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 six months ended June 30, 2024.

This MD&A is dated as of and was approved by the Company’s Board of Directors on August 12, 2024, and should be read in conjunction with the Company’s unaudited June 30, 2024 condensed interim consolidated financial statements (the **“Q2 Financial Statements”**) and the audited December 31, 2023 consolidated financial statements, prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board (“**IFRS Accounting Standards**”).

The Company’s Q2 Financial Statements include the accounts of the Company and its wholly-owned subsidiaries, CanAmericas (Argentina) Energy Ltd. and Crown Point Energía S.A..

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

Throughout this MD&A and in other materials disclosed by the Company, we adhere to IFRS Accounting Standards, however the Company also employs certain non-IFRS measures to analyze financial performance, financial position, and cash flow, including "operating netback". Additionally, other financial measures are also used to analyze performance. These non-IFRS and other financial measures do not have any standardized meaning prescribed by IFRS Accounting Standards and therefore may not be comparable to similar measures provided by other issuers. The non-IFRS and other financial measures should not be considered to be more meaningful than financial measures which are determined in accordance with IFRS Accounting Standards, such as net income (loss), oil and natural gas sales revenue and net cash provided by (used in) operating activities, as indicators of our performance. This MD&A also contains oil and natural gas information, abbreviations and forward-looking information relating to future events and the Company’s future performance. Please refer to “Non-IFRS and Other Financial 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 Q2 Financial Statements, audited December 31, 2023 consolidated financial statements and other filings are available on SEDAR+ at www.sedarplus.ca.

In the following discussion, the three and the six months ended June 30, 2024 may be referred to as “**Q2 2024**” and “**the June 2024 period**”, respectively, and as “**the 2024 periods**” collectively. The comparative three and six months ended June 30, 2023 may be referred to as “**Q2 2023**” and “**the June 2023 period**”, respectively, and as “**the 2023 periods**”, collectively. The previous three-month period ended March 31, 2024 may be referred to as “**Q1 2024**”.

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 three producing basins in Argentina: the Austral basin in the Province of Tierra del Fuego (“**TDF**”) and the Neuquén and Cuyo (or Cuyana) basins, 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 and Mendoza through exploration and development drilling supplemented by recompletion and fracture stimulation of select older producing wells. The Company’s production is derived from its participating interest in the Rio Cullen, Las Violetas and La Angostura exploitation concessions in TDF (the "**TDF Concessions**"), the Chañares Herrados concession in Mendoza (the “**CH Concession**” or "**CH**") and the Puesto Pozo Cercado Oriental concession in Mendoza (the “**PPCO Concession**” or “**PPCO**”). CH and PPCO may be referred to collectively as the Mendoza Concessions.

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.

On February 1, 2024, Crown Point Energía S.A. entered into an asset sale and purchase agreement (the "**Acquisition Agreement**") with Pan American Energy S.L., Sucursal Argentina (the "**Seller**") to acquire the Seller's 100% working interest in the Piedra Clavada and Koluel Kaike hydrocarbon exploitation concessions (the "**Santa Cruz Concessions**"). The purchase price is comprised of $12 million cash, subject to closing adjustments, plus contingent in-kind consideration payable throughout a 15-year period following closing. On February 7, 2024, the Company made a $2.4 million advance payment to the Seller. The advance payment will be refundable if the Acquisition Agreement is terminated by the Seller in circumstances where the cause of the termination is not the responsibility of the Company. Completion of the acquisition is subject to the receipt of all necessary regulatory and Provincial approvals, including the approval of the TSX Venture Exchange, and other customary closing conditions. Completion of the acquisition is not subject to approval by the Company's shareholders. The effective date of the acquisition will be January 1, 2024.

OPERATIONAL UPDATE

TDF Concessions

Crown Point and its joint venture partners are exporting oil by truck to the ENAP refinery at San Gregorio, Chile, and to the Total Austral facilities in Rio Cullen. Crude oil trucked to both San Gregorio and Rio Cullen is sold at a discount to the Brent oil price.

During Q2 2024, San Martin oil production averaged 407 (net 141) bbls of oil per day; Las Violetas concession natural gas production averaged 8,541 (net 2,967) mcf per day and oil production averaged 205 (net 71) bbls of oil per day.

Mendoza Concessions

During Q2 2024, the UTE carried out workovers on an injector well and two oil wells in the CH Concession. Oil production for Q2 2024 averaged 834 (net 417) bbls of oil per day from the CH Concession and 218 (net 109) bbls of oil per day from the PPCO Concession.

CLL Permit

In February 2023, the Province of Mendoza issued Resolution N°208 which formally granted the CLL Permit over the CLL area for a term of 18 months until October 23, 2023.

The Company is in conversations with the Province of Mendoza for an extension of the CLL Permit or other alternatives for the CLL Permit, including the potential compensation of the Company's only outstanding commitment, consisting of a well repair, with working units performed by the Company in excess of what was otherwise required during the exploration period of the CLL Permit.

OUTLOOK

Capital Spending – Developed and Producing Assets included in Property and Equipment

	Previous guidance for 2024	**Updated guidance for 2024**	**Explanation**
TDF Concessions ($)	1.5 million	1.5 million	
Mendoza Concessions ($)	3.4 million	2.2 million	Workover program re- scheduled to Q1 2025
	4.9 million	3.7 million	

The Company's capital spending on developed and producing assets for fiscal 2024 is budgeted at approximately $3.7 million. During the June 2024 period, the Company incurred $1.2 million in the Mendoza Concessions.

The Company will spend the remaining $2.5 million during the last half of 2024 on expenditures for the following proposed activities:

- $1.5 million on a well workover and improvements to facilities in the TDF Concessions;
- $1.0 million for a well workover, facilities improvements and optimization in the Mendoza Concessions.

Capital Spending – Exploration and Evaluation Assets

The Company plans to spend $0.5 million on the testing of the gas bearing sandstone layers of the Neuquén Group at CLL during the last half of 2024.

Crown Point expects to fund its capital spending, along with its other anticipated expenses, using cash held in bank accounts, cash flow from operations and/or new debt. See the Liquidity and Capital Resources section of this MD&A.

Argentina – Economic Summary

On June 13, 2024, the Executive Board of the International Monetary Fund ("**IMF**") completed the eighth review of the expanded arrangement under the Extended Fund Facility ("**EFF**") for Argentina. The IMF assessed the program to be firmly on track, with all quantitative performance criteria through the end of March 2024 met. The IMF predicts Argentina's gross domestic product (GDP) will contract by 3.5% in 2024.

The IMF emphasized that sustaining strong progress requires improving the quality of fiscal adjustment, initiating steps towards an enhanced monetary and foreign currency policy framework, and implementing the structural agenda.

Argentina's inflation rate reached 79.8% for the first six months of 2024 and 271.5% during the 12-month period ending June 30, 2024. In recent months, attempts to combat price increases have shown positive results, but the government recognizes that it is a long-term process.

On June 28, 2024, the Chamber of Deputies of Argentina approved Law N° 27,742 and Law N° 27,743, collectively referred to as the "Bases Law and Fiscal Package". These laws are part of the National Executive's initiative aimed at deregulating the Argentine economy and reforming the structure of the country. Among its key provisions, the Bases Law and Fiscal Package declared a state of public emergency in administrative, economic, financial, and energy matters for a period of one year. Bases Law and Fiscal Package also granted various legislative powers to the National Executive, introduced reforms promoting registered employment, and included a series of fiscal and pension measures, among other items.

Regarding hydrocarbon activities, amendments were made to Hydrocarbons Law (Law N° 17,319). The amendments introduce the principle of maximizing corporate income derived from resource exploitation; removing the previous concept of energy self-sufficiency; allow the National or Provincial Executive to grant storage permits and processing authorizations for hydrocarbons under the conditions set by Law N° 17,319; enshrine producers' rights to freely commercialize, transport, and industrialize hydrocarbons and their derivatives, while prohibiting the National Executive from intervening in or setting prices; permit free export and import of hydrocarbons and derivatives; eliminate the Secretary of Energy's authority to object to export permits; modify the acquisition regime and duration of unconventional concessions following the conversion from conventional concessions; authorize the regulatory authority to grant concessions for durations different from those established in the Hydrocarbons Law; change the extension regime for new concessions; and mandate a bidding process for the allocation of new concessions upon expiration of existing ones.

Another notable aspect of the Bases Law and Fiscal Package is the creation of the Incentive Regime for Large Investments ("RIGI"), which provides stability guarantees and tax, customs, and exchange benefits for projects in various sectors, including energy, oil, and gas, meeting specific criteria.

Commodity Prices

Oil

Oil from the Company's TDF Concessions is sold at a discount to the Brent oil price and oil from the Company's Mendoza Concessions is sold at a price negotiated with the customer. During Q2 2024, the Company received an average of $56.44 per bbl for its TDF oil, all of which was exported and $68.97 per bbl for its oil from the Mendoza Concessions, all of which was sold to the domestic market.

Natural gas

Crown Point can sell its natural gas production to both industrial and residential consumers. Crown Point has sold all of its natural gas production to the industrial market since 2020. During Q2 2024, the Company received an average of $3.71 per mcf for its TDF natural gas.

FINANCIAL INFORMATION

SUMMARY OF FINANCIAL INFORMATION

(expressed in $, except shares outstanding)	**June 30 2024**	**December 31 2023**	**December 31 2022**
Current assets	5,850,039	7,636,408	9,852,182
Current liabilities	(34,333,001)	(19,422,342)	(11,125,229)
Working capital [3]	(28,482,962)	(11,785,934)	(1,273,047)
Exploration and evaluation assets	14,103,353	14,103,353	14,115,555
Property and equipment	42,815,119	45,834,731	43,963,610
Total assets	65,729,584	67,785,665	68,183,547
Non-current financial liabilities [1][3]	7,314,193	18,317,856	16,055,005
Share capital	56,456,328	56,456,328	56,456,328
Total common shares outstanding	72,903,038	72,903,038	72,903,038

(expressed in $, except shares outstanding)	**Three months ended June 30**		**Six months ended June 30**	
	2024	**2023**	**2024**	**2023**
Oil and natural gas sales revenue	5,584,314	6,733,782	11,685,400	13,834,340
Loss before taxes	(4,329,294)	(3,272,867)	(6.476,470)	(5,666,062)
Net loss	(3,058,684)	(2,142,342)	(3,960,418)	(4,003,912)
Net loss per share [2]	(0.04)	(0.03)	(0.05)	(0.05)
Net cash (used) provided by operating activities	(1,531,049)	(614,923)	(1,067,709)	308,851
Net cash per share – operating activities [2][3]	(0.02)	(0.01)	(0.01)	0.00
Funds flow (used) provided by operating activities	(1,356,127)	(1,258,964)	(884,633)	(1,123,521)
Funds flow per share – operating activities [2][3]	(0.02)	(0.02)	(0.01)	(0.02)
Weighted average number of shares - basic	72,903,038	72,903,038	72,903,038	72,903,038
Weighted average number of shares - diluted	72,903,038	72,903,038	72,903,038	72,903,038

(1) Non-current financial liabilities are comprised of the non-current portions of trade and other payables, notes payable and lease liabilities. The total amount of trade and other payables at June 30, 2024 is $8,229,494 of which $6,748,949 is classified as current (December 31, 2023 – $7,248,650 of which $5,768,105 is classified as current; December 31, 2022 – $6,655,100 of which $6,107,607 was classified as current). The total amount of notes payable at June 30, 2024 is $24,268,770 of which $18,810,173 is classified as current (December 31, 2023 – $28,757,720 of which $12,298,533 is classified as current; December 31, 2022 – $14,542,382 of which $7,233 was classified as current). The total amount of lease liabilities at June 30, 2024 is $706,293 of which $331,242 is classified as current (December 31, 2023 – $865,168 of which $487,044 is classified as current; December 31, 2022 – $1,455,890, of which $483,527 was classified as current).

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

[3] "Working capital" is a capital management measure. "Non-current financial liabilities" is a supplemental financial measure. "Net cash per share – operating activities" is a supplemental financial measure. "Funds flow per share – operating activities" is a supplemental financial measure. See "Non-IFRS and Other Financial Measures" for additional disclosures.

RESULTS OF OPERATIONS

Operating Netback

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Oil and natural gas sales revenue ($)	5,584,314	6,733,782	11,685,400	13,834,340
Export tax ($)	(80,779)	(100,274)	(232,795)	(238,470)
Royalties and turnover tax ($)	(1,028,669)	(1,149,468)	(2,045,091)	(2,258,165)
Operating costs ($)	(4,988,866)	(5,602,934)	(9,241,577)	(10,255,321)
Operating netback [1] ($)	(514,000)	(118,894)	165,937	1,082,384

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

Per BOE, except total BOE sales volumes	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Total BOE sales volumes	121,897	128,685	240,377	269,620
Oil and natural gas sales revenue ($)	45.81	52.33	48.61	51.31
Export tax ($)	(0.66)	(0.78)	(0.97)	(0.88)
Royalties and turnover tax ($)	(8.44)	(8.93)	(8.51)	(8.38)
Operating costs ($)	(40.93)	(43.54)	(38.45)	(38.04)
Operating netback [1] ($)	(4.22)	(0.92)	0.68	4.01

[1] "Operating netback per BOE" is a non-IFRS ratio. See "Non-IFRS and Other Financial Measures".

Variances in the operating netback for Q2 2024 as compared to Q2 2023 are explained by changes in sales volumes and revenues, export taxes, royalties and turnover tax and operating costs as detailed below.

Sales Volumes and Sales Revenues

Sales volumes	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Light oil (bbls)	66,160	78,783	147,888	168,339
NGL (bbls)	1,187	1,720	3,510	3,048
Natural gas (mcf)	327,299	289,092	533,875	589,396
Total BOE	121,897	128,685	240,377	269,620
Light oil bbls per day	727	866	813	930
NGL bbls per day	13	19	19	17
Natural gas mcf per day	3,597	3,177	2,933	3,256
Total BOE per day	1,340	1,415	1,321	1,490

Sales revenue	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Light oil ($)	4,333,753	5,037,810	9,439,005	10,807,131
NGL ($)	35,116	103,328	100,324	132,891
Natural gas ($)	1,215,445	1,592,644	2,146,071	2,894,318
Total sales revenue	5,584,314	6,733,782	11,685,400	13,834,340
Light oil per bbl ($)	65.50	63.95	63.83	64.20
NGL per bbl ($)	29.58	60.07	28.58	43.60
Natural gas per mcf ($)	3.71	5.51	4.02	4.91
Total sales revenue per BOE ($)	45.81	52.33	48.61	51.31

Sales Volumes

During Q2 2024, the Company's average daily sales volumes were 1,340 BOE per day, slightly higher than 1,302 BOE per day in Q1 2024 and lower than 1,415 BOE per day in Q2 2023 mainly due to lower oil sales volumes in the Mendoza and TDF Concessions in Q2 2024.

Sales volumes were weighted as follows:

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Light oil	54%	61%	62%	62%
NGL	1%	1%	1%	1%
Natural gas	45%	38%	37%	37%
Total	100%	100%	100%	100%

Production Volumes

Average daily production volumes for Q2 2024 were 1,248 BOE per day, slightly higher than 1,246 BOE per day in Q1 2024 and lower than 1,421 BOE per day in Q2 2023 mainly due to lower oil production volumes in the Mendoza Concessions related to mechanical issues that required a greater quantity of well workovers and interventions combined with lower oil and gas production volumes in the TDF Concessions related to the natural decline rates on oil and natural gas wells.

Production volumes	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Light oil (bbls)	67,323	79,355	131,068	166,289
NGL (bbls)	1,198	1,853	3,423	2,791
Natural gas (mcf)	270,031	289,095	554,243	589,396
Total BOE	113,526	129,390	226,865	267,313
Light oil bbls per day	740	872	720	919
NGL bbls per day	13	20	19	15
Natural gas mcf per day	2,967	3,177	3,045	3,256
Total BOE per day	1,248	1,421	1,247	1,477

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 and/or by delivery restrictions arising due to repair and maintenance activities at the shipping terminal.

Oil production from the Mendoza Concessions is sold to the domestic market and may be stored and then trucked to the delivery point in Tupungato, Mendoza.

Oil and NGL sales volumes may include both previously inventoried volumes as well as current period production.

As at June 30, 2024, all previously inventoried oil production had been sold as well as a portion of oil produced in Q2 2024, with excess oil production stored in inventory for sale in subsequent months.

For the six months ended June 30	Oil				NGL			
	2024		2023		2024		2023	
	bbls	bbls per day	bbls	bbls per day	bbls	bbls per day	bbls	bbls per day
Inventory, January 1	26,946		39,364		2,207		2,446	
Production	131,068	720	166,289	919	3,423	19	2,791	15
Sales	(147,889)	(813)	(168,339)	(930)	(3,510)	(19)	(3,048)	(17)
Inventory, June 30	10,125		37,314		2,120		2,189	

All of the Company's natural gas production is usually sold in the period produced, therefore natural gas sales volumes have historically equalled production volumes. However, during Q4 2023 and the June 2024 period, a portion of natural gas production was not sold due to the drop in demand combined with the drop in natural gas spot prices and was included in inventory at December 31, 2023 and at June 30, 2024.

For the six months ended June 30	Natural gas			
	2024		2023	
	mcf	mcf per day	mcf	mcf per day
Inventory, January 1	79,598		–	
Production	554,243	3,045	589,396	3,256
Sales	(533,875)	(2,933)	(589,396)	(3,256)
Inventory, June 30	99,966		–	

Revenues and Pricing

Revenue per BOE earned in Q2 2024 was approximately $45.81 per BOE, lower than revenue per BOE of $51.49 earned in Q1 2024 and lower than $52.33 per BOE earned in Q2 2023 due mainly to the decrease in natural gas prices in Q2 2024.

The price earned by the Company on TDF natural gas sales in Q2 2024 averaged $3.71 per mcf, lower than the $4.51 per mcf earned in Q1 2024 and the $5.51 per mcf earned in Q2 2023. 100% of sales were to the industrial market in each period. The price of natural gas earned by the Company varies with price fluctuations within the industrial market.

Oil revenue from Crown Point's concessions was $65.50 per bbl in Q2 2024, higher than $57.70 per bbl in Q1 2024 and $63.95 per bbl in Q2 2023, due to an increase in oil prices for domestic oil sales in Q2 2024.

During Q2 2024, the Company earned $29.58 per bbl on TDF NGL sales as compared to $28.07 per bbl earned in Q1 2024 and $60.07 per bbl earned in Q2 2023.

Export Tax

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Export tax ($)	80,779	100,274	232,795	238,470
Export tax as a % of TDF oil sales revenue	8%	6%	7%	6%
TDF export tax per BOE ($)	0.66	0.78	0.97	0.88

The Government of Argentina imposes an export tax on all goods exported from Argentina. The Company recognizes export taxes related to TDF oil sales to the export market. The rate of export tax is determined by a formula based on the price of Brent oil, ranging from 0% when the price of Brent oil is at or below $45 per bbl to a maximum of 8% when the price of Brent oil is at or higher than $60 per bbl.

Royalties and Turnover Tax

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Provincial royalties and turnover tax ($)	1,028,669	1,149,468	2,045,091	2,258,165
Royalties and turnover tax as a % of total sales revenue	18.4%	17.1%	17.5%	16.3%
Royalties and turnover tax per BOE ($)	8.44	8.93	8.51	8.38

The base royalty rate for revenue from the TDF Concessions is 15% plus turnover tax 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 domestic sales which carry a 1% royalty.

Under the terms of the CH exploitation license agreement, the Company pays a 13% royalty on oil production from the CH Concession plus turnover tax at an average rate of 3% on revenues.

Under the terms of the PPCO exploitation license agreement, the Company pays an 18.2% royalty on oil production from the PPCO Concession plus turnover tax at an average rate of 3% on revenues.

Operating Costs

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Production and processing ($)	4,517,798	4,653,999	8,200,343	8,323,408
Transportation and hauling ($)	471,068	948,935	1,041,234	1,931,913
Total operating costs ($)	4,988,866	5,602,934	9,241,577	10,255,321
Production and processing per BOE ($)	37.06	36.17	34.11	30.87
Transportation and hauling per BOE ($)	3.87	7.37	4.34	7.17
Operating costs per BOE ($)	40.93	43.54	38.45	38.04

Production and processing costs per BOE in the 2024 periods are higher than those incurred in the 2023 periods, due to a greater quantity of well repair services required in the Mendoza Concessions combined with a decrease in sales volumes which increased fixed costs per BOE.

Transportation and hauling costs consist of contracted services hired to perform vacuum truck and transportation activities for crude oil. Transportation and hauling costs per BOE are lower in the 2024 periods than in the 2023 periods due to the conversion of the SM.a-1003 well to a disposal well during Q2 2023, to capture formation water from the San Martin field which helped to reduce the associated trucking costs.

Gas Processing Income

During Q2 2024 and the June 2024 period, the Company recognized $85,814 and $160,065, respectively, of gas processing income as compared to $65,256 and $127,151 during Q2 2023 and the June 2023 period, respectively.

G&A Expenses

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Salaries and benefits ($)	387,471	391,776	653,944	803,729
Professional fees ($)	273,533	205,128	487,041	334,392
Office and general ($)	144,090	142,314	238,286	271,140
Travel and promotion ($)	27,317	8,364	34,458	33,734
	832,411	747,582	1,413,729	1,442,995

Salaries and benefits are lower in the 2024 periods than in the 2023 periods due mainly to the devaluation of the ARS.

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 2024 periods than in the 2023 periods due mainly to legal fees related to the proposed acquisition of the Santa Cruz Concessions.

Office and general expenses in Q2 2024 are comparable to those in Q2 2023. Office and general expenses are lower in the June 2024 period than in the June 2023 period due to cost-savings measures.

Travel and promotion expenses are higher in Q2 2024 than in Q2 2023 due to travels to Santa Cruz and Mendoza Provinces made during Q2 2024. Travel and promotion expenses in the June 2024 period are comparable to the June 2023 period.

Depletion and Depreciation

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Depletion ($)	2,203,371	1,653,396	4,338,172	3,517,298
Depreciation ($)	143,902	140,558	273,135	281,424
	2,347,273	1,793,954	4,611,307	3,798,722
Depletion rate per BOE ($)	18.08	12.85	18.05	13.05

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 leasehold improvements and right-of-use assets.

The depletion rate per BOE is higher in the 2024 periods than in the 2023 periods due mainly to the increase in future development cost needed for developing the Company´s petroleum and natural gas proved and probable reserves.

The depletion expense calculation for the 2024 periods included $74.9 million (December 31, 2023 – $76.2 million) for estimated future development costs associated with the Company´s petroleum and natural gas proved and probable reserves in Argentina.

Depreciation expense is lower in the June 2024 period than in the June 2023 period mainly due to certain assets reaching their fully-depreciated life partially offset by assets additions during Q2 2024.

Share-based Payments

During Q2 2024 and the June 2024 period, the Company recognized $nil (Q2 2023 and the June 2023 period – $6,554 and $16,148) respectively, of share-based payment expense.

As at June 30, 2024, the balance of unvested share-based payments was $nil.

Foreign Exchange Gain (Loss)

Foreign exchange gains (losses) reported in the consolidated statement of (loss) income and comprehensive (loss) income 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 as at:	June 30 2024	December 31 2023
CAD to USD [1]	0.7306	0.7561
ARS to USD [2]	0.0011	0.0012
USD to ARS [2]	910.50	806.95

[1] Source Bank of Canada [2] Source BNA (National Bank of Argentina)

In Crown Point, the translation of USD denominated foreign net monetary liabilities to CAD during the June 2024 period resulted in a foreign exchange gain of approximately $0.03 million (June 2023 period – $0.03 million foreign exchange loss).

Notwithstanding that the functional currency of the Company's Argentine subsidiary is the USD, a portion of monetary assets and liabilities such as certain accounts receivable, accounts payable and loans 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 subsidiary, the translation of ARS denominated net monetary liabilities to USD during the June 2023 period resulted in a foreign exchange gain of approximately $0.44 million (June 2023 period – $0.85 million foreign exchange gain).

Currency devaluation in Argentina partially impacts the cost of ARS denominated items which are translated to the USD functional currency of the Argentine subsidiary. A portion of the Company's operating costs and general and administrative expenses incurred in Argentina are denominated in ARS and are also subject to inflation adjustments. During the June 2024 period, the devaluation of ARS resulted in lower operating costs and general and administrative expenses incurred in Argentina by approximately 7% (June 2023 period – devaluation of ARS; lower by 15%), offset by cost increases related to inflation.

During the June 2024 period, the devaluation of ARS resulted in a reduction in the USD equivalent of ARS denominated foreign currency denominated financial instruments, excluding loans and notes payable, by approximately $0.04 million (June 2023 period – devaluation of ARS; reduction by approximately $0.9 million).

The effect of currency devaluation on ARS denominated bank debt during the June 2024 period was a $0.03 million reduction (June 2023 period – $1.6 million reduction) in the USD equivalent amounts.

Other Income

During Q2 2024 and the June 2024 period, the Company recognized $56,824 and $133,993, respectively, of other income related to the sale of certain consumables from the Mendoza Concessions.

Net Finance Expense

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Interest income ($)	37,800	55,179	437,248	134,938
Gain on fair value of financial instruments ($)	13,432	–	93,063	–
Gain on revision of lease liabilities ($)	6,651	–	6,651	–
Gain on foreign exchange rate contract ($)	34,979	–	34,979	–
Amortization of notes payable premium ($)	182,062	–	364,124	–
Finance income ($)	274,924	55,179	936,065	134,938
Financing fees and bank charges ($)	(223,938)	(148,153)	(385,843)	(292,593)
Interest on bank debt ($)	(605,062)	(848,428)	(981,078)	(1,682,274)
Interest on notes payable ($)	(281,535)	(146,132)	(584,182)	(290,658)
Loss on fair value of investments ($)	–	–	(23,182)	–
Amortization of notes payable transaction costs ($)	(45,757)	(19,170)	(90,467)	(37,836)
Accretion of decommissioning provision ($)	(110,258)	(104,228)	(219,373)	(206,379)
Interest on lease liabilities ($)	(14,321)	(23,513)	(29,246)	(49,216)
Accretion of other liabilities ($)	–	–	(11,863)	(4,554)
Finance expense ($)	(1,280,871)	(1,289,624)	(2,325,234)	(2,563,510)
Net finance expense ($)	(1,005,947)	(1,234,445)	(1,389,169)	(2,428,572)

Interest income is earned on interest-earning bank accounts, restricted cash held in a trust account and investments in mutual funds. The amount earned in the June 2024 period is higher than in the June 2023 period due to an increase in the average balance of interest-earning amounts during the June 2024 period.

The gain on the fair value of the financial instruments is mainly related to the crude oil and gas export program established by the government during Q4 2023 through which the Company is able to settle a portion of the export proceeds through negotiable securities acquired in foreign currency and settled in local currency.

The gain on revision of lease liabilities is related to the renewal of certain leases for which the related lease liability and right-of-use asset was determined to be $138,667 on the renewal date. The remaining right-of-use asset net book value of the original office lease was $43,886 with a corresponding lease liability of $50,537, resulting in a $6,651 gain reported in finance income.

The Company entered into a foreign exchange rate contract to mitigate the devaluation of the USD/ARS exchange rate. The contracts matured on May 31, 2024 and June 28, 2024 at which time the Company recognized a $34,979 gain on the contracts.

The Company received a $0.74 million premium of issue price over the principal amount of the December 6, 2023 issuance of Series IV Notes (See the Liquidity and Capital Resources – Notes Payable section of this MD&A) that has been recognized as a premium liability and is amortized to finance income over the term of the related Series IV Notes using the effective interest method.

Financing fees and bank charges result primarily from bank taxes charged in Argentina on cash transfers. Cash transfers were higher in the 2024 periods than in the 2023 periods.

Interest on bank debt is lower in the 2024 periods than in the 2023 periods due to a decrease in the interest rates in the 2024 periods. See the Liquidity and Capital Resources – Loans and Notes Payable sections of this MD&A.

Interest on notes payable in the 2024 periods is higher than in the 2023 periods due to the issuance of Series IV Notes in July 2023 and additional Series IV Notes in December 2023.

The $23,182 loss on fair value of investment relates to a fair value adjustment of notes receivable included in investments as at December 31, 2023 and collected during Q1 2024.

Amortization of notes payable transaction costs is higher in the 2024 periods than in the 2023 periods due to the costs related to the issuance of Series IV Notes in July and December 2023.

Taxes

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Current tax ($)	–	–	–	–
Deferred tax recovery ($)	1,290,610	1,130,525	2,516,052	1,662,150
Total tax recovery ($)	1,290,610	1,130,525	2,516,052	1,662,150

Crown Point Energía S.A. has sufficient non-capital loss and other tax pools available to reduce taxable income in Argentina to $nil. The deferred tax recovery reported in the 2024 periods and the 2023 periods is mainly related to the increase in tax losses combined with changes in the Company's ARS denominated tax pools partially offset by the effect of the devaluation of the ARS during the period on the translation of ARS denominated tax pools to USD.

As at June 30, 2024, the Company's deferred tax asset was $364,344 (December 31, 2023 – $2,151,708 deferred tax liability).

CAPITAL EXPENDITURES

The Company incurred $nil of drilling expenditures on exploration and evaluation ("**E&E**") assets related to CLL during the June 2024 period (June 2023 period – $9,349).

The Company recognized the following additions to property and equipment assets during the June 2024 period and the June 2023 period:

	Six months ended June 30	
	2024	2023
Development and production asset expenditures ($)	1,295,585	2,845,634
Other asset expenditures ($)	15,637	10,704
	1,311,222	2,856,338
Government grants ($)	(50,850)	(57,974)
Property and equipment expenditures, net ($)	1,260,372	2,798,364

During the June 2024 period, the Company incurred $1,295,585 of expenditures primarily related to expenditures in the Mendoza Concessions related to well workovers, extractive system enhancements and facilities improvements.

During the June 2023 period, the Company incurred $339,690 of expenditures in the TDF Concessions primarily related to production optimization in the San Martin field and other facilities improvements and $2,505,944 of expenditures in the Mendoza Concessions related to well workovers, extractive system enhancements and facilities improvements.

Government grants:

In July 2021, the Province of Mendoza created the Mendoza Activa Hydrocarbons II Program ("Program II") to promote and increase the development and reactivation of hydrocarbon activity in the Province. Program II provides a refund ("government grant") of up to 40% of amounts invested in the Province prior to December 31, 2022 that meet certain technical and economic requirements. Government grants are paid as follows:

- 50% in the form of a turnover tax credit that is freely transferable and may be applied against up to 10% of theholder's monthly turnover tax balance; and
- 50% in the form of a royalty credit that can be applied against provincial royalties on incremental productionobtained from the related investment.

Government grants received under Program II expire on December 31, 2025 and may be extended for up to three years if certain criteria are met.

During the June 2024 period, the Company received ARS 43.5 million ($0.05 million) of Program II turnover tax and royalty credits related to investments in the Mendoza Concessions (June 2023 period - ARS 12.2 million ($0.06 million)).

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 the June 2024 period, the Company reported a net loss of $3,960,418 (the June 2023 period – $4,003,912) primarily related to lower oil and natural gas sales combined with higher depletion expense offset by lower net finance expense and a higher deferred tax recovery; $884,633 of funds flow used in operating activities (the June 2023 period – $1,123,521); and $1,067,709 of net cash used in operating activities (the June 2023 period – $308,851 of net cash provided by operating activities). As at June 30, 2024, the Company reported a $28,482,962 working capital deficit (December 31, 2023 – $11,785,934 working capital deficit), including $706,184 of cash (December 31, 2023 – $191,507).

The Company's capital expenditure budget for fiscal 2024 is estimated to be $3.7 million comprised of $1.5 million for a well workover and facilities improvements in TDF and $2.2 million for well workovers and facilities improvements and optimization in the Mendoza Concessions. The Company also plans to spend $0.5 million in the CLL permit. For details of the Company's fiscal 2024 capital expenditure program, see the Outlook section of this MD&A.

In 2021, Crown Point Energia S.A obtained approval from Argentina's National Security Commission to launch offerings for notes payable for up to $75 million (or its equivalent in other currencies) effective until March 18, 2026. As of June 30, 2024, the Company has issued $28.1 million of notes payable and $46.9 million is available for future offerings. See Subsequent Events section of this MD&A. The Company has future capital commitments to develop its properties as described in the Commitments section of this MD&A.

The ability of the Company to continue as a going concern is dependent upon the Company's ability to obtain additional financing through bank debt and/or the issuance of notes payable or equity, and the generation of funds from operating activities to meet current and future obligations. Management plans to secure the necessary financing for its debt and future capital commitments through the issuance of new notes payable or other debt or equity instruments, however, there is no assurance that these initiatives will be successful. The need to obtain additional capital to repay or refinance bank debt and notes payable and to fund the Company's existing commitments, including the purchase price for the proposed acquisition of the Santa Cruz Concessions and ongoing operations, creates a material uncertainty that may cast significant doubt about the Company's ability to meet its obligations as they become due, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

Notes Payable

As at June 30, 2024, the Company had $10.5 million (December 31, 2023 – $14.65 million) principal amount of Series III Notes and $13.48 million (December 31, 2023 – $13.48 million) principal amount of Series IV Notes issued by Crown Point Energía S.A. outstanding.

Series III Notes are secured, denominated in USD and payable in ARS, due 36 months after the issue date. The principal amount of Series III Notes is repayable in seven equal quarterly installments, starting on February 10, 2024 and ending on August 10, 2025. Series III Notes accrue interest at a fixed rate of 4% per annum, payable every three months in arrears from the issue date.

The Series IV Notes are unsecured, denominated in USD and repayable in ARS in four quarterly equal installments, starting on October 20, 2024 and ending on July 20, 2025. The Series IV Notes accrue interest at a fixed rate of 5% per annum, payable every three months in arrears from the issue date. A portion of Series IV Notes were issued at a $0.74 million premium over the principal amount which has been recognized as a premium liability and is amortized to finance income over the term of related Series IV Notes using the effective interest method.

As at June 30, 2024, $138,772 (ARS 126.1 million) (December 31, 2023 – $123,653 (ARS 99.6 million)) was reported as restricted cash. The restricted cash is assigned as collateral for the Series III Notes payable and has been deposited in a trust account with Banco de Servicios y Transacciones S.A., the beneficiary of which is Crown Point Energía S.A.. The trust account funds are invested as prescribed by the related escrow agreement; these funds are restricted and cannot be used by the Company other than for the purpose stated in the escrow agreement. The amount of funds held in trust is based on the Company's estimate of the next upcoming quarterly interest payment. The trust account is required to be in place until the maturity date of the Series III Notes payable.

Loans

As at June 30, 2024, the Company had the following loan arrangements in place:

Lender	Amount drawn at June 30, 2024 ARS	Amount drawn at June 30, 2024 USD	Annual rate of interest [(1)]	Maturity date
Banco Hipotecario S.A				
ARS 1,600 million limit overdraft Loan	1,470.6 million	1.61 million	52%	August 7, 2024 [(2)]
Banco Nación S.A.				
BNA Working Capital Loan VI	43.5 million	0.05 million	BADLAR + 10%	September 30, 2024
BNA Working Capital Loan VIII	150 million	0.16 million	BADLAR	June 23, 2025
BNA Export financing	195 million	0.21 million	BADLAR – 7%	November 7, 2024
	388.5 million	0.42 million		
Banco Galicia S.A.U.				
ARS 50 million Working Capital Loan II	50 million	0.05 million	102%	September 26, 2024
ARS 50 million Working Capital Loan III	50 million	0.05 million	90%	October 8, 2024
ARS 80 million limit overdraft Loan	79.6 million	0.09 million	49%	August 9, 2024 [(2)(3)]
	179.6 million	0.19 million		
Banco Macro S.A				
USD Working Capital Loan		2.5 million	7.5%	November 4, 2024
Banco Ciudad				
USD Working Capital Loan		0.5 million	5%	November 1, 2024
BST S.A.				
ARS 1,700 million limit overdraft Loan	1,627.1 million	1.78 million	47.55%	August 1, 2024 [(2)]
HSBC S.A.				
ARS 200 million limit overdraft Loan	207.8 million	0.23 million	46%	August 5, 2024 [(2)]
CMF S.A.				
ARS 80 million limit overdraft Loan	80.9 million	0.09 million	52%	July 29, 2024 [(2)]
Mr. Pablo Peralta				
USD Working capital loan		0.6 million	7.5%	August 31, 2024
Total principal amount of loans		7.92 million		

The Company's loans are not subject to financial covenants.

(1) As at June 30, 2024, the BADLAR rate was 36.0625% (December 31, 2023 – 109.75%).
(2) The overdraft loan is renewed monthly, and the interest rate is determined based on market conditions.
(3) In July 2024, the overdraft loan availability was increased to ARS 200 million ($0.22 million) at an interest rate of 52% per annum.

RELATED PARTY TRANSACTIONS

(a) Liminar Energía S.A. ("Liminar")

Mr. Pablo Peralta is a director of the Company and is the President and a director of Liminar and controls 45% of the voting shares of Liminar. Mr. Roberto Dominguez is the President of Crown Point Energía S.A. and is a director of Liminar and controls 45% of the voting shares of Liminar. Liminar owns approximately 63.9% of the Company's outstanding common shares.

(b) Mr. Pablo Peralta

During Q2 2024 and the June 2024 period, the Company was charged $3,699 of loan interest by Mr. Pablo Peralta.

(c) Grupo ST S.A.

Mr. Pablo Peralta and Mr. Roberto Dominguez are also the President and Vice President, respectively, of Grupo ST S.A. and jointly control, directly and indirectly, 96.65% of the voting shares of Grupo ST S.A.

Grupo ST S.A. has provided a guarantee of the Banco Hipotecario S.A., Banco Macro S.A. and Banco Ciudad S.A. loans for which the Company is charged loan guarantee fees. During Q2 2024 and the June 2024 period, Grupo ST S.A. charged the Company $32,666 and $34,583 (Q2 2023 and the June 2023 period – $25,615 and $32,877), respectively, of loan guarantee fees. Included in trade and other payables as at June 30, 2024 is $2,008 (December 31, 2023 – $141) payable to Grupo ST S.A.

(d) Energía y Soluciones S.A.

Gabriel Obrador is the President, Chief Executive Officer and a director of the Company and also controls Energía y Soluciones S.A.

During Q2 2024 and the June 2024 period, the Company sold a portion of natural gas production from the TDF Concessions to Energía y Soluciones S.A. for which the Company recognized $928,822 (ARS 837.9 million) and $1,662,849 (ARS 1,458 million) respectively (Q2 2023 and the June 2023 period – $1,007,070 (ARS 250.1 million) and $1,260,448 (ARS 300.8 million)) of oil and gas revenue. Included in trade and other receivables as at June 30, 2024 is $416,093 (ARS 378.2 million) (December 31, 2023 – $290,769 (ARS 234 million)) in respect of this revenue.

Energía y Soluciones S.A. owns a 1.46% overriding royalty on revenue earned from the CLL Permit. As of June 30, 2024, and the date of this MD&A, no revenue has been earned from the CLL Permit.

There were no other transactions between the Company and related parties of the Company during the 2024 periods and the 2023 periods.

SUBSEQUENT EVENTS

On July 2, 2024, the Company paid the third installment of the BNA working capital loan VI in the amount of ARS 21.8 million ($0.02 million).

On July 24, 2024, the Company obtained a working capital loan from Banco Nación for ARS 638 million ($0.7 million) that accrues a variable interest rate of BADLAR less 1% and is repayable in 180 days.

During July 2024, the Company obtained an increase in the available amount of the overdraft loan from Banco Galicia S.A.U. from ARS 80 million ($0.09 million) to ARS 200 million ($0.22 million) and a change in interest from a variable rate to an annual interest rate of 52%, payable monthly. The overdraft loan is repayable on August 20, 2024.

On July 24, 2024, the Company obtained a working capital loan from Banco Galicia S.A.U. for ARS 43 million ($0.05 million) that accrues an annual interest rate of 61% payable monthly and is repayable in 180 days.

On August 7, 2024, the Company issued Series V unsecured fixed-rate notes ("Series V Notes") denominated in USD and payable in ARS for an amount of $7.2 million, equivalent to ARS 6,721.7 million.

The principal amount will be repaid in a single installment on February 8, 2026. Series V Notes accrue interest at a fixed rate of 8% per annum, payable every three months in arrears from the issue date.

On August 12, 2024, the Company paid the third capital installment of the Series III Notes for an amount of $2.1 million.

SHARE CAPITAL

Issued and outstanding	Common Shares	Stock Options
Balance, December 31, 2023	72,903,038	3,650,000
Expired	–	(1,825,000)
Balance, June 30, 2024 and date of MD&A	72,903,038	1,825,000

COMMITMENTS

TDF Concessions

As at June 30, 2024, the Company’s share of expenditure commitments with respect to the Rio Cullen exploitation concession in TDF is $0.62 million which must be completed by August 2026. The UTE expects to offset the outstanding commitment in the Rio Cullen exploitation concession with infrastructure investments made in other parts of the TDF Concessions.

Mendoza Concessions

As at June 30, 2024, the Company's share of expenditure commitments with respect to the CH Concession is $ 29.5 million, consisting of a work program for well workovers, infrastructure optimization and a multi-well drilling program to be completed by March 2031.

As at June 30, 2024, the Company's share of expenditure commitments with respect to the PPCO Concession is $11.7 million, consisting of a work program for well workovers, infrastructure optimization and a multi-well drilling program to be completed by August 2028.

CLL Permit

As at June 30, 2024, the Company is in conversations with the Province of Mendoza for the extension of the CLL Permit or other alternatives for the CLL Permit, including the potential compensation of the Company's only outstanding commitment estimated at $0.5 million, consisting of a well repair, with working units performed by the Company in excess of what was otherwise required during the exploration period of the CLL Permit.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

FINANCIAL INSTRUMENTS

The fair values of cash, restricted cash, investments, trade and other receivables, trade and other payables and bank debt are estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. At June 30, 2024 and December 31, 2023, the fair value of these balances approximated their carrying amount due to their short terms to maturity. The fair values of notes payable, lease liabilities and the contingent consideration liability are based on the discounted present value of future cash flows and approximate 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.

SELECTED CONSOLIDATED QUARTERLY INFORMATION

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

Unaudited Three months ended:	June 30 2024	March 31 2024	December 31 2023	September 30 2023	June 30 2023	March 31 2023	December 31 2022	September 30 2022
Working capital [2] ($)	(28,482,962)	(19,861,317)	(11,785,934)	(6,853,340)	(9,884,218)	(4,628,766)	(1,273,047)	257,308
Oil and natural gas sales revenue ($)	5,584,314	6,101,086	5,530,896	7,400,992	6,733,782	7,100,558	8,586,742	10,751,784
Net loss ($)	(3,058,684)	(901,734)	(2,096,083)	(2,029,906)	(2,142,342)	(1,861,570)	(2,712,553)	(884,657)
Basic net loss per share [1] ($)	(0.04)	(0.01)	(0.03)	(0.03)	(0.03)	(0.03)	(0.04)	(0.01)
Net cash (used) provided by operating activities ($)	(1,531,049)	463,340	1,339,967	2,144,720	(614,923)	923,774	170,378	2,749,800
Cash portion of acquisition of working interest ($)	–	–	–	–	–	–	–	5,000,000
Property and equipment expenditures ($)	1,031,020	280,202	3,054,584	2,072,424	1,814,329	1,042,009	1,903,899	2,227,726
E&E expenditures	–	–	–	1,174	6,210	3,139	9,700	5,905
Total assets ($)	65,729,584	66,725,317	67,785,665	64,426,315	64,793,224	66,278,879	68,183,547	72,635,556
Bank debt ($)	8,073,283	2,490,067	508,114	1,149,582	6,469,727	5,044,080	4,123,737	3,311,315
Notes payable [3] ($)	24,268,770	26,511,465	28,757,720	22,034,071	14,580,087	14,557,834	14,542,382	14,523,424

(1) The sum of quarterly per share amounts may not add to annual figures due to rounding. The effect of stock options is anti-dilutive in loss periods.

(2) "Working capital" is a capital management measure. See "Non-IFRS and Other Financial Measures" for additional disclosures.

(3) Total of current and non-current portions of notes payable.

Significant quarter-over-quarter variances in net loss and working capital are explained below:

- The reported net loss increased in Q2 2024 due mainly to lower oil and natural gas prices combined with lower oil sales volumes.
- Working capital deficit increased in Q2 2024 due mainly to the reclassification of a portion of notes payable to current liabilities.
- Working capital deficit increased in Q1 2024 due mainly to the reclassification of a portion of notes payable to current liabilities and the $2.4 million advance payment for the acquisition of the Santa Cruz Concessions included in "other non-current assets".
- The reported net loss decreased in Q1 2024 due to a higher deferred tax recovery combined with a lower net finance expense and partially offset by higher depletion expense.
- Working capital deficit increased in Q4 2023 due mainly to the reclassification of a portion of notes payable to current liabilities.
- The reported net loss increased in Q4 2023 due mainly to the foreign exchange losses combined with lower oil and gas sales.
- Working capital deficit decreased in Q3 2023 due mainly to cash proceeds from the issuance of Series IV Notes that are payable 24 months after the issuance date.
- The reported net loss decreased in Q3 2023 due mainly to higher oil and gas sales revenue combined with lower operating costs and lower interest on loans.
- Working capital decreased in Q2 2023 due mainly to the increase in loans, trade and other payables and the reclassification of a portion of notes payable to current liabilities.
- The reported net loss increased in Q2 2023 mainly due to higher operating expenses and interest

on loans.

- Working capital decreased in Q1 2023 due mainly to the reclassification of a portion of notes payable to current liabilities.
- The reported net loss decreased in Q1 2023 mainly due to a decrease in general and administrative expenses and depletion and depreciation expense; in addition, Q4 2022 net loss included impairment.
- Working capital decreased in Q4 2022 due mainly to the increase in loans, trade and other payables and the current portion of lease liabilities.
- The reported net loss increased in Q4 2022 due to lower oil sales revenue combined with an increase in operating costs and impairment of the TDF cost generating unit.

BUSINESS RISKS AND UNCERTAINTIES

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

- the ability of the Company to meet its obligations as they become due and continue as a going concern;
- risks associated with the recent election of a new President and Vice-President of Argentina, including uncertainty regarding the policies that the new government might implement, the ability of the government to pass legislation on a timely basis or at all, and the resulting impact on Argentina's economy and the oil and natural gas industry in Argentina;
- the risk that climate change concerns could result in increased operating costs and reduced demand for our products, while the potential physical effects of climate change could disrupt our production and cause us to incur significant costs preparing for or responding to those effects;
- risks associated with the ability of OPEC and other oil and gas exporting nations to set and maintain production levels and influence prices for crude oil;
- 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; the potential for a sovereign debt default; significant increases in interest rates; lack of availability of credit; currency fluctuations between the USD, the CDN and the ARS and/or devaluations of the ARS; commodity price controls; export controls; export taxes; changes in royalty and tax rates; and monetary and currency exchange controls, or exchange restrictions, as further discussed below;
- risks associated with wars, insurrections and other armed conflicts and any resulting economic sanctions (including the ongoing war in Ukraine and related economic sanctions imposed on Russia and associated entities and individuals and the ongoing war in Gaza), including the risk that such events impact economic activity in Argentina or globally and consequently the demand for crude oil and natural gas;
- exchange restrictions imposed by the Central Bank of Argentina on the Company's subsidiaries from time to time, which may restrict, among other things: the payment of dividends and profits to the Company; the repatriation of funds by the Company from its subsidiaries; payments made to non-residents for the importation of goods; payments made to the Company for the importation of services; the funding of assets located outside of Argentina; and the obligation to settle certain transactions involving the receipt of foreign funds (i.e. USD) in ARS, including foreign funds obtained from the export of goods such as crude oil; all of which, among other things, may affect the ability of the Company's subsidiaries to obtain the foreign currency necessary to meet their financial obligations and/or may affect the ability of the Company's subsidiaries to distribute funds to the Company in order to permit the Company to discharge its financial obligations in the ordinary course of business;
- 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, including the risk of a recession in Argentina and/or globally that reduces economic activity;
- the ability of management to execute its business plan;
- reliance on third party operators and joint venture partners to satisfy their commitments under existing agreements and arrangements and to carry out operations in a safe, efficient and effective manner;
- the risks of disputes with third party operators and joint venture partners and the effect that such disputes can have on the Company's operations and results;
- uncertainties inherent in estimating quantities of oil and natural gas reserves and cash flows to be derived therefrom and the risk that the value of such reserves may be impaired in future periods, whether due to a change in well performance such as a well beginning to produce a significant amount of water after the effective date of the estimate, a material decline in commodity prices after the effective date of the estimate, or other developments;
- fluctuations in the price of oil and natural gas, interest rates, inflation 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, particularly given that the Company does not currently operate the concessions from which it derives its production;
- 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, the introduction of new taxes and changes in government regulations and incentive programs;
- geological, technical, drilling and processing problems;
- risks inherent in marketing operations, including credit risk;
- the ability to enter into, renew and/or extend leases and/or concessions;
- 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, delays arising as a result of the Company's inability to obtain the necessary governmental approvals, including regulatory approvals relating to the protection of the environment, and delays arising as a result of a decline in commodity prices arising as a result of reduced demand for commodities and/or other factors;
- 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, finance and complete potential acquisitions, including the proposed acquisition of the Santa Cruz Concessions;
- if completed, the failure to realize the anticipated benefits of acquisitions, including the proposed acquisition of the Santa Cruz Concessions;
- incorrect assessments of the value of acquisitions, including the proposed acquisition of the Santa Cruz Concessions;
- shut-ins of connected wells resulting from extreme weather conditions;
- insufficient storage or transportation or processing capacity for the Company’s production, or the need to halt or restrict production while such facilities receive maintenance or repairs or while international borders are closed, or the risk that the cost to use third party facilities increases or that such facilities are decommissioned or otherwise become unavailable to the Company;
- 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, and the resulting impact on our production and reserves;
- the failure to satisfy work commitments by the applicable deadline and the consequences thereof, including the potential loss of exploration and exploitation rights;

- 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 governments, 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 (Liminar) owning approximately 63.9% of the Company's shares and having 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;
- risks associated with having two shareholders who control approximately 79.1% of the Company's shares, including 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;
- 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 loans and/or issue new notes, renegotiate the terms of its existing loans and/or notes if necessary and/or repay the principal and interest owing under its existing loans and/or notes, and the risk that changing investor sentiment towards the crude oil and natural gas industry may impact our access to, and the cost of, capital and/or insurance;
- the risk that global or national health concerns, including the outbreak of pandemic or contagious diseases such as the COVID-19 pandemic, may adversely affect us;
- risks associated with the insolvency and/or bankruptcy of our joint venture partners and/or the operators of the concessions in which we have an interest, including the risk that any such insolvency and/or bankruptcy has an adverse effect on one of our UTEs, one of our concessions and/or the Company; and
- the risk of breaches of our cyber-security and loss of, or unauthorized access to, our electronic data.

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.sedarplus.ca.

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.

NON-IFRS AND OTHER FINANCIAL MEASURES

Throughout this MD&A and in other materials disclosed by the Company, we employ certain measures to analyze financial performance, financial position, and cash flow. These non-IFRS and other financial measures do not have any standardized meaning prescribed by IFRS Accounting Standards and therefore may not be comparable to similar measures provided by other issuers. The non-IFRS and other financial measures should not be considered to be more meaningful than financial measures which are determined in accordance with IFRS Accounting Standards, such as net income (loss), oil and natural gas sales revenue and net cash provided (used) by operating activities as indicators of our performance.

"**Funds flow per share – operating activities**" is a supplemental financial measure. Funds flow per share – operating activities is comprised of funds flow provided (used) by operating activities divided by the basic and diluted weighted average number of common shares outstanding for the period. See “Financial Information – Summary of Financial Information”.

"**Net cash per share – operating activities**" is a supplemental financial measure. Net cash per share – operating activities is comprised of net cash provided (used) by operating activities divided by the basic and diluted weighted average number of common shares outstanding for the period. See “Financial Information – Summary of Financial Information”.

"**Non-current financial liabilities**" is a supplemental financial measure. Non-current financial liabilities is comprised of the non-current portions of trade and other payables, notes payable and lease liabilities as presented in the Company’s consolidated statements of financial position. See “Financial Information – Summary of Financial Information”.

"**Operating Netback**" is a non-IFRS measure. Operating netback is comprised of oil and natural gas sales revenue less export tax, royalties and turnover tax and operating costs. Management believes this measure is a useful supplemental measure of the Company’s profitability relative to commodity prices. See “Results of Operations – Operating Netback” for a reconciliation of operating netback to oil and natural gas sales revenue, being our nearest measure prescribed by IFRS.

"**Operating netback per BOE**" is a non-IFRS ratio. Operating netback per BOE is comprised of operating netback divided by total BOE sales volumes in the period. Management believes this measure is a useful supplemental measure of the Company’s profitability relative to commodity prices. In addition, management believes that operating netback per BOE is a key industry performance measure of operational efficiency and provide investors with information that is also commonly presented by other crude oil and natural gas producers. Operating netback is a non-IFRS measure. See "Results of Operations – Operating Netback" for the calculation of operating netback per BOE.

"**Working capital**" is a capital management measure. Working capital is comprised of current assets less current liabilities. Management believes that working capital is a useful measure to assess the Company's capital position and its ability to execute its existing exploration commitments and its share of any development programs. See “Financial Information – Summary of Financial Information” for a reconciliation of working capital to current assets and current liabilities, being our nearest measures prescribed by IFRS.

ABBREVIATIONS AND BOE PRESENTATION

The following abbreviations that may be used in this MD&A 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
m	-	meters
m^3	-	cubic meters
mcf	-	thousand cubic feet
mm	-	millimetres
mmcf	-	million cubic feet
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
WI	-	working interest
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 price of crude oil as compared to natural gas in Argentina from time to time may be different from the energy equivalency conversion ratio of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

ADVISORIES

Initial Production Rates

Any references herein to initial production rates are useful in confirming the presence of hydrocarbons, however, such rates are not determinative of the rates at which such wells will continue production and decline thereafter. Additionally, such rates may also include recovered "load oil" fluids used in well completion stimulation. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production for the Company. Initial production rates may be estimated based on third party estimates or limited data available at the time. In all cases herein, initial production rates are not necessarily indicative of long-term performance of the relevant well or fields or of ultimate recovery of hydrocarbons.

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", “outlook” 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 and focus in the TDF Concessions, the Mendoza Concessions and the CLL Permit, future operations to be conducted by the Company in furtherance of such business strategy and focus, the Company's expectations of the benefits to be derived from such business strategy and focus and related future operations, and our expectations regarding the terms, conditions and timing for closing the proposed acquisition of the Santa Cruz Concessions; under "Operational Update", the Company's plans for future operations on its TDF Concessions, Mendoza Concessions and CLL Permit and the anticipated benefits to be derived therefrom and timing thereof, including the Company's expectations for the possible extension of the CLL Permit; under "Outlook", our estimated capital expenditure budgets for fiscal 2024, the capital expenditures that we intend to make in our TDF Concessions, Mendoza Concessions and CLL Permit during such period, and our expectations for how we will fund our capital expenditures and other expenses during such period; under "Outlook – Argentina – Economic Summary", expectations relating to Argentina's economic outlook, policies the federal government might enact, the impact such polices might have on the economy and the oil and gas business in Argentina, and the timing thereof; under "Liquidity and Capital Resources", our strategies for managing our liquidity risks, our capital expenditure budget for fiscal 2024 and the expenditures we expect to make at TDF, the Mendoza Concessions and CLL, and our expectations regarding our ability to obtain additional financing and generate funds from operating activities to meet current and future obligations and to continue as a going concern; under "Commitments", our expectation to offset the outstanding commitment in the Rio Cullen concession with investments made in other parts of TDF; and under "Business Risks and Uncertainties", the business risks and uncertainties that we face and the potential impact such risks may have on the Company. 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. 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: that the Company experiences delays building the pipeline to the Rio Cullen marine terminal or is unable to complete the pipeline; that the Company is unable to truck oil to the ENAP refinery and/or the Rio Cullen marine terminal and/or that the cost to do so rises and/or becomes uneconomic; that the price received by the Company for its oil is at a substantial discount to the Brent oil price; that the Company is unable to complete the proposed acquisition of the Santa Cruz Concessions on the terms described herein or at all, whether due to the inability of the Company to obtain financing to fund the cash portion of the purchase price, the inability of the Company to obtain requisite regulatory approvals, the inability of the Company to satisfy applicable conditions precedent, or otherwise; and 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.sedarplus.ca.

With respect to forward-looking information contained in this MD&A, the Company has made assumptions regarding, among other things: that the Company will complete the proposed acquisition of the Santa Cruz Concessions on the terms described herein on a timely basis, including the ability of the Company to obtain the requisite financing to fund the cash portion of the purchase price on acceptable terms, obtain all requisite regulatory approvals and satisfy all applicable conditions precedent (including the waiver or expiration of applicable rights of first refusal); the cost to build the oil pipeline to connect the Cruz del Sur oil storage facility and the San Martin oil field with the Total Austral operated Rio Cullen marine terminal and the timing thereof; trucking costs; that the COVID-19 (coronavirus) pandemic (or any other pandemic or global or regional health related event) will not have a material impact on the Company and our operations going forward; the ability and willingness of OPEC+ nations and other major producers of crude oil to balance crude oil production levels and thereby sustain higher global crude oil prices; that our joint venture partners and the operators of our concessions will honour their contractual commitments in a timely fashion and will not become insolvent or bankrupt; the impact of inflation rates in Argentina and the devaluation of the ARS against the USD on the Company; the impact of increasing competition; the general stability of the economic and political environment in which the Company operates (including in relation to the newly elected President and Vice-President of Argentina and their administration), 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 and government price controls thereon); the timely receipt of any required regulatory approvals; 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 operators of the projects which the Company has an interest in to operate the fields in a safe, efficient and effective manner; that the Company will not pay dividends for the foreseeable future; the ability of the Company to obtain financing on acceptable terms when and if needed and continue as a going concern; 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, inflation and interest rates; the regulatory framework regarding royalties, taxes and environmental matters in Argentina; 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.sedarplus.ca. 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.