CROWN POINT ENERGY INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("**MD&A**") of the consolidated financial results of Crown Point Energy Inc. ("**Crown Point**" or the "**Company**") is at and for the three and nine months ended September 30, 2018.

This MD&A is dated as of November 16, 2018 and should be read in conjunction with the Company's unaudited September 30, 2018 condensed interim consolidated financial statements and the audited December 31, 2017 consolidated financial statements. The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("**IFRS**").

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

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

Additional information relating to Crown Point, including Crown Point's unaudited September 30, 2018 condensed interim consolidated financial statements and audited December 31, 2017 consolidated financial statements and other filings are available on SEDAR at www.sedar.com.

In the following discussion, the three and the nine months ended September 30, 2018 may be referred to as "Q3 2018" and "the September 2018 period", respectively, the comparative three and nine months ended September 30, 2017 may be referred to as "Q3 2017" and "the September 2017 period", respectively, and the previous three months ended June 30, 2018 may be referred to as "Q2 2018".

CORPORATE OVERVIEW AND STRATEGY

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

The Company's strategy is designed to deliver low-risk growth and capitalize on large potential exploration upside. Specifically, Crown Point is focused on increasing its production base in TDF through exploration and development drilling supplemented by recompletion and fracture stimulation of selected older producing wells. Currently, the Company's production is derived entirely from its participating interest in the Rio Cullen, Las Violetas and La Angostura exploitation concessions in TDF (the "**TDF Concessions**") where an active development and exploration program is in place to expand the Company's reserves and production. See the Acquisition of St Patrick Oil & Gas S.A. section of this MD&A.

Crown Point is also conducting an exploration program in its 100% interest in the Cerro de Los Leones ("**CLL**") exploration concession permit (the "**CLL Permit**") in the Province of Mendoza, an area surrounded by several large conventional oil pools. The Company recently acquired 3-D seismic over the northern part of the Permit. The new 3-D seismic is being processed and will be used to evaluate drilling locations in the northern CLL area.

ACQUISITION OF ST. PATRICK OIL & GAS S.A.

On June 7, 2018, the Company closed the acquisition (the "**Acquisition**") of all of the issued and outstanding shares of St. Patrick Oil & Gas S.A. (formerly named Apco Austral S.A.) ("**St. Patrick**"), from Pluspetrol Resources Corporation ("**Pluspetrol**") for $28.4 million of cash consideration plus up to $9 million of contingent royalty payments during a ten-year period commencing on January 1, 2018. $6.75 million of the cash consideration was paid as a deposit in 2017.

St. Patrick holds a 25.7796% participating interest in the TDF Concessions. Following the completion of the

Acquisition, the Company holds a 51.56% interest in the TDF Concessions, which includes the San Martin discovery well (SM x-1001) located on the La Angostura concession. The Acquisition doubles the Company's reserves and production.

OPERATIONAL UPDATE

TDF Concessions

Rio Cullen and La Angostura Concessions

During Q3 2018, the San Martin discovery well (SM x-1001), located on the La Angostura concession, produced a total of 27,623 m3 (173,767bbls) of 35 API gravity oil (gross) plus 92 m3 (580 bbls) of basic sediment and water. Daily oil production averaged 300 m3 (1,888 bbls) per day (net 155 m3 (974 bbls) per day). Total associated natural gas production during Q3 2018 was 1,592,533 m3 (56,232 mcf) (gross) or an average of 17,310 m3 (611 mcf) of gas per day (gross) (net 8,925 m3 (315 mcf) per day).

Two appraisal wells were drilled on the San Martin structure. The first well (SM a-1002), located 0.8 km to the south of SM x-1001, was drilled in June 2018. The results of the tests on the Tobífera formation were positive and the well was placed on production on August 15, 2018. During the remainder of Q3 2018, this well produced a total of 14,451 m3 (90,904 bbls) of 35 API gravity oil (gross) plus 37 m3 (233 bbls) of basis sediment and water. Daily oil (gross) production averaged 321 m3 (2,020 bbls) per day (net 165 m3 (1,041 bbls) per day).

The second well (SM a-1003), located 0.9 km north and west of SM x-1001, was drilled in July 2018 and was completed in September 2018. Completion and testing failed to recover any production from the Tobífera zone, which is productive in SM x-1001 and SM a-1002. An evaluation of log data and test results indicated that while the Tobífera zone is structurally high, there is little or none of the natural fracturing evident in the SM x-1001 and SM a-1002 producing wells. The well will be fracture stimulated to enhance inflow when frac services are available.

The Company fulfilled the Rio Cullen and La Angostura concession expenditure commitments and exercised the option to extend the term of each concession to August 2026 by making cash payments to the Province of TDF in the amount of $32,500 for the Rio Cullen concession and $148,000 for the La Angostura concession (net to the Company). The expenditure commitment for exploration and development work for the Rio Cullen and La Angostura concessions is $0.92 million and $1.92 million (net to the Company's interest), respectively, as determined by the Province of TDF. As at September 30, 2018, the Company had fulfilled the La Angostura expenditure commitment.

Las Violetas Concession

During August 2018, the Company and its joint venture partners drilled and cased one exploration well (LR x-1001) as a potential Springhill formation oil and gas discovery. Initial completion operations concluded in September 2018 and indicated that the Springhill zone would need to be fracture stimulated to enhance inflow. The well will be fracture stimulated after operations to stimulate SM a-1003 have been completed. LR x-1001 is located on a structure approximately 6 km to the south and east of the Rio Chico gas processing facilities.

Completion and testing operations on LFE-1004, the last well in the Company's 2014-2015 drilling program, were undertaken during the second half of 2018. This well did not encounter the Springhill formation objective but was subsequently cased after registering oil and gas shows in the underlying Tobífera formation. The Tobífera was completed and tested in October 2018 and is flowing gas with condensate. The well was placed on production in late October 2018.

Prospect identification and evaluation to develop additional exploitation, step-out and appraisal locations for inclusion in the 2018-19 capital program on the Las Violetas concession continues.

CLL Permit

The Company has a 100% working interest in the 100,907 acre area covered by the CLL Permit, which is located in the northern portion of the Neuquén Basin in the Province of Mendoza, Argentina.

The Company is required to complete a 3-D seismic program and drill one exploration well by January 22, 2019. The Company commenced a program to acquire 214 km^2 of 3-D seismic in July 2018 and which was completed in September 2018. Should the Company fail to complete its work commitments within the specified time period, it must surrender the concession exploration lands and will be obligated to make a payment equal to the value of the Company's outstanding Period 2 work commitments.

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

OUTLOOK

Capital Spending

The Company's capital spending for Q4 2018 is budgeted at $2.8 million for the following activities:

- Fracture stimulation of the SM a-1003 appraisal well on the San Martin structure in the La Angostura concession;
- Fracture stimulation of LR x-1001 in the Las Violetas concession to evaluate a Springhill structure located to the south and east of the Rio Chico gas pool;
- Install an oil pipeline from SMx-1001 to YPF's main pipeline and install a LACT unit for the automatic measurement, sampling, and transfer of oil from the well into the pipeline; and
- Seismic processing in CLL.

The Company's capital spending for fiscal 2019 is budgeted at $19.9 million comprised of $16.3 million in TDF and $3.6 million in CLL based on expenditures for the following proposed activities:

- Record 3-D seismic in the Las Violetas and Rio Cullen concessions;
- Drill one exploration well on the Rio Cullen concession contingent on 3-D seismic results, and re-enter and deepen one well on the La Angostura concession;
- Drill two appraisal wells on San Martin structure in the La Angostura concession;
- Three well workovers; one in the La Angostura concession, one in the Rio Cullen concession and one in the Las Violetas concession;
- Install oil treatment and water handling facilities at San Martin to improve production capacity and reduce trucking costs;
- Other improvements to facilities in TDF; and
- Drill one exploration well in CLL.

The $16.3 million budgeted amount for TDF is based on the Company's share of the budget recently proposed by the UTE's operator. The Company is currently evaluating the budget proposal.

Crown Point expects to meet these obligations, along with its other anticipated expenses, using funds flow from operations, additional debt and/or equity financings and potential joint venture arrangements.

Argentina – Economic Summary

As a consequence of the strengthening of the USD against major international currencies in April 2018, the ARS has declined sharply against the USD. In an effort to stabilize the country's currency and slow inflation, the Banco Central de la República Argentina increased interest rates to almost 40%. At the same time, the Government negotiated a standby credit facility with the International Monetary Fund to boost its international reserves and enable it to meet its financial obligations to the end of 2019. The Government has implemented a fiscal program to decrease the country's deficit in order to control inflation.

Commodity Prices

Oil

Commencing in October 2017, oil from the Company's TDF Concessions is sold at a discount to the Brent price. During the September 2018 period, the Company received an average of $64.82 per bbl for its TDF oil.

Natural gas

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

In November 2017, the Government of Argentina, natural gas distributors and the country's primary natural gas producers agreed upon a set of guidelines to ensure the adequate supply of natural gas to residential market distributors which, in turn, will ensure an adequate supply of natural gas to residential consumers and provide continuity for the gradual and progressive path to eliminating the government subsidization of the residential natural gas market. As a result, the Company is no longer obligated to sell a portion of its natural gas production to the residential market and is now able to sell all of its natural gas production to the industrial market.

During the September 2018 period, the Company received an average of $4.75 per mcf for sales of its TDF natural gas, all of which was sold to the higher-priced industrial market.

FINANCIAL INFORMATION

SUMMARY OF FINANCIAL INFORMATION

(expressed in $, except shares outstanding)	September 30 2018	December 31 2017
Working capital (deficit)	(4,974,493)	685,653
Exploration and evaluation assets	9,493,018	6,013,387
Property and equipment	47,969,815	23,198,458
Total assets	73,197,889	40,856,370
Share capital	131,745,215	119,982,644
Total common shares outstanding	72,903,038	32,903,038

(expressed in $, except shares outstanding)	Three months ended September 30		Nine months ended September 30	
	2018	2017	2018	2017
Oil and gas revenue	16,560,691	3,072,252	29,260,963	9,854,676
Income before taxes	4,880,620	1,946,563	2,970,250	148,768
Adjusted income before taxes [2]	5,004,683	1,946,563	7,556,562	148,768
Net income (loss)	4,074,610	804,239	(1,034,200)	(801,556)
Net income (loss) per share [1]	0.06	0.05	(0.02)	(0.05)
Adjusted net income (loss) [2]	5,004,683	804,239	3,552,112	(801,556)
Adjusted net income (loss) per share [1][2]	0.06	0.05	0.07	(0.05)
Cash flow from operations	4,198,673	1,632,795	9,489,057	808,078
Cash flow per share – operations [1]	0.06	0.01	0.18	0.05
Funds flow from operations [2]	10,401,288	1,082,288	9,482,619	2,329,535
Funds flow per share – operations [1][2]	0.14	0.01	0.18	0.01
Weighted average number of shares	72,903,038	16,451,522	51,950,657	16,451,522

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

(2) "Adjusted income before taxes", "Adjusted net income (loss)", Adjusted net income (loss) per share", "Funds flow from operations" and "Funds flow per share - operations" are non-IFRS measures. See "Non-IFRS Measures" for a reconciliation of these measures to the nearest comparable IFRS measures.

RESULTS OF OPERATIONS

Results of Operations – TDF

Operating Netback

Per BOE	Three months ended September 30 2018	Three months ended September 30 2017	Nine months ended September 30 2018	Nine months ended September 30 2017
Oil and gas revenue ($)	49.08	29.27	45.46	29.07
Royalties ($)	(8.68)	(5.60)	(7.70)	(5.36)
Operating costs ($)	(9.03)	(12.05)	(10.11)	(11.73)
Operating netback [1] ($)	31.37	11.62	27.65	11.98

[1] "Operating netback" is a non-IFRS measure. See "Non-IFRS Measures".

Variances in the TDF operating netback for the 2018 periods as compared to the 2017 periods is explained by changes in sales volumes and revenues, royalties and operating costs as detailed below.

Sales Volumes and Revenues

	Three months ended September 30 2018	Three months ended September 30 2017	Nine months ended September 30 2018	Nine months ended September 30 2017
Light oil (bbls)	182,341	10,566	301,550	51,557
NGL (bbls)	1,291	1,769	3,837	6,518
Natural gas (mcf)	922,751	555,797	2,029,638	1,685,585
Total BOE	337,424	104,967	643,660	339,007
Light oil bbls per day	1,982	115	1,105	189
NGL bbls per day	14	19	14	24
Natural gas mcf per day	10,030	6,041	7,435	6,174
BOE per day	3,668	1,141	2,358	1,242

	Three months ended September 30 2018	Three months ended September 30 2017	Nine months ended September 30 2018	Nine months ended September 30 2017
Light oil revenue ($)	11,896,232	486,062	19,546,130	2,466,072
NGL revenue ($)	16,156	18,952	67,065	101,720
Natural gas revenue ($)	4,658,303	2,567,238	9,647,768	7,286,884
Total revenue	16,560,691	3,072,252	29,260,963	9,854,676
Light oil revenue per bbl ($)	65.24	46.00	64.82	47.83
NGL revenue per bbl ($)	12.52	10.72	17.48	15.61
Natural gas revenue per mcf ($)	5.04	4.62	4.75	4.32
Revenue per BOE ($)	49.08	29.27	45.46	29.07

TDF Sales and Production Volumes

During Q3 2018, the Company's average daily sales volumes were 3,668 BOE per day, up 99% from 1,846 BOE per day in Q2 2018 and up 221% from 1,141 BOE per day in Q3 2017 due mainly to the increase in the Company's working interest in the TDF Concessions from 25.7804% to 51.56% on June 7, 2018 (see the Acquisition of St. Patrick Oil & Gas S.A. section of this MD&A). The Company also sold a greater quantity of inventoried volumes of oil during the 2018 periods.

TDF total production volumes for Q3 2018 were 323,425 BOE (3,515 BOE per day). Average daily production volumes for Q3 2018 were 3,515 BOE per day, up 73% from 2,032 BOE per day in Q2 2018 and up 181% from 1,250 BOE per day in Q3 2017. The increase in Q3 2018 average daily production volumes is mainly due to the increase in the Company's working interest in the TDF Concessions and production from the SM x-1001 well, which came on stream in Q4 2017 and the SM x-1002 well, which came on stream in Q3 2018.

TDF sales volumes were weighted as follows:

	Three months ended September 30		Nine months ended September 30	
	2018	**2017**	**2018**	**2017**
Light oil	54%	10%	47%	15%
NGL	–	2%	1%	2%
Natural gas	46%	88%	52%	83%
Total	100%	100%	100%	100%

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

Oil (and related NGL) production from TDF may be either (1) stored then shipped for sale to the domestic market and/or international brokers for export or (2) trucked and sold to Chile. The sale of crude oil transported by ship from TDF can be impacted by intermittent shipments due to storage levels and weather conditions. Oil and NGL sales volumes may include both previously inventoried volumes as well as current period production.

For the nine months ended September 30	**Oil**				**NGL**			
	2018		**2017**		**2018**		**2017**	
	bbls	bbls per day	bbls	bbls per day	bbls	bbls per day	bbls	bbls per day
Inventory, January 1	37,172		9,292		1,465		1,483	
Acquired	18,839		-		1,409		-	
Production	302,935	740	54,610	302	3,829	10	6,489	36
Sales	(301,550)	(771)	(51,557)	(285)	(3,838)	(10)	(6,518)	(36)
Inventory, September 30	57,396		12,345		2,865		1,454	

TDF Revenues and Pricing

TDF revenue per BOE for Q3 2018 was approximately $49.08 per BOE, higher than TDF revenue per BOE of $42.61 per BOE in Q2 2018 and $29.27 in Q3 2017, due to an increase in oil sales volumes, which earn a higher price per BOE than natural gas.

Of the commodities produced from the TDF Concessions, only natural gas is subject to seasonal demand. Residential demand for natural gas in Argentina is higher during the colder months of April through October, generally resulting in lower average natural gas prices during this period as sales to the residential market earn a lower price than sales to the industrial market. Seasonal reductions in average natural gas prices during winter are typically offset by increases in gas sales during warmer months to the much higher-priced industrial market. However, the Company has not been obligated to sell a portion of its natural gas production to the residential market since November 2017 and is now able to sell all of its natural gas production to the industrial market.

The price earned by the Company on TDF natural gas sales in Q3 2018 averaged $5.04 per mcf as compared to $4.62 per mcf in Q3 2017 as the Company sold all of its natural gas to the industrial market in Q3 2018 whereas a portion of natural gas was sold to the residential market in Q3 2017. The average natural gas price for the industrial market was $5.04 per mcf in Q3 2018 compared to $4.99 per mcf in Q3 2017. The average natural gas price for the residential market was $1.45 per mcf in Q3 2017.

Oil from Crown Point's TDF Concessions was sold at $65.24 per bbl in Q3 2018, down 5% from $68.49 per bbl in Q2 2018 and up 42% from $46.00 per bbl in Q3 2017. The increase in the price earned on oil sales

in 2018 is due to Argentina's adoption of the Brent price in October 2017 and an increase in Brent from Q4 2017 to Q3 2018. The price of Brent decreased slightly in Q3 2018 compared to Q2 2018.

The price earned by the Company on TDF NGL sales in Q3 2018 is comparable to the price earned in Q3 2017.

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

Royalties

	Three months ended September 30		Nine months ended September 30	
	2018	**2017**	**2018**	**2017**
Provincial royalties ($)	2,927,811	588,141	4,956,844	1,816,627
Royalties as a % of Revenue	17.7%	19.1%	16.9%	18.4%
Royalties per BOE ($)	8.68	5.60	7.70	5.36

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

In September 2018, the Government of Argentina issued Decree 793/2018 which imposes a 12% export tax on all goods exported from Argentina, to a maximum of 4 ARS per 1 USD of export sales revenue.

The royalty rate is lower in the 2018 periods than in the 2017 periods due to oil export sales in the 2018 periods which are exempt from turnover tax, offset by $50,960 of export tax incurred in September 2018.

Operating Costs

	Three months ended September 30		Nine months ended September 30	
	2018	**2017**	**2018**	**2017**
Production and processing ($)	2,415,320	1,210,627	5,296,207	3,616,542
Transportation and hauling ($)	630,784	54,188	1,207,771	359,392
Total operating costs ($)	3,046,104	1,264,815	6,503,978	3,975,934
Production and processing per BOE ($)	7.16	11.53	8.23	10.67
Transportation and hauling per BOE ($)	1.87	0.52	1.88	1.06
Operating costs per BOE ($)	9.03	12.05	10.11	11.73

Operating costs per BOE are lower in the 2018 periods as compared to the 2017 periods due in part to the effect of the devaluation of the ARS against the USD. During the September 2018 period, the ARS declined 115% against the USD, with the majority of the devaluation occurring in Q2 2018 and Q3 2018. A portion of the Company's operating costs, including rates for field personnel and trucking, are set and settled in ARS based on the ARS to USD exchange rate at a particular point in time. Rates for field personnel and trucking may be subsequently adjusted in the event of significant changes in the ARS to USD exchange rate.

Transportation and hauling costs consist of contracted services hired to perform vacuum truck and transportation activities for crude oil. Transportation and hauling costs are higher in the 2018 periods as compared to the 2017 periods due to oil from SM x-1001 and SM x-1002 that is trucked to the Company's TDF facilities for storage and for which a portion is trucked to Chile for sale.

G&A Expenses

	Three months ended September 30		Nine months ended September 30	
	2018	2017	2018	2017
Salaries and benefits ($)	192,764	428,251	648,078	1,288,635
Professional fees ($)	236,082	232,651	658,493	525,456
Office and general ($)	61,541	68,533	248,634	279,833
Travel and promotion ($)	46,204	12,581	104,896	40,690
	536,591	742,016	1,660,101	2,134,614

Salaries and benefits are lower in the 2018 periods than in the 2017 periods due to an overall reduction in staffing levels combined with the devaluation of ARS against the USD in the 2018 periods compared to the 2017 periods which resulted in lower 2018 salary costs for Argentine employees.

Professional fees include reserve reports fees, consulting fees for financial reporting and investor relations services, legal and consulting fees related to assistance with the preparation of various documents for regulatory compliance and consulting fees related to geological and engineering assistance. Professional fees are higher in the 2018 periods than in the 2017 periods due mainly to geological and engineering consulting fees.

Office and general expenses are slightly lower in the 2018 periods than the 2017 periods due to cost-savings achieved in the Argentina office.

Travel and promotion expenses include the cost of management's investor relations activities and travel between Argentina and Canada. Travel and promotion expenses are higher in the 2018 periods as there were more trips between Argentina and Canada by management.

Transaction costs

During Q3 2018 and the September 2018 period, the Company incurred $124,063 and $4,586,312, respectively, of acquisition expenses related to the Acquisition of St. Patrick, including $4.4 million of withholding taxes payable to Argentine tax authorities in connection with the Acquisition. See the Acquisition of St. Patrick Oil & Gas S.A. section of this MD&A.

Depletion and Depreciation

	Three months ended September 30		Nine months ended September 30	
	2018	2017	2018	2017
TDF depletion ($)	4,152,186	1,284,046	7,702,642	4,141,890
Depreciation ($)	21,270	11,271	46,004	48,301
	4,173,456	1,295,317	7,748,646	4,190,191
TDF depletion rate per BOE ($)	12.31	12.23	11.97	12.22

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

The TDF depletion rate per BOE is lower in the September 2018 period compared to the September 2017 period, due mainly to an increase in the proved plus probable reserves estimated in the externally prepared December 31, 2017 reserve report as compared to the 2016 report from 3,922,200 BOE to 4,280,000 BOE, which were both based on the Company's 25.7804% participating interest in the TDF Concessions prior to the Acquisition of St. Patrick. The increase in proved plus probable reserves in the 2017 reserve report is primarily due to the addition of 776,000 BOE of proved plus probable reserves for the Company's exploration success in the La Angostura concession (with a corresponding increase in future development capital from

$22.2 million in the 2016 reserve report to $26.2 million in the 2017 reserve report) offset by 2017 production of 476,115 BOE and downward revisions of probable reserves in the Las Violetas concession.

Following the Acquisition of St Patrick, the Company's participating interest in the TDF Concessions increased to 51.56% and its share of proved plus probable reserves and corresponding future development capital at September 30, 2018 was 8,003,296 BOE and $48 million, respectively.

Foreign Exchange Gain (Loss)

During Q3 2018 and the September 2018 period, the Company recognized a foreign exchange gain of $317,485 and $834,462, respectively, compared to a foreign exchange gain of $7,978 and a foreign exchange loss of $6,183, respectively, during Q3 2017 and the September 2017 period.

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

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

Exchange rates [1] as at:	September 30 2018	December 31 2017
CAD to USD	0.7741	0.7954
ARS to USD	0.0243	0.0522
USD to ARS	41.226	19.1620

(1) Source Canadian Forex Exchange

In Crown Point, the translation of USD denominated foreign currency to CAD during the September 2018 period resulted in a foreign exchange gain of approximately $156,400 (September 2017 period – $300 foreign exchange gain).

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

In the Argentine subsidiaries, the translation of ARS denominated net monetary liabilities during the September 2018 period resulted in a foreign exchange gain of approximately $711,500 (September 2017 period – $6,500 foreign exchange loss).

Currency appreciation and devaluation in Argentina affects the cost of ARS denominated items which are translated to the USD functional currency of the Argentine subsidiaries. A portion of TDF operating costs and general and administrative expenses incurred in Argentina are denominated in ARS. During the September 2018 period, the devaluation of ARS resulted in lower TDF operating costs and general and administrative expenses incurred in Argentina by approximately 27% (September 2017 period – devaluation of ARS; lower by 5%).

During the September 2018 period, the devaluation of ARS since December 31, 2017 resulted in a reduction in the USD equivalent of ARS denominated foreign currency denominated financial instruments, excluding bank debt, by approximately $761,000 (September 2017 period – devaluation of ARS; reduction by approximately $34,000).

Certain portions of the Company's bank debt, as described under Liquidity and Capital Resources, were denominated in ARS and translated to USD at each reporting date.

The effect of currency devaluation on ARS denominated bank debt during the September 2018 period is shown in the following table:

		September 30 2018
June 2015 HSBC Loan facility (ARS 2,770,883)	$	144,600
Repayment of June 2015 HSBC Loan facility (ARS 2,770,883)		(138,982)
October 2015 HSBC Loan facility (ARS 3,958,333)		206,572
Repayment of October 2015 HSBC Loan facility (ARS 3,958,333)		(196,720)
CMS Working Capital Loan (ARS 13,000,000)		479,439
Repayment of CMS Working Capital Loan (ARS 13,000,000)		(334,255)
Banco Saenz Overdraft (ARS13,000,000)		334,255
Repayment of Banco Saenz Overdraft (ARS13,000,000)		(337,733)
Effect of change in exchange rates		(157,175)
	$	–

Net Finance Expense

During Q3 2018 and the September 2018 period, the Company earned $2,350 and $12,030, respectively, of interest income on short-term deposits compared to $68,904 and $86,313, respectively, in Q3 2017 and the September 2017 period.

During Q3 2018 and the September 2018 period, the Company incurred $136,937 and $412,328, respectively, of financing fees and bank charges compared to $101,482 and $253,771, respectively, in Q3 2017 and the September 2017 period. Financing fees and bank charges result primarily from bank taxes charged in Argentina on cash transfers which were higher in Q3 2018 than in previous periods.

During Q3 2018 and the September 2018 period, the Company incurred $135,997 and $199,446, respectively, of interest expense on bank debt compared to $106,633 and $329,675, respectively, in Q3 2017 and the September 2017 period. Interest expense is higher in Q3 2018 than in Q3 2017 due to the loans obtained by the Company during Q2 2018 and Q3 2018 as scheduled and described under the Liquidity and Capital Resources – Argentina Loans section of this MD&A.

During Q3 2018 and the September 2018 period, the Company incurred $34,340 and $139,172, respectively, of loan guarantee fees compared to $nil in Q3 2017 and the September 2017 period. Loan guarantee fees were provided under the loans described in the Liquidity and Capital Resources – Argentina Loans section of this MD&A.

Other Income and Expenses

Oil Incentive bonus payments

Under the Government of Argentina's Oil Incentive Program, companies that increased or maintained production at 95% of fourth quarter 2014 volumes were eligible for a $3.00 per bbl bonus payment on a formula-derived quantity of production. The Oil Incentive Program was in effect from January 1, 2015 to December 31, 2015. During the September 2017 period, the Company collected $55,413 of Oil Incentive Program bonus payments in respect of third and fourth quarter 2015 production volumes. The Company recognized Oil Incentive Program income when proceeds were received due to uncertainty of the timing of collection.

Petróleo Plus Program

In November 2016, the Government of Argentina issued a decree under which it began offering bonds to qualifying companies with outstanding certificates under the cancelled Petróleo Plus Program. The Company made a submission for approximately $1.9 million of bonds with respect to the remainder of its outstanding Petróleo Plus certificates. On July 11, 2017, the Company received $1,874,376 of publicly-traded BONAR 2020 bonds as proceeds for the outstanding Petróleo Plus certificates. The Company recognized Petróleo Plus Program income upon receipt of proceeds due to uncertainty of the timing of collection.

New Gas Incentive Program

During Q3 2017 and the September 2017 period, the Company received a total of ARS 18,379,312 ($1,043,764) of cash proceeds under the New Gas Incentive Program related to applications for the period from January 1 to September 30, 2016. The Company recognized New Gas Incentive Program income upon receipt of proceeds due to uncertainty of the timing of collection.

Gain on disposition of property and equipment

During the September 2017 period, the Company sold property and equipment with a net carrying amount of $10,470 for proceeds of $19,734 and recognized a $9,264 gain on disposition.

Taxes

	Three months ended September 30		Nine months ended September 30	
	2018	**2017**	**2018**	**2017**
Current tax expense (recovery) ($)	(70,390)	291,324	2,390,850	291,324
Deferred tax provision ($)	876,400	851,000	1,613,600	659,000
Total tax expense ($)	806,010	1,142,324	4,004,450	950,324

Current tax expense is related to taxable income in Argentina generated by the Company's Argentine subsidiaries, Crown Point Energía S.A. and St. Patrick. During the September 2018 period, the Company paid ARS 15,563,977 ($812,231) of taxes payable related to 2017.

The deferred tax provision is related to the effect of the devaluation of the ARS during the period on the translation of ARS denominated tax pools to USD. As at September 30, 2018, the Company's deferred tax liability was $7,669,400 (December 31, 2017 – $2,103,000).

CAPITAL EXPENDITURES

The Company recognized the following additions in exploration and evaluation ("**E&E**") assets during the September 2018 period, primarily related to CLL. Additions during the September 2017 period primarily related to CLL seismic processing and the drilling of SM x-1001 and RC x-1002 in the Rio Cullen and La Angostura concessions:

	Nine months ended September 30	
	2018	**2017**
Cerro de Los Leones	$ 2,896,540	$ 224,873
Rio Cullen and La Angostura [1]	–	1,592,162
Capitalized VAT	587,152	361,866
Cash expenditures	3,483,692	2,178,901
Decommissioning revisions	(4,061)	40,446
	$ 3,479,631	$ 2,219,347

[1] The Company transferred costs for the Rio Cullen and La Angostura concessions from E&E assets to developed and producing assets (a component of property and equipment assets) in December 2017. Subsequent expenditures on these concessions are included in drilling and completion expenditures for property and equipment assets noted below.

The Company also recognized the following additions (recoveries) to property and equipment assets during the September 2018 and September 2017 periods:

	Nine months ended September 30	
	2018	2017
Drilling and completion	$ 5,405,298	$ 450,474
VAT expenditures (recovery)	230,601	(998,244)
Corporate assets	85,821	29,698
Cash expenditures	5,721,720	(518,072)
Acquisition of St. Patrick	25,280,400	–
Corporate asset disposition proceeds	–	(19,734)
Decommissioning revisions	1,546,859	5,018
	$ 32,548,979	$ (532,788)

	Nine months ended September 30	
Allocation of cash expenditures (recoveries):	2018	2017
TDF	$ 5,405,298	$ 450,474
Corporate	85,821	29,698
	$ 5,491,119	$ 480,172

During the September 2018 period, the Company incurred $5,721,720 of expenditures in the TDF area primarily related to drilling and completion of the SM a-1002 well, completion of the LFE -1004 well, drilling of the SM a-1003 and LR x-1001 wells, construction of the gas line for the SM x-1001 well, and other facilities improvements.

During the September 2017 period, the Company incurred $450,474 of expenditures in the TDF area primarily related to facilities improvements.

VALUE ADDED TAX

	September 30 2018	December 31 2017
Included in prepaid expenses	$ 112,712	$ 9,848
Included in E&E assets	2,104,556	1,517,404
Included in property and equipment	1,182,294	951,693
	$ 3,399,562	$ 2,478,945

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

LIQUIDITY AND CAPITAL RESOURCES

Liquidity risk is the risk that the Company will not meet its financial obligations as they become due. The Company manages its liquidity risk through management of its capital structure and annual budgeting of its revenues, expenditures and cash flows.

During Q3 2018 and the September 2018 period, the Company reported net income of $4,074,610 and a net loss of $1,034,200, respectively. As at September 30, 2018, the Company has significant future capital commitments to develop its properties and a $4,974,493 working capital deficit (December 31, 2017 –

$685,653 working capital surplus) that includes $618,403 of cash held in bank accounts. The September 30, 2018 working capital deficit is primarily due to an increase in trade and other payables related to the current drilling campaign and acquisition of 3-D seismic, current taxes payable and the current portion of contingent liability and loans related to the Acquisition of St. Patrick.

The Company's unaudited September 30, 2018 condensed interim consolidated financial statements have been prepared on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. The ability of the Company to continue as a going concern and the recoverability of its assets is dependent upon the existence of economically recoverable reserves and upon the Company's ability to obtain additional financing to continue the development of the Company's properties and generate funds therefrom and to meet current and future obligations. The need to obtain capital to fund the existing and ongoing operations creates a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The Company's unaudited September 30, 2018 condensed interim consolidated financial statements do not reflect adjustments in the carrying values of the assets and liabilities, expenses and the statements of financial position classifications that would be necessary if the going concern assumption were not appropriate. Such adjustments could be material.

The Company anticipates using funds flow from operations, as well as additional debt and/or equity financings and potential joint venture arrangements to fund the Company's capital expenditure program in 2018. For details of the Company's capital expenditure program through to the end of 2018 and 2019, see the Outlook section of this MD&A. However, as new opportunities arise or planned expenditures are revised, the Company is committed to raising the necessary funds required for operations and capital expenditures through equity financing, joint venture agreements, and debt. If more of the Company's properties become economic and productive, the additional cash flow generated will assist in funding the Company's future activities.

<u>Short Form Prospectus Rights Offering</u>

On May 23, 2018, the Company closed a rights offering (the "**Rights Offering**") pursuant to which the Company issued 40,000,000 common shares at $0.30 per share for gross proceeds of $12 million. Liminar Energia S.A. ("**Liminar**"), the Company's largest shareholder, acquired an aggregate of 26,666,667 common shares in connection with the Rights Offering, which increased its shareholdings to approximately 59.5% of the Company's issued and outstanding common shares.

In connection with the Rights Offering, Banco de Servicios y Transacciones S.A. ("**BST**") provided a commitment letter confirming that up to $14 million would be available to the Company under a new credit facility provided by BST and/or one or more lenders sourced by BST for the purposes of funding a portion of the purchase price for the Acquisition. The Company and BST share a common director, Pablo Peralta, who also controls significant shareholdings in both companies. The Company subsequently obtained the Acquisition Loan, the Bridge Loan, the Working Capital Loan and the Macro Working Capital Loan as disclosed below under Argentina Loans.

<u>Contingent Liability</u>

On June 7, 2018, the Company recognized a liability of $1,763,100 representing the estimated fair value of contingent royalty payments associated with the Acquisition. Under the terms of the royalty agreement, the Company will make quarterly payments over a ten-year period commencing on January 1, 2018 equal to 10% of the amount by which net revenue (oil and gas revenue less provincial royalties) received by St. Patrick from its 25.7796% participating interest in the TDF Concessions for the quarter exceeds certain base net revenue thresholds for such quarter. If in any quarter the net revenues received by St. Patrick do not exceed the base net revenue threshold for that quarter, then no royalty payment will be payable.

During Q3 2018 and the September 2018 period, the Company re-measured the fair value of the contingent liability based on revisions to the expected future cash flows and recognized a $839,777 fair value adjustment which increased the contingent liability to $2,602,877. The fair value of the contingent liability as at September 30, 2018 was estimated based on $5.1 million of undiscounted cash flows over 10 years at a discount rate of 17%.

Argentina Loans

In April 2018, the Company repaid the balance of its ARS denominated loan facility (ARS 4,354,166 ($216,227)) with HSBC Argentina in full. The loan facility was secured by $157,000 of USD denominated GICs on deposit with a major Canadian financial institution which was released to the Company following the loan repayment.

On June 7, 2018, the Company obtained a $2.9 million loan facility from Banco Hipotecario (the "**Acquisition Loan**"). The Acquisition Loan is secured against certain accounts receivable to a maximum of $2.9 million that will be applied against the loan when collected. The Acquisition Loan bears interest at a rate of 8% per annum, calculated and paid monthly, and is repayable in one installment on December 7, 2018. The Acquisition Loan proceeds were used to pay a portion of the purchase price for the Acquisition. Personal loan guarantees were provided by two individuals (see the Related Party Transaction section of this MD&A).

On June 7, 2018, the Company obtained a $7.5 million bridge loan facility from Banco Macro (the "**Bridge Loan**"). The Bridge Loan was secured against certain accounts receivable to a maximum of $3.0 million that were applied against the loan when collected. The Bridge Loan bore interest at a rate of 8% per annum, calculated and paid monthly, and was repaid in one installment on June 27, 2018. The Bridge Loan proceeds were used to pay a portion of the purchase price for the Acquisition. Personal loan guarantees were provided by two individuals (see the Related Party Transaction section of this MD&A).

On June 19, 2018, the Company obtained a $1.1 million loan facility from Banco Hipotecario (the “**Working Capital Loan**”). The Working Capital Loan is secured against certain accounts receivable to a maximum of $1.1 million that will be applied against the loan when collected. The Working Capital Loan bears interest at a rate of 8% per annum, calculated and paid monthly, and is repayable in one installment on December 19, 2018. Personal loan guarantees were provided by two individuals (see the Related Party Transaction section of this MD&A).

On July 12, 2018, the Company obtained an ARS 13 million ($0.5 million) working capital loan from CMS de Argentina S.A. (the "**CMS Working Capital Loan**"). The CMS Working Capital Loan bore interest at a rate of 63% per annum, calculated and paid monthly, and was repaid in one installment on August 31, 2018.

On July 27, 2018, the Company obtained a $2 million loan facility from Banco Macro (the “**Macro Working Capital Loan**”) secured by certain of the Company’s accounts receivable to a maximum of $2 million applied against the loan when collected. The Macro Working Capital Loan bore interest at a rate of 7% per annum from the disbursement date to August 24, 2018 and at a rate of 10.5% per annum from August 24, 2018 to the date of repayment, calculated and paid monthly. The Macro Working Capital Loan was repaid in two installments of $1.2 million on September 4, 2018 and $0.8 million on September 17, 2018. Personal loan guarantees were provided by two individuals (see the Related Party Transaction section of this MD&A).

On August 30, 2018, the Company obtained an ARS 13 million ($0.3 million) overdraft agreement with Banco Saenz (the “**Banco Saenz Overdraft”**). The Banco Saenz Overdraft bore interest at a rate of 65% per annum, calculated and paid monthly, and was repaid in one installment on September 26, 2018. A loan guarantee was provided by ST Inversiones S.A. (see the Related Party Transaction section of this MD&A).

On October 11, 2018, the Company obtained an ARS 13 million ($0.3 million) overdraft agreement with Banco Saenz (the "The Banco Saenz 2nd Overdraft"). The Banco Saenz 2nd overdraft bore interest at a rate of 85% per annum, calculated and paid monthly, and was repaid in one installment on October 30, 2018.

RELATED PARTY TRANSACTIONS

Energía y Soluciones S.A., a company controlled by Gabriel Obrador, who is a director of the Company, owns a 1.46% overriding royalty on revenue earned from the CLL Permit. As of September 30, 2018, and the date of this MD&A, no revenue has been earned from the CLL Permit.

During Q3 2018 and the September 2018 period, the TDF UTE (of which the Company is a member) sold a portion of natural gas volumes to Energía y Soluciones S.A. for which the Company recognized $100,937 (ARS 3,425,351) and $183,316 (ARS 5,416,555) (Q3 2017 and the September 2017 period – $88,124 (ARS 1,539,407) and $288,097 (ARS 5,259,167)), respectively) of oil and gas revenue for its working interest share. Included in trade and other receivables as at September 30, 2018 is $41,449 (ARS 1,702,537) (December 31, 2017 – $21,435 (ARS 399,786)) in respect of this revenue.

Messrs. Pablo Peralta and Roberto Domínguez have personally guaranteed the Company's payment obligations under the Acquisition Loan, the Bridge Loan, the Working Capital Loan and the Macro Working Capital Loan (collectively, the "**Loans**") disclosed above under Argentina Loans. Mr. Peralta is a director of the Company and is the President and a director of Liminar and controls 30% of the voting shares of Liminar. Mr. Domínguez controls approximately 30% of the voting shares of Liminar. Liminar owns approximately 59.5% of the Company's outstanding common shares. In consideration for the provision of the guarantee of the Loans, the Company has agreed to pay to Messrs. Peralta and Domínguez an annual fee during the term of the Loans equal to 1% of the principal amount outstanding under the Loans on the date of such payment. During Q3 2018 and the September 2018 period, the Company incurred $31,000 and $135,832, respectively, of loan guarantee fees, of which $104,382 was paid on July 27, 2018. Subsequent payments will be made annually on the anniversary date of the first payment.

During Q3 2018, the Company paid a $3,340 loan guarantee fee to ST Inversiones S.A. in relation to the guarantee of the Banco Saenz Overdraft. Messrs Peralta and Dominguez jointly control 100% of the voting shares of ST Inversions S.A.

During Q3 2018, the Company paid $30,342 of interest to CMS de Argentina S.A.in respect of the CMS Working Capital Loan. Messrs Peralta and Dominguez jointly control 66% of the voting shares of CMS de Argentina S.A.

The following related party transactions are disclosed in the Liquidity and Capital Resources – Short Form Prospectus Rights Offering section of this MD&A:

- Liminar acquired an aggregate of 26,666,667 common shares in connection with the Rights Offering; and
- BST provided a Commitment Letter to the Company for up to $14 million of debt financing pursuant to which the Company obtained the Acquisition Loan, the Bridge Loan, the Working Capital Loan and the Macro Working Capital Loan. The Company and BST share a common director, Pablo Peralta, who also controls significant shareholdings in both companies.

There were no other transactions between the Company and related parties of the Company during the 2018 and 2017 periods.

CONTINGENCY

Pursuant to the joint venture agreement governing the TDF Concessions (the "**JV Agreement**"), the Company's and St. Patrick's partners in the TDF Concessions (each a "**JV Partner**") had a right of first refusal ("**ROFR**") that allowed them to participate in the Acquisition at a level that was equivalent to their participating interest in the TDF Concessions. Roch S.A. ("**Roch**"), one of the JV Partners, disputed the validity of the ROFR notices issued by Pluspetrol to the JV Partners and obtained an injunction (the "**Injunction**") from an Argentine court prohibiting Pluspetrol from selling the shares of St. Patrick to the Company. Both Pluspetrol and the Company successfully challenged the Injunction and the Argentine court ordered that the Injunction be revoked and that instead Roch's claim be recorded in St. Patrick's share registers to give notice of the claim to potential purchasers (a legal remedy known as "lis pendens" or "Anotación de Litis" in Argentina) (the "**Lis Pendens Remedy**"). However, Roch immediately appealed this decision to an Argentine Court of Appeal, which had the effect of reinstating the lower court's initial decision (which kept the Injunction in place). The Argentine Court of Appeal subsequently rejected Roch's appeal, with the result that the lower court's decision to revoke the original Injunction and impose the Lis Pendens Remedy was restored. Roch did not appeal the Court of Appeal's decision by the applicable deadline, with the result that the Injunction was permanently revoked and the Lis Pendens Remedy remains in effect.

Roch has also commenced arbitration proceedings against Pluspetrol and St. Patrick under the JV Agreement in order to have an arbitration panel consider and rule on the dispute (the "**Arbitration**"). The Arbitration is currently in its last stages. The Company is unable to predict when the Arbitration will be concluded or what the outcome of the Arbitration proceedings will be. Pluspetrol has provided certain indemnities to the Company in connection with the Arbitration proceedings.

SUBSEQUENT EVENTS

There have been no reportable events subsequent to September 30, 2018.

SHARE CAPITAL

Issued and outstanding	Common Shares	Stock Options
December 31, 2017	32,903,038	158,250
Issued	40,000,000	–
Expired	–	(117,250)
September 30, 2018 and date of MD&A	72,903,038	41,000

DIVIDENDS

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

COMMITMENTS

The Company's commitments are disclosed in Note 22 to the Company's December 31, 2017 audited consolidated financial statements as well as in the December 31, 2017 MD&A.

The following is a summary of expenditure commitments related to the Company's concessions:

(a) TDF Concessions

The Company has a 51.56% working interest in the TDF area of Argentina covering approximately 489,000 acres (252,100 net acres) in the Austral Basin and includes the Las Violetas, La Angostura and Rio Cullen exploitation concessions. The term of each concession expires in August 2026. The Company's share of expenditure commitments with respect to the TDF Concessions are as follows:

Concession	Term of Expenditure Period	Required Expenditure Commitment
Las Violetas	Until May 1, 2019	18 [(1)] gross wells with a minimum of $24.2 million of exploration and development investment, all of which was fulfilled as of September 30, 2018.
Rio Cullen	Until August 2026	$0.92 million, none of which was spent as of September 30, 2018.
La Angostura	Until August 2026	$1.92 million which was fulfilled as of September 30, 2018.

(1) The 18 gross well drilling commitment is an aggregate commitment for all three concessions. As at September 30, 2018, the Company had drilled a total of 18 gross wells comprised of 14 gross wells on the Las Violetas concession, 1 gross well on the Rio Cullen concession and 3 gross well on the La Angostura concession.

(b) Cerro De Los Leones Concession

The CLL Permit confers upon its holder the exclusive right to explore for hydrocarbons during three successive exploration periods lasting three, two and one year(s), respectively. Fifty percent of the acreage of the Permit shall be relinquished at the end of each of the first two exploration periods or converted into an exploitation concession or evaluation block.

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

Period	Term of Exploration Period	Required Work Commitment [1]
Period 1	Expired	Transferred to Period 2
Period 2	January 22, 2019 [2]	A minimum of approximately $4.6 million in expenditures plus a minimum of 1 exploration well at an estimated cost of $2.5 million. $2.9 million of expenditures had been incurred as of September 30, 2018.
Period 3	1 year commencing upon expiry of Period 2	1 exploration well at an estimated cost of $2.5 million

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

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

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off balance sheet arrangements.

FINANCIAL INSTRUMENTS

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

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

NEW ACCOUNTING STANDARDS

On January 1, 2018, the Company retrospectively adopted IFRS 9 Financial Instruments ("**IFRS 9**") which includes new requirements for the classification and measurement of financial assets, a new credit loss impairment model and new model to be used for hedge accounting for risk management contracts. The Company does not currently have any risk management contracts. The adoption of IFRS 9 did not have a material impact on the Company's financial statements and management applied the provision matrix practical expedient as part of the adoption of the standard. The additional disclosures required by IFRS 9 are detailed in Note 5 to the September 30, 2018 unaudited condensed interim consolidated financial statements.

On January 1, 2018, the Company adopted IFRS 15 Revenue from Contracts with Customers ("**IFRS 15**") using the retrospective method of adoption. The adoption of IFRS 15 did not have a material impact on the Company's unaudited condensed interim consolidated financial statements and as a result, the Company did not apply any practical expedients as part of the adoption of IFRS 15. The additional financial statement disclosures required by IFRS 15 are detailed in Note 16 to the September 30, 2018 unaudited condensed interim consolidated financial statements.

FUTURE ACCOUNTING STANDARDS

IFRS 16 Leases

In January 2016, the IASB issued IFRS 16 Leases ("**IFRS 16**") which replaces the previous leases standard, IAS 17 Leases ("**IAS 17**"). IFRS 16 eliminates the classification of leases as either operating leases or finance leases as is required by IAS 17 and, instead, introduces a single lessee accounting model. Certain short-term leases (less than 12 months) and leases of low-value assets are exempt from the requirements, and may continue to be treated as operating leases. IFRS 16 is effective for periods beginning on or after January 1, 2019. The Company is assessing the impact of IFRS 16 on its consolidated financial statements and it is anticipated that IFRS 16 will have an impact on the consolidated statement of financial position, however the magnitude of the impact is yet to be determined.

BUSINESS RISKS AND UNCERTAINTIES

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

- risks associated with operations in emerging markets, including changes in energy policies or personnel administering them, nationalization of the Company's assets, the development and/or persistence of hyper-inflationary conditions, currency fluctuations between the USD, the CDN and the ARS and/or devaluations of the ARS, monetary and currency exchange controls, export controls and changes in royalty and tax rates;
- the risks of the oil and gas industry both domestically and internationally, such as operational risks in exploring for, developing and producing crude oil and natural gas and market demand;
- general economic conditions in Canada, Argentina and globally;
- the ability of management to execute its business plan;
- reliance on third party operators and joint venture partners to satisfy their commitments under existing agreements and arrangements and to carry out operations in a safe, efficient and effective manner;
- the risks of disputes with third party operators and joint venture partners and the effect that such disputes can have on the Company's operations and results, including the risks associated with the ongoing dispute with Roch and related Arbitration;
- uncertainties inherent in estimating quantities of oil and natural gas reserves and cash flows to be derived therefrom and the risk that the value of such reserves may be impaired in future periods;
- fluctuations in the price of oil and natural gas, interest rates and exchange rates;
- the risk that the Company will not be able to reduce its operating costs and thereby improve the return on its investments;
- lack of diversification of the Company's oil and gas interests;
- the impact of work disruption and labour unrest on the Company's operations;
- actions taken by governmental authorities, including increases in taxes and changes in government regulations and incentive programs;
- geological, technical, drilling and processing problems;
- risks and uncertainties involving geology of oil and gas deposits;
- risks inherent in marketing operations, including credit risk;
- the ability to enter into, renew and/or extend leases and/or concessions;
- constraints on foreign subsidiaries to make payments to the Company;
- the uncertainty of estimates and projections relating to production, costs and expenses;
- potential delays or changes in plans with respect to exploration or development projects or capital expenditures including delays arising as a result of the Company's inability to obtain the necessary oilfield services required, including drilling and fracture stimulation equipment and related personnel;
- the insufficiency of cash flow to fund operations;
- uncertainty of finding reserves and developing and marketing those reserves;
- unanticipated operating events, which could reduce production or cause production to be shut in or delayed;
- the ability of management to identify and complete potential acquisitions;

- if completed, the failure to realize the anticipated benefits of acquisitions (including the Acquisition);
- incorrect assessments of the value of acquisitions (including the Acquisition);
- ability to locate satisfactory properties for acquisition or participation;
- shut-ins of connected wells resulting from extreme weather conditions;
- insufficient storage or transportation or processing capacity for the Company's production;
- hazards such as fire, explosion, blowouts, cratering and spills, each of which could result in substantial damage to wells, production facilities, other property and the environment or in personal injury;
- encountering unexpected formations or pressures, premature decline of reservoirs and the invasion of water into producing formations;
- the failure to satisfy work commitments by the applicable deadline and the resulting loss of exploration and exploitation rights and, in the case of CLL, the resulting obligation to pay the value of such unsatisfied work commitments to the provincial government;
- the enforcement of civil liability in Argentina;
- risks associated with conflicting interests with partners;
- income tax reassessments and other taxes payable by the Company;
- the ability to add production and reserves through development and exploration activities;
- governmental regulation of the oil and gas industry, including the possibility that government policies or laws, including laws and regulations related to the environment, may change in a manner that is adverse to the Company, or that governmental approvals may be delayed or withheld;
- failure to obtain industry partner and other third party consents and approvals, as and when required;
- risks associated with having a control person owning approximately 59.5% of the Company's shares and two representatives on the board of directors, including the potential that the control person may exert a significant amount of influence over the Company's affairs and that the liquidity of the Company's common shares may decline;
- stock market volatility and market valuations;
- competition for, among other things, capital, acquisition of reserves, undeveloped land and skilled personnel; and
- the availability of capital on acceptable terms to fund the Company's capital programs and acquisitions, including the ability of the Company to obtain new credit facilities, renegotiate the terms of its existing credit facilities and/or repay the principal and interest owing under its existing credit facilities.

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

LEGAL, ENVIRONMENTAL, REMEDIATION AND OTHER CONTINGENT MATTERS

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

SELECTED CONSOLIDATED QUARTERLY INFORMATION

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

Unaudited Three months ended:	September 30 2018	June 30 2018	March 31 2018	December 31 2017	September 30 2017	June 30 2017	March 31 2017	December 31 2016
Working capital ($)	(4,974,493)	(7,626,412)	2,239,833	685,653	3,069,104	(498,095)	(711,630)	194,679
Oil and gas revenue ($)	16,560,691	7,158,826	5,541,446	3,132,145	3,072,252	4,009,250	2,773,174	3,567,107
Petróleo Plus Proceeds ($)	–	–	–	–	1,874,376	–	–	–
New Gas Incentive Program payments ($)	–	–	–	616,721	1,043,764	–	–	–
Transaction costs ($)	124,063	4,438,250	23,999	–	–	–	–	–
E&E expense ($)	–	–	–	–	–	–	–	2,527,270
Net income (loss) ($)	4,074,610	(5,381,589)	272,779	(743,709)	804,239	(1,038,338)	(567,457)	(5,204,658)
Basic and diluted net income (loss) per share [(1)] ($)	0.06	(0.11)	0.01	(0.03)	0.05	(0.06)	(0.03)	(0.32)
Cash flow from (used by) operating activities ($)	4,516,249	2,933,565	2,039,243	2,294,650	1,630,595	173,954	634,124	47,770
Acquisition of St. Patrick ($)	–	17,311,776	–	6,750,000	–	–	–	–
Expenditures on property and equipment and E&E assets ($)	6,511,775	2,569,933	123,704	653,287	25,553	448,875	1,186,401	205,503
Total assets ($)	73,197,889	69,513,644	40,943,655	40,856,370	38,486,461	37,653,657	38,946,401	39,023,203
Bank debt ($)	4,000,000	4,000,000	216,227	812,208	2,096,786	2,736,214	2,258,382	2,376,639

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

- Net income in Q3 2018 is mainly due to higher sales of oil combined with an increase in the price of oil.
- Working capital improved in Q3 2018 due to the decrease in accounts payable combined with the increase in accounts receivable due to higher sales in Q3 2018.
- Net loss in Q2 2018 is mainly due to transaction costs related to the Acquisition of St. Patrick and current tax expense on taxable income in Argentina.
- Working capital decreased in Q2 2018 due to the increase in accounts payable related to the drilling campaign, current and withholding taxes payable and the current portion of contingent liability and loans obtained for the Acquisition of St. Patrick.
- Net income in Q1 2018 is mainly due to higher sales of inventoried volumes of oil in Q1 2018 and an increase in oil and natural gas prices.
- Working capital increased in Q1 2018 due to the collection of receipts for oil sales.
- Net loss in Q4 2017 is mainly due to an increase in G&A expenses, acquisition transaction costs for the proposed acquisition of St. Patrick and income tax expense in Argentina.
- Working capital decreased in Q4 2017 due to the payment of a $6.75 million deposit to acquire all of the issued and outstanding shares of St. Patrick.
- Net income in Q3 2017 is mainly due to the proceeds from the Petróleo Plus Program and New Gas Incentive Program.
- Working capital increased in Q3 2017 due to the short-term bonds received as proceeds from the Petróleo Plus Program and cash proceeds from the New Gas Incentive Program.
- Net loss in Q2 2017 is higher than in Q1 2017 due primarily to higher G&A in Q2 2017 and the recovery of deferred tax in Q1 2017 which was offset by a deferred tax provision in Q2 2017.
- Working capital deficit decreased in Q2 2017 due to the payment of trade and other payables.
- Net loss in Q1 2017 is lower than Q4 2016 due primarily to lower G&A and depletion and depreciation expense and the recovery of deferred tax in Q1 2017 and E&E expense incurred in Q4 2016.

- Working capital decreased in Q1 2017 due to an increase in trade payables related to the drilling of one exploration well in each concession of Rio Cullen and La Angostura.

NON-IFRS MEASURES

Non-IFRS measures do not have any standardized meanings prescribed by IFRS and may not be comparable with the calculation of similar measures used by other entities. Non-IFRS measures should not be considered alternatives to, or more meaningful than measures determined in accordance with IFRS as indicators of the Company's performance.

This MD&A contains the terms "adjusted income (loss) before taxes", "adjusted net income (loss)" and "adjusted net income (loss) per share" which management considers to be key measures of performance before the effect of certain expenses that, although classified as operating activities in accordance with IFRS, are not expected to recur with the same magnitude or frequency and/or for which there are no similar expenses in the comparative periods.

The Company reconciles adjusted income (loss) before taxes, adjusted net (income) loss and adjusted net income (loss) per share to the most directly comparable measures calculated in accordance with IFRS as follows:

	Three months ended September 30		Nine months ended September 30	
	2018	2017	2018	2017
Income before taxes ($)	4,880,620	1,946,563	2,970,250	148,768
Add back: transaction costs ($)	124,063	–	4,586,312	–
Adjusted income before taxes ($)	5,004,683	1,946,563	7,556,562	148,768
Tax expense ($)	(806,010)	(1,142,324)	(4,004,450)	(950,324)
Adjusted net income (loss) ($)	4,198,673	804,239	3,552,112	(801,556)
Weighted average number of shares	72,903,038	16,451,522	51,950,657	16,451,522
Adjusted net income (loss) per share ($)	0.06	0.05	0.07	(0.05)

This MD&A contains the terms "funds flow from (used by) operations" and "funds flow per share – operations" which should not be considered alternatives to, or more meaningful than, cash flow from (used by) operations and cash flow per share – operations as determined in accordance with IFRS as an indicator of the Company's performance. Management uses funds flow from (used by) operations to analyze operating performance and considers funds flow from (used by) operations to be a key measure as it demonstrates the Company's ability to generate cash necessary to fund future capital investment. Funds flow per share – operations is calculated using the basic and diluted weighted average number of shares for the period consistent with the calculations of earnings per share.

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

	Three months ended September 30		Nine months ended September 30	
	2018	2017	2018	2017
Cash flows from operations ($)	4,516,249	1,632,795	9,489,057	2,440,873
Decommissioning expenditures ($)	20,980	–	20,980	25,119
Changes in non-cash working capital ($)	5,864,059	(550,507)	(27,418)	(136,457)
Funds flow from operations ($)	10,401,288	1,082,288	9,482,619	2,329,535
Weighted average number of shares	72,903,038	16,451,522	51,950,657	16,451,522
Funds flow per share – operations ($)	0.06	0.10	0.18	0.15

This MD&A also contains other industry benchmarks and terms, including "operating netbacks" (calculated on a per unit basis as oil, natural gas and NGL revenues less royalties, transportation and operating costs), which is a non-IFRS measure. See Results of Operations – Operating Netback for the calculation of operating netback. Management believes this measure is a useful supplemental measure of the Company's

profitability relative to commodity prices. Readers are cautioned, however, that operating netbacks should not be construed as an alternative to other terms such as net income as determined in accordance with IFRS as measures of performance. Crown Point's method of calculating this measure may differ from other companies, and accordingly, may not be comparable to similar measures used by other companies.

ABBREVIATIONS AND BOE PRESENTATION

The following abbreviations have the meanings set forth below:

3-D	-	three dimensional
API	-	American Petroleum Institute gravity, being an indication of the specific gravity of crude oil measured on the API gravity scale
bbl	-	barrel
bbls	-	barrels
BOE	-	barrels of oil equivalent
km	-	kilometres
km^2	-	square kilometres
LACT	-	lease automatic custody transfer
m3	-	cubic metres
mcf	-	thousand cubic feet
mmcf	-	million cubic feet
mm	-	millimetre
NGL	-	natural gas liquids
psi	-	pounds per square inch
Q1	-	three months ended March 31
Q2	-	three months ended June 30
Q3	-	three months ended September 30
Q4	-	three months ended December 31
UTE	-	Union Transitoria de Empresas, which is a registered joint venture contract established under the laws of Argentina
YPF	-	Yacimientos Petrolíferos Fiscales S.A.

All BOE conversions in this MD&A are derived by converting natural gas to oil in the ratio of six mcf of gas to one bbl of oil. BOE may be misleading, particularly if used in isolation. A BOE conversion ratio of six mcf of gas to one bbl of oil (6 mcf: 1 bbl) is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas in Argentina is significantly different from the energy equivalency conversion ratio of 6:1, utilizing a conversion on a 6:1 basis is misleading as an indication of value.

ADVISORIES

Forward-Looking Information

This MD&A contains forward-looking information. This information relates to future events and the Company's future performance. All information and statements contained herein that are not clearly historical in nature constitute forward-looking information, and the words “may”, “will”, “should”, “could”, “expect”, “plan”, “intend”, “anticipate”, “believe”, “estimate”, “propose”, “predict”, “potential”, “continue”, “aim”, "budget" or the negative of these terms or other comparable terminology are generally intended to identify forward-looking information. Such information represents the Company's internal projections, estimates, expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. This information involves known or unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. In addition, this MD&A may contain forward-looking information attributed to third party industry sources. Crown Point believes that the expectations reflected in this forward-looking information are reasonable; however, undue reliance should not be placed on this forward-looking information, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur.

This MD&A contains forward-looking information concerning, among other things, the following: under "Corporate Overview and Strategy", all elements of the Company's business strategy in the TDF Concessions and CLL Permit, certain intended and planned future operations of the Company in furtherance of the Company's business strategy and the timing thereof, and the Company's expectations as to the benefits to be derived from such strategy; under "Operational Update – TDF Concessions", the operations that the Company intends to conduct on certain of its TDF Concession assets and the expected timing of certain operations and the Company's expectation that its prospect identification and evaluation will develop additional exploration, step-out and appraisal locations; under "Operational Update – CLL Permit", the operations that the Company intends to conduct on the CLL Permit and the Company's ability to obtain a partner in the CLL Permit to share future capital costs and provide capital cost recovery opportunities; under "Outlook – Capital Spending", our estimated capital expenditures for Q4 2018 and fiscal 2019, the allocation of such capital expenditures between our TDF Concessions and CLL Permit in Q4 2018 and fiscal 2019, the operational activities that we expect to complete during Q4 2018 and fiscal 2019, the continued evaluation of the Company's fiscal 2019 budget proposal, and our expectations for how we will fund our capital programs during these periods; under "Outlook – Argentina – Economic Summary", the Argentina Central Bank's ability to meets its financial obligations to the end of 2019; under "Results of Operations – Royalties", changes in commodity prices may increase royalty rates; under "Results of Operations – Operating Costs", changes to the ARS and USD exchange rate may be adjusted for field personnel or trucking; under "Liquidity and Capital Resources", our strategies for managing our liquidity risks and our expectations for how we will fund our capital expenditure program through to the end of 2018 and 2019; under "Contingency", the timing for the Arbitration and the outcome of such Arbitration. Actual results achieved during the forecast period will vary from the information provided in this MD&A as a result of numerous known and unknown risks and uncertainties and other factors.

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

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

With respect to forward-looking information contained in this MD&A, the Company has made assumptions regarding, among other things: that the Arbitration will not expose the Company to any losses; the impact of inflation rates in Argentina and the devaluation of the ARS against the USD on the Company; the amount of royalties that the Company will have to pay to Pluspetrol under the royal agreement entered in to in connection with the Acquisition; the performance of St. Patrick and its underlying assets; the impact of increasing competition; the general stability of the economic and political environment in which the Company operates, including operating under a consistent regulatory and legal framework in Argentina; future oil, natural gas and NGL prices (including the effects of governmental incentive programs thereon); the timely receipt of any required regulatory approvals; the ability of the Company to continue as a going concern without the loss of any assets; the ability of the Company to obtain qualified staff, equipment and services in a timely and cost efficient manner; drilling results; the costs of obtaining equipment and personnel to complete the Company's capital expenditure program; the ability of the operator of the projects which the Company has an interest in to operate the field in a safe, efficient and effective manner; the ability of the Company to obtain financing on acceptable terms when and if needed; the ability of the Company to service its debt repayments when required; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development and exploration activities; the timing and costs of pipeline, storage and facility construction and expansion and the ability of the Company to secure adequate product transportation; currency, exchange and interest rates; the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which the Company operates; and the ability of the Company to successfully market its oil and natural gas products. Management of Crown Point has included the above summary of assumptions and risks related to forward-looking information included in this MD&A in order to provide investors with a more complete perspective on the Company's future operations. Readers are cautioned that this information may not be appropriate for other purposes.

Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking information contained in this MD&A are expressly qualified by this cautionary statement.

The forward-looking information contained herein is made as of the date of this MD&A and the Company disclaims any intent or obligation to update publicly any such forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable Canadian securities laws.

ADDITIONAL INFORMATION

Additional information regarding the Company, including the Company's most recently filed Annual Information Form, and its business and operations is available on the Company's profile at www.sedar.com. Copies of the information can also be obtained by contacting the Company at Crown Point Energy Inc., PO Box 1526 Station M, Calgary, Alberta, T2P 3B9, or by phone at (403) 232-1150, by email at info@crownpointenergy.com or on the Company's website at www.crownpointenergy.com.