta this 12<sup>th</sup> day of July, 2018.

By order of the Board of Directors

(signed) "*Brian J. Moss*"

President and Chief Executive Officer



**Management Information Circular – Proxy Statement  
dated July 12, 2018**

**For the Annual General Meeting  
of Shareholders to be held on August 30 , 2018**

**PROXY MATTERS**

**Solicitation of Proxies**

**This information circular – proxy statement (the "Information Circular") is furnished in connection with the solicitation of proxies by the management of Crown Point Energy Inc. (the "Corporation" or "Crown Point") for use at the annual general meeting of the holders of common shares ("Common Shares") of the Corporation (the "Meeting") to be held at the offices of Burnet, Duckworth & Palmer LLP, 2400, 525-8<sup>th</sup> Avenue S.W., Calgary, Alberta T2P 1G1 on August 30, 2018 at 10:00 a.m. (Calgary time), and at any adjournment or postponement thereof, for the purposes set forth in the accompanying Notice of Annual General Meeting.**

The board of directors of the Corporation (the "**Board**") has fixed the record date for the Meeting at the close of business on July 12, 2018 (the "**Record Date**"). Only shareholders of record on the Record Date are entitled to notice of, and to attend and vote at, the Meeting, unless a shareholder transfers the ownership of his or her Common Shares subsequent to that date and the transferee of those Common Shares establishes that he or she owns the Common Shares and demands not less than ten (10) days before the Meeting, that the transferee's name be included in the list of shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such Common Shares at the Meeting.

Unless otherwise stated, the information in this Information Circular is given as at July 12, 2018. In this Information Circular, unless otherwise noted, all dollar amounts are expressed in Canadian dollars and references to "\$" and "CDN\$" are to Canadian dollars.

The instrument appointing a proxy (the "**Instrument of Proxy**") must be in writing and must be executed by you or your attorney authorized in writing or, if you are a corporation, under your corporate seal or by a duly authorized officer or attorney of the corporation.

**The persons named in the enclosed Instrument of Proxy are directors and/or officers of the Corporation. As a shareholder submitting a proxy you have the right to appoint a person or company (who need not be a shareholder) to represent you at the Meeting other than the person or persons designated in the Instrument of Proxy furnished by Crown Point. To exercise this right you should follow the instructions provided in the enclosed Instrument of Proxy or submit another appropriate proxy.**

In order to be effective, the proxy must be deposited with Computershare Investor Services Inc. ("**Computershare**"): (i) by mail using the enclosed return envelope or one addressed to Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1; (ii) by hand delivery to Computershare Investor Services Inc., 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1; (iii) by facsimile to 1-866-249-7775 (inside North America) or (416) 263-9524 (outside North America); or (iv) you may vote by telephone at 1-866-732-8683 (inside North America) or (312) 588-4290 (outside North America), not less than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) before the time of the Meeting or any adjournment or postponement thereof. The time limit for the deposit of proxies may be waived or extended by the Chair of the Meeting at his or her discretion without notice. If you vote

through the Internet, please go to [www.investorvote.com](http://www.investorvote.com) and follow the instructions. You will require your 15-digit control number found on your proxy form.

### **Advice to Beneficial Holders of Common Shares**

The information set forth in this section is of significant importance to you if you do not hold the Common Shares in your own name. If you hold Common Shares through a broker, financial institution, trustee, nominee or other intermediary or otherwise ("**Beneficial Holders**"), you should note that only proxies deposited by shareholders whose names appear on our records as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in your account statement provided by your broker, then in almost all cases those Common Shares will not be registered in your name on our records. Such Common Shares will likely be registered under the name of your broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co., the registration name for CDS Clearing and Depository Securities Inc., which acts as nominee for many Canadian brokerage firms. Common Shares held by your broker or their nominee can only be voted upon your instructions. Without specific instructions, your broker or their nominee is prohibited from voting your shares. You should ensure that an instruction regarding the voting of your shares is communicated to the appropriate person within the appropriate time frame.

Applicable regulatory policy requires your broker to seek voting instructions from you in advance of the Meeting. Every broker has its own mailing procedures and provides its own return instructions, which you should carefully follow in order to ensure that your shares are voted at the Meeting. Often, the form of voting instructions supplied by your broker is identical to the form of proxy provided to registered shareholders. However, its purpose is limited to instructing the registered shareholder how to vote on your behalf. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") or another intermediary. **If you receive a voting instruction form from Broadridge or another intermediary, it cannot be used as a proxy to vote Common Shares directly at the Meeting as the proxy must be returned (or otherwise reported) as directed by Broadridge well in advance of the Meeting in order to have the Common Shares voted.**

There are two kinds of Beneficial Holders: (i) those who object to their name being made known to the issuers of securities which they own, known as objecting beneficial owners or "OBOs"; and (ii) those who do not object to their name being made known to the issuers of securities which they own, known as non-objecting beneficial owners or "NOBOs". The Corporation may utilize Broadridge QuickVote™ service to assist Beneficial Holders that are NOBOs with voting their Common Shares.

Although you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker (or agent of the broker), you may attend at the Meeting as proxyholder for the registered shareholder and vote Common Shares in that capacity. If you wish to attend the Meeting and indirectly vote your Common Shares as proxyholder for the registered shareholder, you should enter your own name in the blank space on the form of proxy provided to you and return the same to your broker (or the broker's agent) in accordance with the instructions provided by your broker (or agent), well in advance of the Meeting.

### **Notice-And-Access**

The Corporation has elected to use the "notice-and-access" provisions under National Instrument 54-101 *Communications with Beneficial Owners of Securities of a Reporting Issuer* for the Meeting in respect of the mailing of the Corporation's meeting materials, annual financial statements and management's discussion and analysis to the non-registered holders of Common Shares but not to the registered holders of Common Shares. The notice-and-access provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials that must be physically mailed to shareholders by allowing a reporting issuer to post its meeting materials and information circular and related materials online.

The Corporation has also elected to use procedures known as "stratification" in relation to our use of the notice-and-access provisions. Stratification occurs when we, while using the notice-and-access provisions, provide a paper copy of the Information Circular and, if applicable, a paper copy of the Corporation's financial statements and related management's discussion and analysis, to some but not all of the Corporation's shareholders together with the notice

of meeting. In relation to the Meeting, our registered shareholders will receive a paper copy of the notice of the meeting, this Information Circular, a form of proxy and our financial statements and related management's discussion and analysis whereas non-registered holders of Common shares will receive a notice-and-access notification and a voting instruction form. In addition, a paper copy of our financial statements and related management's discussion and analysis in respect of our most recent financial year will be mailed to those shareholders who do not hold their common shares in their own name but who have previously requested to receive paper copies of our financial information.

### **Revocability of Proxy**

You may revoke your proxy at any time prior to the Meeting. If you or the person to whom you give your proxy attends personally at the Meeting you or such person may revoke the proxy and you may vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing executed by you or your attorney authorized in writing or, if you are a corporation, under your corporate seal or by a duly authorized officer or attorney of the corporation. To be effective the instrument in writing must be deposited either at the registered office of the Corporation at any time prior to 4:30 p.m. (Calgary time) on the last business day preceding the day of the Meeting, or any adjournment or postponement thereof, at which the proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting, or any adjournment or postponement thereof.

### **Persons Making the Solicitation**

**This solicitation is made on behalf of the management of the Corporation.** The costs incurred in the preparation and mailing of the Instrument of Proxy, Notice of Annual General Meeting and this Information Circular will be borne by the Corporation. In addition to mailing Instruments of Proxy, proxies may be solicited by personal interviews, or by other means of communication, by directors, officers and employees of the Corporation, who will not be remunerated therefor. All costs incurred by the Corporation in soliciting proxies will be paid by the Corporation.

### **Exercise of Discretion by Proxy**

The Common Shares represented by proxy in favour of management nominees will be voted or withheld from voting on any ballot at the Meeting. Where you specify a choice with respect to any matter to be acted upon, the Common Shares will be voted on any ballot in accordance with your instructions. **If you do not provide instructions your Common Shares will be voted in favour of the matters to be acted upon as set out in this Information Circular.** The persons appointed under the Instrument of Proxy which we have furnished are conferred with discretionary authority with respect to amendments or variations of those matters specified in the Instrument of Proxy and Notice of Annual General Meeting and with respect to any other matters which may properly be brought before the Meeting or any adjournment or postponement thereof. At the time of printing this Information Circular, we know of no such amendment, variation or other matter.

## **VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of class A preferred shares (the "**Class A Preferred Shares**"), issuable in series. As at July 12, 2018, there were 72,903,038 Common Shares and no Class A Preferred Shares issued and outstanding.

Effective December 31, 2017, the Company amended its Articles of Incorporation to consolidate the Common Shares on the basis of a consolidation ratio of 10 pre-consolidation Common Shares to one post-consolidation Common Share. All references to Common Share numbers in this Information Circular are on a post-consolidation basis.

The holders of Common Shares are entitled to: (i) one (1) vote per share held at any meeting of shareholders of the Corporation; (ii) receive any dividend declared by the Corporation; and (iii) receive the remaining property of the Corporation upon dissolution.

Other than as stated below, to the best of the knowledge of the directors and senior officers of the Corporation, as at the date hereof, no person or company beneficially owns or controls or directs, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all of the issued and outstanding Common Shares.

<u>Name of Shareholder and Country of Residence</u>	<u>Common Shares Owned, Controlled or Directed</u>	<u>Percentage of the Outstanding Common Shares of the Corporation</u>
Liminar Energía S.A. <sup>(1)</sup> Argentina	43,384,482	59.5%
William Wheeler <sup>(2)</sup> Canada	10,927,823	14.9%

Notes:

- (1) Pablo Peralta, a director of Crown Point, controls 30% of the voting shares of Liminar Energía S.A. ("**Liminar**"). The remaining voting shares of Liminar are controlled by Roberto Dominguez (30%), Nelpinar S.A. (30%) and Eipor S.A. (10%). The foregoing information is based on Liminar's public filings.
- (2) Texada Capital Management Ltd., a company controlled by William Wheeler, together with accounts owned jointly by Mr. Wheeler and his wife Eileen Wheeler and the Wheeler Family Foundation, an entity under the direction of Mr. Wheeler, own these Common Shares. The foregoing information is based on Texada Capital Management Ltd.'s public filings.

## **MATTERS TO BE ACTED UPON AT THE MEETING**

### **Election of Directors**

Pursuant to the by-laws of the Corporation, the Board has fixed the number of directors to be elected at the Meeting at five (5). Accordingly, at the Meeting shareholders will be asked to elect five (5) directors to hold office until the next annual meeting or until their successors are elected or appointed. There are currently five (5) directors of the Corporation, each of whom will retire at the Meeting.

Unless otherwise directed, it is the intention of management to vote proxies in the accompanying form in favour of the election as directors for the ensuing year the five (5) nominees hereinafter set forth:

Brian J. Moss  
Gordon R. Kettleison  
Pablo Peralta  
Gabriel Obrador  
Keith Turnbull

Each director elected will hold office until the next annual general meeting, or until his successor is duly elected or appointed, unless his office is earlier vacated.

Voting on the election of directors will be conducted on an individual, and not a slate, basis. Management of the Corporation recommends that shareholders vote **FOR** the election of these nominees. Management does not contemplate that any of these nominees will be unable to serve as a director. However, if for any reason any of the proposed nominees does not stand for election or is unable to serve as such, **the management designees, if named as proxy, reserve the right to vote for any other nominee in their sole discretion unless you have specified in your proxy that your Common Shares are to be withheld from voting on the election of directors.**

The following information relating to the director nominees is based partly on our records and partly on information received by us from the nominees and sets forth the names, ages, province or municipality and country of residence of all of the persons nominated for election as directors, the periods during which they have served as directors, their principal occupations during the five preceding years and the number of Common Shares owned, or controlled or directed, directly or indirectly, by each of them as of July 12, 2018.

<b>Name, Province/State and Country of Residence</b>	<b>Position Presently Held</b>	<b>Periods Served as a Director</b>	<b>Principal Occupation During the Five Preceding Years</b>	<b>Number of Common Shares Beneficially Owned or Controlled or Directed on July 12, 2018</b>
<b>Dr. Brian J. Moss</b> Alberta, Canada	President and Chief Executive Officer	Since December 1, 2017 and prior thereto May 2012 to April 2015	President and Chief Executive Officer of the Corporation since November 2016. Prior thereto, Executive Vice-President and Chief Operating Officer of the Corporation since June 2012.	111,206
<b>Gordon R. Kettleson<sup>(1)(2)</sup></b> British Columbia, Canada	Chairman and Director	Since December 17, 2001	Chief Executive Officer of Interwest Petroleum Ltd. since 2001.	206,723
<b>Pablo Peralta<sup>(2)</sup></b> Buenos Aires, Argentina	Director	Since December 19, 2014	Mr. Peralta currently holds various executive positions, including the following: President of the following entities – Grupo S.T. S.A. (since April 2007), ST Inversiones S.A. (since May 2009), Orígenes Seguros de Retiro S.A. (since May 2009), Orígenes Seguros de Vida S.A. (since June 2011), Liminar Energía S.A. (since March 2014), and Liminar Desarrollos Inmobiliarios S.A. (since July 2009). Mr. Peralta was also the Vice President of Banco de Servicios y Transacciones S.A. (where he was President from 2002-2014). Mr. Peralta currently serves as a director of the following companies: Préstamos y Servicios S.A.; Tecevall Agente de Valores S.A.; CMS de Argentina S.A.; and Crédito Directo S.A. Each of the foregoing companies, other than Liminar, are privately held entities operating in the financial services, insurance and real estate sectors in Argentina.	43,384,482 <sup>(3)</sup>
<b>Gabriel Obrador<sup>(1)</sup></b> Buenos Aires, Argentina	Director	Since December 19, 2014	President of Petrolera Piedra del Aguila S.A. (an independent oil and gas operator focused on acquisition and development areas with exploratory and development potential in Argentina's Neuquén Basin) since August 2006 and Vice-President and director of Energía y Soluciones (an oil and gas trader based in Argentina) since September 2009. Mr. Obrador also currently holds the following positions with private companies: director of Galileo Advanced Solutions, US LNG/CNG solutions for the oil and gas industry, Distributed Gas Solutions Canada (based in Montreal, offers LNG/CNG fueling solutions to industrial and commercial customer), and Gas Nacional Mexico – GANAMEX (based in Monterrey offers LNG/CNG fueling solutions to clients).	Nil
<b>Keith Turnbull<sup>(1)(2)</sup></b> Alberta, Canada	Director	Since April 23, 2012	Business consultant since December 31, 2009. Prior thereto, Partner at KPMG LLP.	71,788

## Notes:

- (1) Member of the Audit, Reserves & HSE Committee of the Board.
- (2) Member of the Compensation and Governance Committee of the Board.
- (3) Mr. Peralta controls 30% of the voting shares of Liminar and is the President of Liminar, which is the registered and beneficial owner of these Common Shares. As such, Mr. Peralta has control and direction over the Common Shares held by Liminar. See "Voting Shares and Principal Holders Thereof".

As at the date hereof, the directors and officers of the Corporation, and their associates and affiliates, as a group, own or control, directly or indirectly, 43,774,199 Common Shares representing approximately 60% of the issued and outstanding Common Shares.

In accordance with the terms of an investment agreement dated effective November 16, 2014, as amended (the "**Investment Agreement**") among the Corporation and Liminar, Liminar has been provided the right to have two (2) representatives serve on the Board, provided Liminar collectively owns or controls 10% or more of the issued and outstanding Common Shares, in all cases subject to all applicable legal and regulatory requirements. Messrs. Peralta and Obrador are Liminar's Board nominees.

### ***Cease Trade Orders***

To the knowledge of the management of the Corporation, none of the proposed directors is, or has been in the last 10 years, a director, chief executive officer or chief financial officer of an issuer (including the Corporation) that, (a) while that person was acting in that capacity, was the subject of a cease trading order or similar order or an order that denied the issuer access to any exemptions under securities legislation, for a period of more than 30 consecutive days; or (b) was subject to, after that person ceased to be a director, chief executive officer or chief financial officer, in the issuer being the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation, for a period of more than 30 consecutive days, and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer.

Dr. Brian Moss was a director of Richards Oil & Gas Limited ("**ROG**") when each of the Alberta Securities Commission, British Columbia Securities Commission and the Ontario Securities Commission issued cease trade orders on May 7, 2010, May 11, 2010 and May 26, 2010, respectively, against ROG for failing to file certain annual disclosure documents for the financial year ended December 31, 2009. ROG's shares were de-listed from the TSX Venture Exchange ("**TSXV**") on July 9, 2010 for failure to pay its listing fees. The cease trade orders by the Alberta Securities Commission and Ontario Securities Commission were varied in December 2010 to allow certain trades as part of ROG's proposal under the *Bankruptcy and Insolvency Act* (Canada) ("**BIA**"), as discussed below. On December 31, 2010, after assisting ROG with its successful restructuring process, Dr. Moss resigned as a director of ROG.

### ***Bankruptcies***

To the knowledge of the management of the Corporation, no proposed director of the Corporation is, or within the ten years prior to the date of this Information Circular was: (a) declared bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person; or (b) was a director or executive officer of a corporation (including the Corporation) that while that person acting in that capacity or within a year of the person ceasing to act as a director or officer of the corporation became bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Dr. Brian Moss was a director of ROG when ROG received protection from its creditors pursuant to an order under the BIA on May 5, 2010. On September 24, 2010, ROG filed a proposal under the BIA naming Alger & Associates Inc. as the trustee, which was accepted by ROG's creditors and the Alberta Court of Queen's Bench. On December 31, 2010, after assisting ROG with its successful restructuring process, Dr. Moss resigned as a director of ROG.



### ***Penalties or Sanctions***

To the knowledge of the management of the Corporation, no proposed director of the Corporation has been subject to (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director of the Corporation.

### **Appointment of Auditor**

The Board recommends that PricewaterhouseCoopers LLP ("**PWC**") be appointed as auditor of the Corporation for the ensuing year at a remuneration to be approved by the Board.

The current auditors of the Corporation are KPMG LLP ("**KPMG**"). On July 10, 2018, the Board unanimously recommended that the Corporation rotate auditors from KPMG to PWC, upon the expiry of KPMG's current term of office. Accordingly, KPMG will not be proposed for reappointment by our shareholders at the Meeting, but will continue to act as the Corporation's independent auditor until the expiry of its term of office at the close of the Meeting. There were no "reportable events" within the meaning of National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**") involving the Corporation and KPMG in connection with the audits of the Corporation's two most recently completed financial years or in connection with any subsequent period up to and including July 10, 2018. See Schedule "A" for a copy of the reporting package in respect of such change of auditor.

Shareholders will consider an ordinary resolution to appoint the firm of PWC to serve as auditors of the Corporation until the next annual meeting of the shareholders. **The Board and management plan to vote FOR and recommend that you vote FOR this ordinary resolution.**

### **Ratification of Stock Option Plan**

Pursuant to the TSXV Policy 4.4 (the "**Option Policy**") the Corporation is permitted to maintain a "rolling" stock option plan (the "**Stock Option Plan**") reserving a maximum of 10% of the issued and outstanding Common Shares for issuance pursuant to stock options. In accordance with the Option Policy, rolling option plans must receive shareholder approval yearly at the Corporation's annual meeting.

Shareholders will therefore be asked at the Meeting to consider and, if thought advisable, to ratify and approve the existing Stock Option Plan (the "**Option Plan Resolution**"). At the annual general meeting held on December 1, 2017, the shareholders of the Corporation approved the current Stock Option Plan. The Corporation currently has 41,000 outstanding options to purchase Common Shares of the Corporation (the "**Options**"), at a weighted average exercise price of \$8.70 per Common Share.

The purpose of the Stock Option Plan is to aid in attracting, retaining and motivating the directors, officers, employees and consultants (collectively, "**Service Providers**") of Crown Point and its subsidiaries and affiliates in the growth and development of Crown Point by providing them with the opportunity through Options to acquire an increased proprietary interest in Crown Point.

The Stock Option Plan is administered by a committee of the Board comprised of one or more directors appointed by the Board to administer the Stock Option Plan or, if no such committee is appointed, the Board (in each case, the "**Committee**"). The Committee may designate eligible Service Providers of Crown Point and its subsidiaries and affiliates to whom Options may be granted and the number of Common Shares to be optioned to each, provided that the number of Common Shares to be optioned will not exceed the limitations set out below:

- (a) the total number of Common Shares reserved for issuance on exercise of Options issued under the Stock Option Plan at any given time shall not exceed 10% of the aggregate of the issued and outstanding Common Shares at such time;

- (b) unless the approval of the disinterested shareholders of Crown Point is obtained, the aggregate number of Common Shares reserved for issuance to any one optionee in a 12 month period shall not exceed 5% of the number of outstanding Common Shares (determined at the time an Option is granted);
- (c) the aggregate number of Common Shares reserved for issuance to any one consultant in a 12 month period shall not exceed 2% of the number of outstanding Common Shares (determined at the time an Option is granted);
- (d) the aggregate number of Common Shares reserved for issuance to all persons conducting investor relations activities in a 12 month period shall not exceed 2% of the number of outstanding Common Shares (determined at the time an Option is granted); and
- (e) unless the approval of the disinterested shareholders of Crown Point is obtained, the maximum number of Options which may be granted to insiders of Crown Point within a 12 month period may not exceed 10% of the number of outstanding Common Shares.

Any increase in the issued and outstanding Common Shares (whether as a result of the exercise of Options or otherwise) will result in an increase in the number of Common Shares that may be issued on exercise of Options outstanding at any time and any increase in the number of Options granted will, upon exercise, make new grants available under the Stock Option Plan. Options that are cancelled, terminated or expire prior to the exercise of all or a portion thereof will result in the Common Shares that were reserved for issuance thereunder being available for a subsequent grant of Options pursuant to the Stock Option Plan.

The Committee may, in its sole discretion, determine: (i) the time during which Options will vest; (ii) the method of vesting; or (iii) that no vesting restriction shall exist. The Committee may, at its sole discretion at any time, or in the option agreement in respect of any Options granted, accelerate or provide for the acceleration of vesting of Options previously granted. The exercise price of Options will be fixed by the Committee when Options are granted, provided that the exercise price of Options may not be less than the Discounted Market Price of the Common Shares at the time an Option is granted (or such other minimum price as may be required by the stock exchange on which the Common Shares are listed at the time of grant). "**Discounted Market Price**" means the last closing trading price per Common Share on the TSXV (or if the Common Shares are not listed on the TSXV, on such exchange as the Common Shares are then traded) before the date of grant of the Option or the date Crown Point issues a news release to fix the price of such Option, less the applicable discount as prescribed by the TSXV. The period during which an Option is exercisable shall, subject to the provisions of the Stock Option Plan requiring or permitting acceleration of rights of exercise or the extension of the exercise period, be such period, not in excess of five years, as may be determined by the Committee at the time of grant. Options will not be assignable or transferable by the optionee either in whole or in part.

In addition, each Option shall provide that:

- (a) upon the death of an optionee, the Option shall terminate on the date determined by the Committee which shall not be more than twelve (12) months from the date of death and, in the absence of any determination to the contrary, will be twelve (12) months from the date of death;
- (b) if an optionee shall no longer be a Service Provider (other than by reason of death or termination for cause), the Option shall terminate on the expiry of the period not in excess of ninety (90) days as prescribed by the Committee at the time of grant, following the date that such optionee ceases to be a Service Provider and, in the absence of any determination to the contrary, will terminate ninety (90) days following the date that such optionee ceases to be a Service Provider;
- (c) if an optionee shall no longer be a Service Provider by reason of termination for cause, the Option shall terminate immediately on such termination for cause (whether notice of such termination occurs verbally or in writing);

provided that the number of Common Shares that an optionee (or his or her heirs or successors) shall be entitled to purchase until such date of termination: (i) shall in the case of death of such optionee, be all of the Common Shares that may be acquired on exercise of the Options held by such optionee (or his or her heirs or successors) whether or not previously vested, and the vesting of all such Options shall be accelerated on the date of death for such purpose; and (ii) in any case other than death or termination for cause, shall be the number of Common Shares which such optionee was entitled to purchase on the date such optionee ceased to be a Service Provider.

If the expiry date of any Options falls within any Black Out Period or within the three (3) business day period prior to the normal expiry date of such Options (the "**Restricted Options**"), then the expiry date of all Restricted Options will be extended to the date that is ten (10) business days following the end of the Black-Out Period (or such longer period as permitted by the TSXV and approved by the Committee). The foregoing extension applies to all Options whatever the date of grant and shall not be considered to be an extension of the term of the Options. "**Black Out Period**" means the period of time when, pursuant to any policies of Crown Point and/or applicable securities laws, any securities of Crown Point may not be traded by certain persons as designated by Crown Point and/or such applicable securities laws, including any holder of an Option.

In the event: (i) of any change in the Common Shares through subdivision, consolidation, reclassification, amalgamation, merger or otherwise; or (ii) that, as a result of any recapitalization, merger, consolidation or other transaction, the Common Shares are converted into or exchangeable for any other securities or property; then the Board may make such adjustments to the Stock Option Plan and to any Options, and may make such amendments to any option agreements, as the Board may, in its sole discretion, consider appropriate in the circumstances to prevent dilution or enlargement of the rights granted to optionees and/or to provide for the optionees to receive and accept such other securities or property in lieu of Common Shares, and the optionees will be bound by any such determination. If Crown Point fixes a record date for a distribution to all or substantially all of the holders of the Common Shares of cash or other assets (other than a dividend in the ordinary course of business), the Board may, in its sole discretion, but will not be required to, make an adjustment to the exercise price of any Options outstanding on the record date for such distribution and make such amendments to any option agreements to give effect thereto, as the Board may, in its sole discretion, consider appropriate in the circumstances.

Except in the case of a transaction that is a Change of Control (as defined in the Stock Option Plan), if Crown Point enters into any transaction or series of transactions whereby Crown Point or all or substantially all of the assets of Crown Point and its subsidiaries (on a consolidated basis) would become the property of any other trust, body corporate, partnership or other person (a "**Successor**"), whether by way of takeover bid, acquisition, reorganization, consolidation, amalgamation, arrangement, merger, transfer, sale or otherwise, prior to or contemporaneously with the consummation of such transaction the Corporation and the Successor will execute such instruments and do such things as the Committee may determine are necessary to establish that upon the consummation of such transaction the Successor will assume the covenants and obligations of the Corporation under the Stock Option Plan and any option agreements outstanding on consummation of such transaction. Any such Successor shall succeed to, and be substituted for, and may exercise every right and power of the Corporation under the Stock Option Plan and option agreements with the same effect as though the Successor had been named as the Corporation therein and thereafter, the Corporation shall be relieved of all obligations and covenants under the Stock Option Plan and such option agreements and the obligation of the Corporation to the optionees in respect of the Options shall terminate and be at an end and the optionees shall cease to have any further rights in respect thereof including, without limitation, any right to acquire Common Shares upon vesting of the Options.

If there takes place a Change of Control (as such term is defined in the Stock Option Plan), all issued and outstanding Options will be exercisable (whether or not then vested) immediately prior to the time such Change of Control takes place and shall terminate on the 90<sup>th</sup> day after the occurrence of such Change of Control, or at such earlier time as may be established by the Board, in its absolute discretion, prior to the time such Change of Control takes place.

The Stock Option Plan allows the Board to amend or discontinue the plan at any time, provided that no such amendment may, without the consent of an optionee, alter or impair any Option previously granted to an optionee under the Stock Option Plan, and provided further that any amendment to the Stock Option Plan is subject to prior approval of the TSXV, if required, and approval of the holders of Common Shares, if required by the TSXV.

At the Meeting, shareholders will be asked to consider and, if deemed advisable, approve the following ordinary resolution to approve the Stock Option Plan:

"BE IT RESOLVED THAT:

1. the stock option plan (the "**Stock Option Plan**") of Crown Point Energy Inc. ("**Crown Point**"), as described in the management information circular and proxy statement of Crown Point dated July 12, 2018, including the approval of the reserve and issuance of up to a maximum of 10% of the number of issued and outstanding common shares of Crown Point from time to time to be issued thereunder, be and the same is hereby authorized, approved and ratified; and
2. any one or more directors or officers of Crown Point are hereby authorized to execute and deliver, whether under corporate seal or otherwise, all such agreements, instruments, notices, consents, acknowledgements, certificates and other documents (including any documents required under applicable laws or regulatory policies), and to perform and do all such other acts and things, as any such director or officer in his or her discretion may consider to be necessary or advisable from time to time in order to give effect to this resolution."

In order for the foregoing resolution to be passed, it must be approved by a simple majority of the votes cast by shareholders of the Corporation who vote in person or by proxy at the Meeting. Unless otherwise directed, it is the intention of management to vote proxies in favour of the ordinary resolution approving the Stock Option Plan.

#### STATEMENT OF EXECUTIVE COMPENSATION

Form 51-102F5 – *Information Circular* provides that if management of an issuer solicits proxies from its securityholders for the purpose of electing directors then certain prescribed disclosure respecting executive and director compensation must be included in its management information circular. The Corporation filed a Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* (the "**Compensation Disclosure**") on SEDAR at [www.sedar.com](http://www.sedar.com) on July 4, 2018. A copy of the Corporation's Compensation Disclosure is attached as Schedule "B" hereto.

#### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Stock Option Plan is the only equity compensation plan of the Corporation. The following sets forth information in respect of securities authorized for issuance under the Stock Option Plan as at December 31, 2017.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))<sup>(1)</sup> (c)</b>
Equity compensation plans approved by security holders	158,250	\$5.20	3,132,053
Equity compensation plans not approved by security holders	Nil	Nil	Nil
<b>Total</b>	<b>158,250</b>	<b>\$5.20</b>	<b>3,132,053</b>

Notes:

- (1) Represents the maximum number of additional Common Shares issuable under the Stock Option Plan based upon the number of Common Shares outstanding as at December 31, 2017.
- (2) The Stock Option Plan authorizes the issuance of Options entitling the holders to acquire, in the aggregate, up to 10% of the Common Shares from time to time. See "*Ratification of Stock Option Plan*" above.

## CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("**NI 58-101**") requires that if management of an issuer solicits proxies from its securityholders for the purpose of electing directors that certain prescribed disclosure respecting corporate governance matters be included in its management information circular. The TSXV also requires listed companies to provide, on an annual basis, the corporate governance disclosure which is prescribed by NI 58-101.

The prescribed corporate governance disclosure for the Corporation is that contained in Form 58-101F2 which is attached to NI 58-101 ("**Form 58-101F2 Disclosure**").

Set out below is a description of our current corporate governance practices, relative to the Form 58-101F2 Disclosure (which is set out below in italics).

### 1. Board of Directors

*Disclose the identity of directors who are independent.*

The Board has determined that the following two (2) existing directors of the Corporation are independent:

Gordon R. Kettleon  
Keith Turnbull

*Disclose the identity of directors who are not independent, and describe the basis for that determination.*

The Board has determined that the following three (3) existing / proposed directors of the Corporation are not independent:

Pablo B. Peralta  
Gabriel D. Obrador  
Dr. Brian J. Moss

Pablo Peralta and Gabriel Obrador are not considered independent as they are nominees of Liminar, which is the registered and beneficial holder of approximately 59.5% of Crown Point's issued and outstanding Common Shares. Dr. Moss is not considered independent as he is the President and Chief Executive Officer of the Corporation.

### 2. Directorships

*If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.*

The following directors of the Corporation are currently directors of other issuers that are reporting issuers (or the equivalent):

<b>Name of Director</b>	<b>Name of Other Issuer</b>
Keith Turnbull	Bellatrix Exploration Ltd. (NYSE, TSX:BXE)
Brian J. Moss	Bengal Energy Ltd. (TSXV:BNG)
Gordon R. Kettleon	Califfi Capital Corp. (TSXV:CFI)

### **3. Orientation and Continuing Education**

*Describe what steps, if any, the Board takes to orient new Board members, and describe any measures the Board takes to provide continuing education for directors.*

Upon joining our Board, new directors are provided with a directors' information binder which includes a copy of all Board and committee mandates and corporate policies, organizational structure, the structure of the Board and its committees and constating documents. In addition, presentations are made to the Board on an ongoing basis in relation to the business and operations of the Corporation.

Each new director brings a different skill set and professional background, and with this information, the Board is able to determine what orientation to the nature and operations of the Corporation's business will be necessary and relevant to each new director. The Corporation provides continuing education for its directors as such need arises and encourages open discussion at all meetings which is intended to encourage learning by the directors.

### **4. Ethical Business Conduct**

*Describe what steps, if any, the Board takes to encourage and promote a culture of ethical business conduct.*

The Board expects management to operate the business of the Corporation in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Corporation's business plan and to meet performance objectives and goals.

The Corporation has adopted a Code of Business Conduct and Ethics for directors, officers and employees (the "**Code**"). A copy of the Code is available on SEDAR at [www.sedar.com](http://www.sedar.com). All directors, officers and employees are required to abide by the Code.

The Corporation has adopted an Anti-Corruption Policy that applies to the employees, officers and directors of the Corporation and its subsidiaries and affiliates. The Anti-Corruption Policy provides guidelines to encourage ethical behaviour in Crown Point's business conduct and promote compliance with applicable anti-corruption legislation.

The Board has also adopted a Whistleblower Policy wherein employees of the Corporation are provided with the mechanics by which they may raise concerns in a confidential, anonymous process.

In addition, the Board must comply with conflict of interest provisions in Canadian corporate law, including relevant securities regulatory instruments, in order to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

### **5. Nomination of Directors**

*Describe what steps, if any, are taken to identify new candidates for board nomination including: (a) who identifies new candidates; and (b) the process of identifying new candidates.*

Although the Board determines new nominees to the Board, the Board has established a Compensation and Governance Committee of the Board (the "**C&G Committee**"), which has the responsibility, if requested by the Board, of, among other things, recommending the criteria governing the overall composition of the Board and governing the desirable individual characteristics for directors. The C&G Committee mandate relating to governance matters also includes identifying and recommending qualified candidates to the Board, although the nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the President and CEO of the Corporation.

## 6. Compensation

*Describe what steps, if any, are taken to identify compensation for the directors and CEO, including: (a) who determines compensation; and (b) the process for determining compensation.*

For information relating to the compensation of directors and executive officers of the Corporation, see "*Statement of Executive Compensation – Venture Issuers*" attached hereto as Schedule "B".

## 7. Other Board Committees

*If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.*

The Board has established an Audit, Reserves & HSE Committee of the Board (the "**A&R Committee**"). The A&R Committee is currently comprised of Messrs. Turnbull, Kettleison and Obrador, all of whom, other than Mr. Obrador, are independent. The mandate for the A&R Committee as it relates to reserves matters includes, among other things, the responsibility for:

1. reviewing the Corporation's procedures relating to the disclosure of information with respect to oil and gas activities including reviewing its procedures for complying with its disclosure requirements and restrictions set forth under applicable securities requirements;
2. reviewing the Corporation's procedures for providing information to the independent evaluator;
3. meeting, as considered necessary, with management and the independent evaluator to determine whether any restrictions placed by management affect the ability of the evaluator to report without reservation on the Reserves Data (as defined in National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*) (the "**Reserves Data**") and to review the Reserves Data and the report of the independent evaluator thereon (if such report is provided);
4. reviewing the appointment of the independent evaluator and, in the case of any proposed change to such independent evaluator, determining the reason therefor and whether there have been any disputes with management;
5. providing a recommendation to the Board as to whether to approve the content or filing of the statement of the Reserves Data and other information that may be prescribed by applicable securities requirements including any reports of the independent engineer and of management in connection therewith;
6. reviewing the Corporation's procedures for reporting other information associated with oil and gas producing activities;
7. generally reviewing all matters relating to the preparation and public disclosure of estimates of the Corporation's reserves and resources;
8. reviewing the nature and extent of the development of, and compliance by the Corporation with, appropriate health, safety and environment policies and standards having regard to industry and community standards and applicable laws;
9. reviewing health, safety and environmental proceedings, claims or other contingencies that could have a material effect on the financial position or operating results of the Corporation and reporting the results of such review to the Board;
10. annually reviewing and assessing the funding of future environmental and reclamation obligations of the Corporation;

11. reviewing the nature and extent of compliance with any applicable health, safety and environmental standards and laws, as well as any mitigating or remedial actions taken for and on behalf of the Corporation in respect of any non-compliance with any such standards or laws;
12. reviewing trends and current and emerging issues in the health, safety and environment areas and reviewing the impact of proposed legislation relating to health, safety and environment matters and recommending to the Board the appropriate responses thereto; and
13. reviewing emergency response planning procedures for the Corporation for the health, safety and environment areas.

As discussed above, the Board has established the C&G Committee. The C&G Committee is comprised of Messrs. Turnbull, Peralta and Kettleon, all of whom, other than Mr. Peralta, are independent. The mandate for the C&G Committee as it relates to governance matters includes, among other things:

1. periodically reviewing the mandates of the Board and its committees and recommend to the Board such amendments to those mandates as the Committee believes are necessary or desirable;
2. considering and, if thought fit, approving requests from directors or committees of directors of the engagement of special advisors from time to time;
3. if requested by the Board or the CEO, preparing and recommending to the Board annually a statement of corporate governance practices to be included in the Corporation's annual report or information circular as required by the TSXV and any other regulatory authority;
4. if requested by the Board or the CEO, making recommendations to the Board as to which directors should be classified as "independent directors", "related" directors or "unrelated" directors pursuant to any such report or circular;
5. reviewing on a periodic basis the composition of the Board and ensuring that an appropriate number of independent directors sit on the Board, analyzing the needs of the Board and recommending nominees who meet such needs;
6. assessing periodically the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors (including the competencies and skills that each individual director is expected to bring to the Board), including considering the appropriate size of the Board;
7. if requested by the Board or the CEO, recommending suitable candidates for nominees for election or appointment as directors, and recommending the criteria governing the overall composition of the Board and governing the desirable individual characteristics for directors and in making such recommendations, the Committee may consider:
  - (a) the needs of the Corporation and its stage of development and the competencies and skills that the Board considers to be necessary for the Corporation and the Board, as a whole, to possess;
  - (b) the competencies and skills that the Board considers each existing director to possess;
  - (c) the competencies and skills each new nominee will bring to the boardroom; and
  - (d) whether or not each new nominee can devote sufficient time and resources to his or her duties as a member of the Board;
8. as required, developing, for approval by the Board, an orientation and education program for new recruits to the Board;



9. to act as a forum for concerns of individual directors in respect of matters that are not readily or easily discussed in a full Board meeting, including the performance of management or individual members of management or the performance of the Board or individual members of the Board;
10. as required, developing and recommending to the Board for approval and periodically review structures and procedures designed to ensure that the Board can function effectively and independently of management;
11. making recommendations to the Board regarding appointments of corporate officers and senior management;
12. reviewing and considering the engagement at the expense of the Corporation of professional and other advisors by any individual director when so requested by any such director;
13. if determined necessary or appropriate, establishing, reviewing and updating periodically the Code and ensure that management has established a system to monitor compliance with the Code; and
14. reviewing management's monitoring of the Corporation's compliance with the Code.

## **8. Assessments**

*Disclose what steps, if any, that the Board takes to satisfy itself that the Board, its committees, and its individual directors are performing effectively.*

The Board will periodically review its own performance and effectiveness as well as review periodically the mandates of the various committees of the Board and recommend revisions to the Board as necessary. In addition, the C&G Committee may periodically assess the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors (including the competencies and skills that each individual director is expected to bring to the Board), including considering the appropriate size of the Board. Neither the Corporation nor the Board has determined formal means or methods to regularly assess the Board, its committees or the individual directors with respect to their effectiveness and contributions. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of an individual director are informally monitored by the other Board members, having in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

The Corporation feels its corporate governance practices are appropriate and effective for the Corporation, given its relative size and stage of development. The Corporation's method of corporate governance allows for the Corporation to operate efficiently, with straightforward checks and balances that control and monitor management and corporate functions without excessive administrative burden.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of Crown Point's current directors, executive officers, employees or former executive officers, directors or employees or any of its subsidiaries, is or has been at any time since the beginning of Crown Point's most recently completed financial year, indebted to Crown Point or any of its subsidiaries nor is any indebtedness still outstanding, nor, at any time since the beginning of Crown Point's most recently completed financial year, has any indebtedness of any such person been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Crown Point or any of its subsidiaries.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as described below, there were no material interests, direct or indirect, of any Informed Persons (as defined in NI 51-102) of the Corporation, any proposed director, or any known associate or affiliate of such persons, in any transaction since the commencement of the last completed financial year of the Corporation or in any proposed transaction which has materially affected or would materially affect the Corporation or any of the Corporation's subsidiaries.

On October 23, 2017, the Corporation closed a rights offering that was backstopped by Liminar pursuant to a standby purchase agreement dated September 18, 2017 entered into between Liminar and the Corporation. Liminar acquired 10,717,815 Common Shares pursuant to the rights offering and the standby purchase agreement, with the result that it owned approximately 50.8% of the Corporation's issued and outstanding Common Shares following closing of the offering. Pablo Peralta, a director of Crown Point, controls 30% of the voting shares of Liminar and is the President of Liminar.

On May 23, 2018, the Corporation closed a short form prospectus rights offering that was partially backstopped by Liminar pursuant to an amended and restated standby purchase agreement dated April 6, 2018 entered into between Liminar and the Corporation. Liminar acquired 26,666,667 Common Shares pursuant to the rights offering and the standby purchase agreement, with the result that it now owns approximately 59.5% of the Corporation's issued and outstanding Common Shares. Pablo Peralta, a director of Crown Point, controls 30% of the voting shares of Liminar and is the President of Liminar.

### **INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON**

Management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or executive officer at any time since the beginning of our last financial year, of any proposed nominee for election as a director, or of any associate or affiliate of any of the foregoing persons, in respect of any matter to be acted on at the Meeting, other than the election of directors and the ratification of the Stock Option Plan.

### **AUDIT COMMITTEE INFORMATION**

National Instrument 52-110 – *Audit Committees* ("**NI 52-110**") requires the Corporation, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor in accordance with Form 52-110F2.

#### **A&R Committee Mandate and Terms of Reference**

The mandate and responsibilities of the A&R Committee, as it relates to audit matters, is attached hereto as Schedule "C".

#### **Composition of the A&R Committee and Relevant Education and Experience**

The current members of the A&R Committee are Keith Turnbull (Chair), Gordon Kettleon and Gabriel Obrador. Each member of the A&R Committee, other than Mr. Obrador, is considered to be "independent" of the Corporation and each member is considered financially literate, in each case in accordance with NI 52-110.

A member of the A&R Committee is independent if the member has no direct or indirect material relationship with the Corporation. A material relationship means a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member's independent judgment.

A member of the A&R Committee is considered financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

The following is a description of the education and experience of each member of the A&R Committee:

<b>Name and Place of Residence</b>	<b>Relevant Education and Experience</b>
Keith Turnbull Alberta, Canada	Mr. Turnbull has been a business consultant since his retirement as a Partner from KPMG LLP, Chartered Accountants on December 31, 2009, after nearly 30 years of service. Mr. Turnbull has extensive experience in all aspects of public company accounting, finance and management matters. Mr. Turnbull served as Office Managing Partner at KPMG LLP's Calgary office, where he was responsible for the strategic direction and growth of the Calgary practice, as well as its audit, tax and advisory business. He is currently also a director of NYSE and TSX listed Bellatrix Exploration Ltd., an oil and gas producer. He has been a director of four other Canadian publicly traded companies, each of which was acquired in a takeover. Mr. Turnbull is a Chartered Accountant and a member of the Alberta and Canadian Institute of Chartered Accountants and is a member of the Institute of Corporate Directors. He obtained a Bachelor of Science degree in 1971 from Bishop's University, Lennoxville, Quebec.
Gordon Kettleson British Columbia, Canada	Gordon R. Kettleson has been Chief Executive Officer of Interwest Petroleum Ltd., a family holding company involved as a producer of petroleum and natural gas products, since September 2001, and its Assistant Manager from November 1999 to September 2001. He is currently also a director of TSXV listed Califfi Capital Corp., a capital pool company. Prior to that he was a sales and marketing manager. Mr. Kettleson was formerly the President and/or Chief Executive Officer of Crown Point for various periods between March 2007 and May 2009 and prior thereto served as the Corporation's Chief Financial Officer.
Gabriel Obrador Buenos Aires, Argentina	Mr. Obrador is a seasoned entrepreneur and manager operating in the oil and gas sector and several other industries, including renewable energy, energy commodity trading and agribusiness. Petrolera Piedra del Aguila S.A., which he co-founded in 2006 and for which he currently serves as President, is an independent oil and gas operator focused on acquisition and development areas with exploratory and development potential in Argentina's Neuquén Basin, where Crown Point has a 100% interest in an exploration concession. Prior to 2006, Mr. Obrador was a senior manager with YPF S.A., the largest oil and gas company in Argentina. Mr. Obrador has served as a director of two Argentine publicly traded companies, Carlos Casado S.A. and Celulosa Argentina S.A. Mr. Obrador also currently holds the following positions with private companies: director of Galileo Advanced Solutions, a US LNG/CNG solutions for the oil and gas industry, Distributed Gas Solutions Canada (based in Montreal, offers LNG/CNG fueling solutions to industrial and commercial customer), and Gas Nacional Mexico – GANAMEX (based in Monterrey offers LNG/CNG fueling solutions to clients); director of E-Pellets Group (a wood pellet producer located in Georgia USA); and director and Vice-President of Energía y Soluciones (an oil and gas trader based in Argentina). Mr. Obrador obtained a Master of Science in Management from the Massachusetts Institute of Technology in 1996 and a Chemical Licentiate with an Organic Chemistry track from the University of Buenos Aires in 1989.

### **Audit Committee Oversight**

Since the commencement of the Corporation's most recently completed financial year, the Board has not failed to adopt a recommendation of the A&R Committee to nominate or compensate an external auditor.

### Reliance on Certain Exemptions

Since the commencement of the Corporation's most recently completed financial year, the Corporation has not relied on the exemptions contained in sections 2.4, 6.1.1 or 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the A&R Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Subsections 6.1.1(4), (5) and (6) provide exemptions in certain circumstances from the requirement that the Corporation's A&R Committee be comprised of a majority of members who are not executive officers, employees or control persons of the Corporation or of an affiliate of the Corporation. Section 8 permits an issuer to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

The Corporation is relying upon the exemption in section 6.1 of NI 52-110 in respect of the requirements for the composition of the A&R Committee and in respect of its reporting obligations under NI 52-110.

### Pre-Approval Policies and Procedures

The A&R Committee has adopted a policy to review and pre-approve any non-audit services to be provided to the Corporation by the external auditors and consider the impact on the independence of such auditors. The A&R Committee may delegate to one or more independent members of the A&R Committee the authority to pre-approve non-audit services, provided that the member report to the A&R Committee at the next scheduled meeting such pre-approval and the member comply with such other procedures as may be established by the A&R Committee from time to time.

### External Auditor Service Fees

Fees billed by the Corporation's independent auditor for audit and non-audit services in the last two fiscal years are outlined in the following table:

Nature of Services	Year Ended December 31, 2017	Year Ended December 31, 2016
Audit Fees <sup>(1)</sup>	\$277,043	\$174,030
Audit-Related Fees <sup>(2)</sup>	Nil	Nil
Tax Fees <sup>(3)</sup>	\$23,602	\$13,316
All Other Fees <sup>(4)</sup>	Nil	Nil
Total	\$300,645	\$187,346

Notes:

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Corporation's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services.

**OTHER MATTERS**

Management of the Corporation knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Annual General Meeting. However, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgment of the person voting the proxy.

**ADDITIONAL INFORMATION**

Additional financial information regarding the business of the Corporation is contained in the audited financial statements and management's discussion and analysis of the Corporation for the years ended December 31, 2017 and December 31, 2016.

Additional information regarding our business, including the materials listed in the preceding paragraph, may be found on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders of the Corporation may contact the Corporation to request a copy of our financial statements and management's discussion and analysis at:

Crown Point Energy Inc.  
P.O. Box 1562 Station M  
Calgary, Alberta T2P 3B9

Phone: (403) 232-1150

**SCHEDULE "A"**

**CROWN POINT ENERGY INC.**

**CHANGE OF AUDITOR PACKAGE**

**CHANGE OF AUDITOR NOTICE**

**CROWN POINT ENERGY INC.  
("Crown Point")**

**TO: KPMG LLP ("KPMG")**

**AND TO: PRICEWATERHOUSECOOPERS LLP ("PWC")**

Crown Point hereby gives notice, pursuant to section 4.11 of National Instrument 51-102 *Continuous Disclosure Obligations* ("**NI 51-102**"), as follows:

1. On July 10, 2018, Crown Point's Board of Directors (the "**Board**") unanimously approved the rotation of auditors from KPMG to PWC for Crown Point's fiscal year ending December 31, 2018. Accordingly, KPMG will not be proposed for reappointment by shareholders at Crown Point's shareholders' meeting (the "**AGM**") to be held on August 30, 2018, but will continue to act as Crown Point's independent auditor until the expiry of its term of office at the close of the AGM.
2. KPMG's audit reports on Crown Point's annual consolidated financial statements for the two financial years preceding the date of this Notice, being the fiscal years ended December 31, 2017 and December 31, 2016, did not express a modified opinion.
3. There have been no "reportable events" as defined in NI 51-102 involving Crown Point and KPMG in connection with the audits of Crown Point's two most recently completed financial years or in connection with any subsequent period up to and including July 10, 2018.

DATED this 12th day of July, 2018.

**CROWN POINT ENERGY INC.**

Per: (signed) "Marisa Tormakh"  
Marisa Tormakh  
Vice-President, Finance and Chief Financial Officer



KPMG LLP

205 5th Avenue SW

Suite 3100

Calgary AB T2P 4B9

Tel (403) 691-8000

Fax (403) 691-8008

[www.kpmg.ca](http://www.kpmg.ca)

Alberta Securities Commission

British Columbia Securities Commission

Financial and Consumer Affairs Authority of Saskatchewan

The Manitoba Securities Commission

Ontario Securities Commission

Nova Scotia Securities Commission

The Office of the Superintendent Securities, Consumer, Corporate and Insurance Services Division, Office of  
the Attorney General, Prince Edward Island

Office of the Superintendent of Securities, Service Newfoundland & Labrador

Financial and Consumer Services Commission, New Brunswick

July 18, 2018

Dear Sir/Madam

**Re: Notice of Change of Auditors of Crown Point Energy Inc.**

We have read the Notice of Crown Point Energy dated July 12, 2018 and are in agreement with the statements contained in such Notice.

Yours very truly,

*KPMG LLP*





July 19, 2018

To:

Alberta Securities Commission  
British Columbia Securities Commission  
Financial and Consumer Affairs Authority of Saskatchewan  
The Manitoba Securities Commission  
Ontario Securities Commission  
Office of the Superintendent of Securities (Newfoundland and Labrador)  
Financial and Consumer Services Commission, New Brunswick  
Nova Scotia Securities Commission  
Office of the Superintendent of Securities (Prince Edward Island)

We have read the statements made by Crown Point Energy Inc. in the attached copy of change of auditor notice dated July 12, 2018, which we understand will be filed pursuant to Section 4.11 of National Instrument 51-102.

We agree with the statements concerning PricewaterhouseCoopers LLP in the change of auditor notice dated July 12, 2018.

Yours very truly,

*PricewaterhouseCoopers LLP*

**Chartered Professional Accountants**

**SCHEDULE "B"**

**CROWN POINT ENERGY INC.**

**FORM 51-102F6V**

**CROWN POINT ENERGY INC.**

**FORM 51-102F6V**

**STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUERS**

Crown Point Energy Inc. ("**Crown Point**" or the "**Corporation**") is an international oil and gas exploration and development company incorporated in Alberta, Canada, trading on the TSX Venture Exchange ("**TSXV**"), and operating in Argentina. Crown Point's exploration and development activities are focused in two of the largest producing basins in Argentina, the Austral basin in the province of Tierra del Fuego and the Neuquén basin, in the province of Mendoza. Crown Point has a strategy that focuses on establishing a portfolio of producing properties, plus production enhancement and exploration opportunities to provide a basis for future growth.

Set forth below is the Statement of Executive Compensation – Venture Issuers for the Corporation for the year ended December 31, 2017. In this Statement of Executive Compensation – Venture Issuers, unless otherwise noted, all dollar amounts are expressed in Canadian dollars and references to "\$" or "Cdn\$" are to Canadian dollars and references to "US\$" are to United States dollars.

**DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION**

**Director and Named Executive Officer Compensation (excluding Compensation Securities)**

The named executive officers (as defined in Form 51-102F6V as prescribed by National Instrument 51-102 – *Continuous Disclosure Obligations*) of the Corporation in fiscal 2017 were (i) Dr. Brian J. Moss, President and Chief Executive Officer and former Executive Vice President and Chief Operating Officer, and (ii) Marisa Tormakh, Vice-President, Finance and Chief Financial Officer (each a "**Named Executive Officer**" or "**NEO**"). No other employees of the Corporation, including any of its subsidiaries, satisfy the criteria of "named executive officer" for the year ended December 31, 2017.

The following table sets forth for the years ended December 31, 2017 and 2016 all compensation (other than stock options and other compensation securities) paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Corporation, or a subsidiary of the Corporation, to each Named Executive Officer and director, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the Named Executive Officer or director for services provided and for services to be provided, directly or indirectly, to the Corporation or a subsidiary of the Corporation.

<b>TABLE OF COMPENSATION (EXCLUDING COMPENSATION SECURITIES)</b>							
<b>Name and Position</b>	<b>Year</b>	<b>Salary, Consulting Fee, Retainer or Commission (\$)</b>	<b>Bonus (\$)</b>	<b>Committee or Meeting Fees (\$)</b>	<b>Value of Perquisites (\$)<sup>(6)(7)</sup></b>	<b>Value of all other Compensation (\$)</b>	<b>Total Compensation (\$)</b>
Dr. Brian J. Moss <sup>(1)</sup> - <i>President and Chief Executive Officer</i> - <i>Former Executive Vice President and Chief Operating Officer</i> - <i>Director</i>	December 31, 2017	235,000	0	0	0	0	235,000
	December 31, 2016	235,000	0	0	0	0	235,000
Marisa Tormakh <sup>(2)(3)</sup> - <i>Vice President, Finance and Chief Financial Officer</i>	December 31, 2017	149,937	63,250	0	0	0	213,187
	December 31, 2016	150,617	0	0	0	0	150,617

TABLE OF COMPENSATION (EXCLUDING COMPENSATION SECURITIES)							
Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$) <sup>(6)(7)</sup>	Value of all other Compensation (\$)	Total Compensation (\$)
Gordon R. Kettleson - Chairman of the Board and Director	December 31, 2017	30,000	0	0	0	0	30,000
	December 31, 2016	30,000	0	0	0	0	30,000
Denny Deren <sup>(4)</sup> - Former Director	December 31, 2017	22,916	0	3,667	0	0	26,583
	December 31, 2016	25,000	0	4,000	0	0	29,000
Keith Turnbull - Director	December 31, 2017	25,000	0	4,000	0	0	29,000
	December 31, 2016	25,000	0	4,000	0	0	29,000
Gabriel Obrador <sup>(5)</sup> - Director	December 31, 2017	25,000	0	0	0	0	25,000
	December 31, 2016	25,000	0	0	0	0	25,000
Pablo Peralta <sup>(5)</sup> - Director	December 31, 2017	25,000	0	0	0	0	25,000
	December 31, 2016	25,000	0	0	0	0	25,000

## Notes:

- (1) Dr. Moss served as the Executive Vice-President and Chief Operating Officer until November 9, 2016. He was appointed President and Chief Executive Officer effective November 10, 2016 and he was appointed as a director on December 1, 2017. Dr. Moss did not receive any compensation for acting as a director of the Corporation.
- (2) For the years ended December 31, 2017 and December 31, 2016, 100% of Ms. Tormakh's salary was paid in Argentine pesos. For the purpose of the above table, Ms. Tormakh's salary has been converted to Canadian dollars at the exchange rate in effect as of December 31, 2017 and December 31, 2016, which was 0.0664 and 0.0854, respectively, of a Canadian dollar for every one Argentine peso. All exchange rates used in the table are as published by the Bank of Canada website.
- (3) Ms. Tormakh was paid a bonus of US\$50,000 effective August 17, 2017. For the purpose of the above table, the bonus has been converted to Canadian dollars at the exchange rate in effect as of August 17, 2017, which was Cdn\$1.265 for every US\$1.00 (as published by the Bank of Canada website).
- (4) Mr. Deren retired as a director of the Corporation effective December 1, 2017.
- (5) The payment of the retainers earned by Messrs. Peralta and Obrador in respect of the 2016 and 2017 fiscal years was deferred. The retainers were earned in Canadian dollars but were subsequently paid in U.S. dollars based on prevailing rates of exchange at the time of payment. Mr. Obrador's outstanding fees were paid on May 30, 2018 and Mr. Peralta's outstanding fees were paid on June 14, 2018.
- (6) Includes perquisites provided to an NEO or director that are not generally available to all employees. An item is generally a perquisite if it is not integrally and directly related to the performance of the director's or NEO's duties. If something is necessary for a person to do his or her job, it is integrally and directly related to the job and is not a perquisite, even if it also provides some amount of personal benefit. For the purposes of the table, perquisites are valued on the basis of the aggregate incremental cost to the Corporation and its subsidiaries.
- (7) NEOs and directors whose total salary for the applicable financial year was \$150,000 or less did not receive perquisites that, in aggregate, were greater than \$15,000. NEOs and directors whose total salary for the applicable financial year was greater than \$150,000 but less than \$500,000 did not receive perquisites that, in aggregate, were greater than 10% of the NEO's or director's salary for the applicable financial year.

**Stock Options and Other Compensation Securities**

The following table discloses all compensation securities granted or issued to each director and NEO by the Corporation or one of its subsidiaries in the year ended December 31, 2017 for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries.

COMPENSATION SECURITIES <sup>(1)(2)(3)(4)</sup>							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class <sup>(6)</sup>	Date of Issue or Grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
Dr. Brian J. Moss - <i>President and Chief Executive Officer</i> - <i>Former Executive Vice President and Chief Operating Officer</i> - <i>Director</i>	-	Nil	-	-	-	-	-
Marisa Tormakh - <i>Vice President, Finance and Chief Financial Officer</i>	-	Nil	-	-	-	-	-
Gordon R. Kettleson - <i>Chairman of the Board and Director</i>	-	Nil	-	-	-	-	-
Denny Deren <sup>(5)</sup> - <i>Former Director</i>	-	Nil	-	-	-	-	-
Keith Turnbull - <i>Director</i>	-	Nil	-	-	-	-	-
Gabriel Obrador - <i>Director</i>	-	Nil	-	-	-	-	-
Pablo Peralta - <i>Director</i>	-	Nil	-	-	-	-	-

## Notes:

- (1) "Compensation Securities" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Corporation or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries.
- (2) As of December 31, 2017, the NEOs and directors held the following number of stock options ("Options") (each one (1) Option being exercisable to acquire one (1) common share of the Corporation): Dr. Moss – 50,000 Options; Ms. Tormakh – nil Options; Mr. Kettleson – 20,000 Options; Mr. Deren – 15,000 Options; Mr. Turnbull – 20,000 Options; Mr. Obrador – nil Options; and Mr. Peralta – nil Options.
- (3) During the year ended December 31, 2017, no Compensation Securities were re-priced, cancelled and replaced, had their term extended, or were otherwise materially modified.
- (4) When Options are granted, typically one-third of the Options vest on the date of grant, one-third of the Options vest on the first anniversary of the date of grant, and one-third of the Options vest on the second anniversary of the date of grant. All issued and outstanding Options are currently vested, and there are no restrictions or conditions for converting, exercising or exchanging such Options.
- (5) Mr. Deren retired as a director of the Corporation effective December 1, 2017.
- (6) The Corporation did not grant or issue any Compensation Securities during the year ended December 31, 2017.

The following table discloses details regarding each exercise of Compensation Securities by a director or NEO during the year ended December 31, 2017.

EXERCISE OF COMPENSATION SECURITIES BY DIRECTORS AND NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised <sup>(1)</sup>	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Dr. Brian J. Moss - <i>President and Chief Executive Officer</i> - <i>Former Executive Vice President and Chief Operating Officer</i> - <i>Director</i>	-	Nil	-	-	-	-	-
Marisa Tormakh - <i>Vice President, Finance and Chief Financial Officer</i>	-	Nil	-	-	-	-	-
Gordon R. Kettleson - <i>Chairman of the Board and Director</i>	-	Nil	-	-	-	-	-
Denny Deren <sup>(2)</sup> - <i>Former Director</i>	-	Nil	-	-	-	-	-
Keith Turnbull - <i>Director</i>	-	Nil	-	-	-	-	-
Gabriel Obrador - <i>Director</i>	-	Nil	-	-	-	-	-
Pablo Peralta - <i>Director</i>	-	Nil	-	-	-	-	-

## Notes:

- (1) The NEOs and directors did not exercise any Compensation Securities during the year ended December 31, 2017.
- (2) Mr. Deren retired as a director of the Corporation effective December 1, 2017.

### Stock Option Plans and Other Incentive Plans

Other than the Corporation's stock option plan ("**Option Plan**"), Crown Point does not have any stock option plan, stock option agreement made outside of a stock option plan, plan providing for the grant of stock appreciation rights, deferred share units or restricted stock units or any other incentive plan or portion of a plan under which awards are granted.

The Option Plan was re-approved by the Corporation's shareholders at the Corporation's annual general meeting held on December 1, 2017 and must be re-approved by the Corporation's shareholders at Crown Point's 2018 annual general meeting.

The purpose of the Option Plan is to aid in attracting, retaining and motivating the directors, officers, employees and consultants (collectively, "**Service Providers**") of Crown Point and its subsidiaries and affiliates in the growth and development of Crown Point by providing them with the opportunity through Options to purchase common shares of the Corporation ("**Common Shares**") to acquire an increased proprietary interest in Crown Point.

The Option Plan is administered by a committee of the board of directors of the Corporation (the "**Board**") comprised of one or more directors appointed by the Board to administer the Option Plan or, if no such committee is appointed, the Board (in each case, the "**Committee**"). The Committee may designate eligible Service Providers of Crown Point

and its subsidiaries and affiliates to whom Options may be granted and the number of Common Shares to be optioned to each, provided that the number of Common Shares to be optioned will not exceed the limitations set out below:

1. the total number of Common Shares reserved for issuance on exercise of Options issued under the Option Plan at any given time shall not exceed 10% of the aggregate of the issued and outstanding Common Shares at such time;
2. unless the approval of the disinterested shareholders of Crown Point is obtained, the aggregate number of Common Shares reserved for issuance to any one optionee in a 12 month period shall not exceed 5% of the number of outstanding Common Shares (determined at the time an Option is granted);
3. the aggregate number of Common Shares reserved for issuance to any one consultant in a 12 month period shall not exceed 2% of the number of outstanding Common Shares (determined at the time an Option is granted);
4. the aggregate number of Common Shares reserved for issuance to all persons conducting investor relations activities in a 12 month period shall not exceed 2% of the number of outstanding Common Shares (determined at the time an Option is granted); and
5. unless the approval of the disinterested shareholders of Crown Point is obtained, the maximum number of Options which may be granted to insiders of Crown Point within a 12 month period may not exceed 10% of the number of outstanding Common Shares.

Any increase in the issued and outstanding Common Shares (whether as a result of the exercise of Options or otherwise) will result in an increase in the number of Common Shares that may be issued on exercise of Options outstanding at any time and any increase in the number of Options granted will, upon exercise, make new grants available under the Option Plan. Options that are cancelled, terminated or expire prior to the exercise of all or a portion thereof will result in the Common Shares that were reserved for issuance thereunder being available for a subsequent grant of Options pursuant to the Option Plan.

The Committee may, in its sole discretion, determine: (i) the time during which Options will vest; (ii) the method of vesting; or (iii) that no vesting restriction shall exist. The Committee may, at its sole discretion at any time, or in the option agreement in respect of any Options granted, accelerate or provide for the acceleration of vesting of Options previously granted. The exercise price of Options will be fixed by the Committee when Options are granted, provided that the exercise price of Options may not be less than the Discounted Market Price of the Common Shares at the time an Option is granted (or such other minimum price as may be required by the stock exchange on which the Common Shares are listed at the time of grant). "**Discounted Market Price**" means the last closing trading price per Common Share on the TSXV (or if the Common Shares are not listed on the TSXV, on such exchange as the Common Shares are then traded) before the date of grant of the Option or the date Crown Point issues a news release to fix the price of such Option, less the applicable discount as prescribed by the TSXV. The period during which an Option is exercisable shall, subject to the provisions of the Option Plan requiring or permitting acceleration of rights of exercise or the extension of the exercise period, be such period, not in excess of five years, as may be determined by the Committee at the time of grant. Options will not be assignable or transferable by the optionee either in whole or in part.

In addition, each Option shall provide that:

1. upon the death of an optionee, the Option shall terminate on the date determined by the Committee which shall not be more than twelve (12) months from the date of death and, in the absence of any determination to the contrary, will be twelve (12) months from the date of death;
2. if an optionee shall no longer be a Service Provider (other than by reason of death or termination for cause), the Option shall terminate on the expiry of the period not in excess of ninety (90) days as prescribed by the Committee at the time of grant, following the date that such optionee ceases to be a Service Provider and, in the absence of any determination to the contrary, will terminate ninety (90) days following the date that such optionee ceases to be a Service Provider; and

3. if an optionee shall no longer be a Service Provider by reason of termination for cause, the Option shall terminate immediately on such termination for cause (whether notice of such termination occurs verbally or in writing);

provided that the number of Common Shares that an optionee (or his or her heirs or successors) shall be entitled to purchase until such date of termination: (i) shall in the case of death of such optionee, be all of the Common Shares that may be acquired on exercise of the Options held by such optionee (or his or her heirs or successors) whether or not previously vested, and the vesting of all such Options shall be accelerated on the date of death for such purpose; and (ii) in any case other than death or termination for cause, shall be the number of Common Shares which such optionee was entitled to purchase on the date such optionee ceased to be a Service Provider.

If the expiry date of any Options falls within any Black Out Period or within the three (3) business day period prior to the normal expiry date of such Options (the "**Restricted Options**"), then the expiry date of all Restricted Options will be extended to the date that is ten (10) business days following the end of the Black-Out Period (or such longer period as permitted by the TSXV and approved by the Committee). The foregoing extension applies to all Options whatever the date of grant and shall not be considered to be an extension of the term of the Options. "**Black Out Period**" means the period of time when, pursuant to any policies of Crown Point and/or applicable securities laws, any securities of Crown Point may not be traded by certain persons as designated by Crown Point and/or such applicable securities laws, including any holder of an Option.

If there takes place a Change of Control (as such term is defined in the Option Plan), all issued and outstanding Options will be exercisable (whether or not then vested) immediately prior to the time such Change of Control takes place and shall terminate on the 90<sup>th</sup> day after the occurrence of such Change of Control, or at such earlier time as may be established by the Board, in its absolute discretion, prior to the time such Change of Control takes place.

The Option Plan allows the Board to amend or discontinue the plan at any time, provided that no such amendment may, without the consent of an optionee, alter or impair any Option previously granted to an optionee under the Option Plan, and provided further that any amendment to the Option Plan is subject to prior approval of the TSXV, if required, and approval of the holders of Common Shares, if required by the TSXV.

### **Employment, Consulting and Management Agreements**

The following is a description of the material terms of each agreement or arrangement under which compensation was provided during the year ended December 31, 2017 or is payable in respect of services provided to the Corporation or any of its subsidiaries that were performed by a director or NEO.

#### *Directors*

The Chairman of the Board receives an annual retainer of \$30,000 per year. Non-management directors (other than the Chairman of the Board) receive an annual retainer of \$25,000 per year. The Chairman of each committee of the Board receives an additional annual retainer of \$2,000 per year.

#### *NEOs*

##### Employment Agreements

During the year ended December 31, 2017, Crown Point had an employment agreement (the "**Employment Agreement**") with Dr. Moss. Under the Employment Agreement, Dr. Moss was entitled to an annual salary of \$235,000 in 2017. Pursuant to the Employment Agreement, the salary paid to Dr. Moss is subject to a periodic salary review. Dr. Moss is entitled to participate in and receive Options under the Option Plan and he is entitled to participate in the Corporation's group benefit plans.

The Employment Agreement can be terminated by the Corporation (for reason other than "just cause") upon payment of a termination amount, in lieu of notice, in an amount equal to the sum of (i) prorated annual salary earned but not yet paid up to and including the termination date, (ii) accrued and unused vacation and reasonable expenses, and (iii)



a retiring allowance (the "**Retiring Allowance**") equal to (A) one and one half times Dr. Moss' then current annual salary; plus (B) 15% of the amount calculated pursuant to clause (A) to compensate him for loss of employee benefits; plus (C) an amount equivalent to the cash bonus paid to Dr. Moss in the 12 months prior to the termination date (provided that if a cash bonus has not been paid to him during such 12 month period, then an amount equivalent to 25% of his current annual salary shall be paid). For such termination amounts to be payable, Dr. Moss must execute a full and final release in favour of Crown Point.

The Employment Agreement provide that during the 90 days following a change of control (as such term is defined in the Option Plan), Dr. Moss may elect to terminate the Employment Agreement and his employment, and upon doing so, Dr. Moss shall be entitled to receive the Retiring Allowance and all Options held by him that have not already vested shall automatically and immediately vest. If Dr. Moss elects to terminate his employment upon a change of control, he agrees, if requested by the Corporation, to continue his employment with the Corporation for a period of time no greater than 60 days to assist the Corporation with transitional matters as directed by the Board.

If Dr. Moss' Employment Agreement was terminated by Crown Point (other than for just cause) or by Dr. Moss following a change of control under the circumstances described above, at December 31, 2017 the amount payable thereunder to Dr. Moss would have been \$464,125. No value has been ascribed to the acceleration of unvested Options in the calculation of the termination payment for Dr. Moss because the exercise price of all unvested Options exceeded the closing trading price of the Common Shares at December 31, 2017.

In addition, if Dr. Moss' employment is terminated by the Corporation for a reason that does not constitute just cause, or if he elects to terminate employment within 90 days after a change of control, the Corporation will provide him with outplacement counselling services to a maximum of \$15,000 to be provided during the 12 months following his last day actively at work.

Under the terms of the Employment Agreement, Dr. Moss agreed that for a period of 12 months after the termination date, he shall not, directly solicit, induce, encourage or facilitate employees or consultants of the Corporation to leave the employment of, or consulting relationships with, Crown Point. Dr. Moss has also agreed to keep proprietary and confidential information in confidence for so long as the information and knowledge remains proprietary and confidential.

#### Other Arrangements

Ms. Tormakh did not have an employment agreement with Crown Point during 2017. Ms. Tormakh was entitled to an annual salary and was eligible for a discretionary bonus. Ms. Tormakh also participated in the Corporation's group benefit plans.

### **Oversight and Description of Director and Named Executive Officer Compensation**

#### ***Director Compensation***

Director compensation is determined by the Board based on recommendations received from the Board's Compensation and Governance Committee (the "**Compensation Committee**"). Given the relatively small size of the Corporation, director compensation is reviewed and adjusted on an ad hoc basis with reference to such criteria as the Compensation Committee and the Board consider relevant from time to time, including: the compensation paid by the Corporation's peers to their directors; and information and advice received from compensation consultants (if retained).

#### ***NEO Compensation***

##### Compensation Process

NEO compensation is determined by the Board based on recommendations received from the Compensation Committee. Given the relatively small size of the Corporation, NEO compensation is reviewed and adjusted on an ad hoc basis with reference to such criteria as the Compensation Committee and the Board consider relevant from time

to time, including: the compensation paid by the Corporation's peers to their NEOs; information and advice received from compensation consultants (if retained); the operational and financial performance of the Corporation; the performance of the individual NEO; and the state of the oil and gas industry in Argentina and elsewhere.

#### Components of Compensation in 2017

The significant elements of compensation awarded to, earned by, paid or payable to the NEOs in 2017 consisted of base salaries and discretionary bonuses (for Ms. Tormakh only). In 2017, no other element of compensation accounted for 10% or more of any NEO's total compensation.

Base salary is compensation for discharging job duties and responsibilities and reflects the level of skills and capabilities demonstrated by the executive.

Bonuses are awarded on a discretionary basis taking into account such factors as the Compensation Committee and the Board consider relevant from time to time, including those factors set forth above under "Compensation Process".

#### Performance Criteria or Goals

Neither the total compensation nor any significant element of total compensation of the NEOs is tied to one or more performance criteria or goals, such as milestones, agreements or transactions.

#### Significant Events Affecting Compensation

There were no significant events that occurred during the year ended December 31, 2017 that have significantly affected NEO compensation. The Corporation did not waive or change any performance criterion or goal during the year ended December 31, 2017.

#### Compensation Determinations

When making recommendations with respect to salaries, bonuses and other compensation elements for NEOs, the Compensation Committee reviews the recommendations of management and the recommendations of any compensation consultant retained. The Compensation Committee also reviews compensation information available in the public domain or through private conversations obtained by management and the Compensation Committee from comparable issuers. The Compensation Committee compares the compensation paid by the Corporation to its NEOs to the compensation paid by comparable sized oil and gas exploration companies with similar interests as the Corporation. In selecting companies for comparison purposes, management, the Compensation Committee and the Board considers entities with which the Corporation competes for talent, which includes similar sized entities as compared to Crown Point based on market capitalization, oil and gas production levels and associated revenues, and entities that operate in the same regional geography as the Corporation (i.e. international operators rather than domestic operators).

Base salaries for NEOs are intended to be competitive with salaries paid to executive officers by the Corporation's peers. In determining salaries, the Compensation Committee and the Board reviews salaries in the context of the total compensation packages for the executive officers. Generally, the Compensation Committee targets base salaries at levels approximating those for similar positions in companies in the industry that may be of similar size, scope and complexity.

Any salary adjustments made, or discretionary bonuses awarded, by the Compensation Committee and the Board take into account, among other things, the market value of the role, the executive's demonstrated capability during the year, the operational and financial performance of the Corporation, and the state of the oil and gas industry in Argentina and elsewhere.

Ultimately, the amount of salary paid and the amount of any bonus awarded to the NEOs is based on subjective decisions made by the Compensation Committee and the Board, rather than objective, identifiable measures.

In August 2017, Ms. Tormakh was given a base salary increase and a US\$50,000 bonus to recognize her significant contributions to the Corporation to date.

*Use of Peer Group*

Although the Compensation Committee and the Board have used a peer group to establish NEO compensation in the past, the Compensation Committee and the Board did not use a peer group to determine NEO compensation during the year ended December 31, 2017.

*Significant Changes to Compensation Policies*

The Corporation did not make any significant changes to its compensation policies during (or after) the year ended December 31, 2017 that could or will have any effect on director or NEO compensation.

**Pension Disclosure**

The Corporation does not provide a pension to any of its directors or NEOs.

## SCHEDULE "C"

### CROWN POINT ENERGY INC.

#### MANDATE AND RESPONSIBILITIES OF THE AUDIT, RESERVES & HSE COMMITTEE OF THE BOARD OF DIRECTORS RELATING TO AUDIT COMMITTEE MATTERS

##### Role and Objective

The Audit, Reserves & HSE Committee (the "**Committee**") is a committee of the board of directors (the "**Board**") of Crown Point Energy Inc. ("**Crown Point**" or the "**Corporation**") to which the Board has delegated its responsibility for the oversight of, among other things, the following:

1. nature and scope of the annual audit;
2. the oversight of management's reporting on internal accounting standards and practices;
3. the review of financial information, accounting systems and procedures;
4. financial reporting and financial statements,

and has charged the Committee with the responsibility of recommending, for approval of the Board, the audited financial statements, interim financial statements and other mandatory disclosure releases containing financial information.

The primary objectives of the Committee are as follows:

1. To assist directors of Crown Point ("**Directors**") in meeting their responsibilities (especially for accountability) in respect of the preparation and disclosure of the financial statements of the Corporation and related matters;
2. To provide better communication between Directors and external auditors;
3. To enhance the external auditor's independence;
4. To increase the credibility and objectivity of financial reports; and
5. To strengthen the role of the outside Directors by facilitating in depth discussions between Directors on the Committee, management of Crown Point ("**Management**") and external auditors.

##### Membership of Committee

1. The Committee will be comprised of at least three (3) Directors or such greater number as the Board may determine from time to time and all members of the Committee shall be "independent" (as such term is used in National Instrument 52-110 — *Audit Committees* ("**NI 52-110**") unless the Board determines that an exemption contained in NI 52-110 is available and determines to rely thereon.
2. The Board may from time to time designate one of the members of the Committee to be the Chair of the Committee.
3. All of the members of the Committee must be "financially literate" (as defined in NI 52-110) unless the Board determines that an exemption under NI 52-110 from such requirement in respect of any particular member is available and determines to rely thereon in accordance with the provisions of NI 52-110.

## Mandate and Responsibilities of Committee

It is the responsibility of the Committee to:

1. Oversee the work of the external auditors, including the resolution of any disagreements between Management and the external auditors regarding financial reporting.
2. Satisfy itself on behalf of the Board with respect to Crown Point's internal control systems.
3. Review the annual and interim financial statements of the Corporation and related management's discussion and analysis ("MD&A") prior to their submission to the Board for approval. The process may include but shall not necessarily be limited to:
  - reviewing changes in accounting principles and policies, or in their application, which may have a material impact on the current or future years' financial statements;
  - reviewing significant accruals, reserves or other estimates such as the ceiling test calculation;
  - reviewing accounting treatment of unusual or non-recurring transactions;
  - ascertaining compliance with covenants under loan agreements;
  - reviewing disclosure requirements for commitments and contingencies;
  - reviewing adjustments raised by the external auditors, whether or not included in the financial statements;
  - reviewing unresolved differences between Management and the external auditors; and
  - obtain explanations of significant variances with comparative reporting periods.
4. Review the financial statements, prospectuses, MD&A, annual information forms ("AIF") and all public disclosure containing audited or unaudited financial information (including, without limitation, annual and interim press releases and any other press releases disclosing earnings or financial results) before release and prior to Board approval. The Committee must be satisfied that adequate procedures are in place for the review of Crown Point's disclosure of all other financial information and will periodically assess the accuracy of those procedures.
5. With respect to the appointment of external auditors by the Board:
  - recommend to the Board the external auditors to be nominated;
  - recommend to the Board the terms of engagement of the external auditor, including the compensation of the auditors and a confirmation that the external auditors will report directly to the Committee;
  - on an annual basis, review and discuss with the external auditors all significant relationships such auditors have with the Corporation to determine the auditors' independence;
  - when there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change; and
  - review and pre-approve any non-audit services to be provided to Crown Point or its subsidiaries by the external auditors and consider the impact on the independence of such auditors. The

Committee may delegate to one or more independent members the authority to pre-approve non-audit services, provided that the member(s) report to the Committee at the next scheduled meeting such pre-approval and the member(s) comply with such other procedures as may be established by the Committee from time to time.

6. Review with external auditors (and internal auditor if one is appointed by Crown Point) their assessment of the internal controls of Crown Point (if any is performed), their written reports containing recommendations for improvement, and Management's response and follow-up to any identified weaknesses. The Committee may also review with the external auditors their plan for their audit. The Committee will review annually upon completion of the audit, the external auditors' reports upon the financial statements of Crown Point and its subsidiaries.
7. Establish a procedure for:
  - the receipt, retention and treatment of complaints received by Crown Point regarding accounting, internal accounting controls or auditing matters; and
  - the confidential, anonymous submission by employees of Crown Point of concerns regarding questionable accounting or auditing matters.
8. Review and approve Crown Point's hiring policies regarding partners and employees and former partners and employees of the present and former external auditors of the Corporation.

The Committee has authority to communicate directly with the internal auditors (if any) and the external auditors of the Corporation. The Committee will also have the authority to investigate any financial activity of Crown Point. All employees of Crown Point are to cooperate as requested by the Committee.

The Committee may also retain persons having special expertise and/or obtain independent professional advice to assist in filling their responsibilities at such compensation as established by the Committee and at the expense of Crown Point without any further approval of the Board.

#### **Meetings and Administrative Matters**

1. At all meetings of the Committee every resolution shall be decided by a majority of the votes cast. In case of an equality of votes, the Chairman of the meeting shall be entitled to a second or casting vote.
2. The Chair will preside at all meetings of the Committee, unless the Chair is not present, in which case the members of the Committee that are present will designate from among such members the Chair for purposes of the meeting.
3. A quorum for meetings of the Committee will be a majority of its members, and the rules for calling, holding, conducting and adjourning meetings of the Committee will be the same as those governing the Board unless otherwise determined by the Committee or the Board.
4. Meetings of the Committee will generally be scheduled to take place at least four times per year. Minutes of all meetings of the Committee will be taken. The Chief Financial Officer of Crown Point will attend meetings of the Committee, unless otherwise excused from all or part of any such meeting by the Chairman.
5. The Committee will meet with the external auditor at least once per year (in connection with the preparation of the year-end financial statements) and at such other times as the external auditor and the Committee consider appropriate.
6. Agendas will be circulated to Committee members along with background information on a timely basis prior to the Committee meetings.

7. The Committee may invite such officers, directors and employees of the Corporation and its subsidiaries as it sees fit from time to time to attend at meetings of the Committee and assist in the discussion and consideration of the matters being considered by the Committee.
8. Minutes of the Committee will be recorded and maintained and may be circulated to Directors who are not members of the Committee or otherwise made available at a subsequent meeting of the Board as requested.
9. The Committee may retain persons having special expertise and may obtain independent professional advice to assist in fulfilling its responsibilities at the expense of the Corporation.
10. Any members of the Committee may be removed or replaced at any time by the Board and will cease to be a member of the Committee as soon as such member ceases to be a Director. The Board may fill vacancies on the Committee by appointment from among its members. If and whenever a vacancy exists on the Committee, the remaining members may exercise all its powers so long as a quorum remains. Subject to the foregoing, following appointment as a member of the Committee each member will hold such office until the Committee is reconstituted.
11. Any issues arising from these meetings that bear on the relationship between the Board and Management should be communicated to the Chairman of the Board by the Committee Chair.