

FOR IMMEDIATE RELEASE
December 18, 2012

CWV: TSX.V

Crown Point Announces Results for the Three Months and Year Ended August 31, 2012

TSX-V: CWV: Crown Point Energy Inc. ("Crown Point" or the "Company") today announces its operating and financial results for the three months and year ended August 31, 2012. Copies of the Company's consolidated financial statements for the year ended August 31, 2012 and the related Management's Discussion and Analysis have been filed with Canadian securities regulatory authorities and will be made available under the Company's profile at www.sedar.com and on the Company's website at www.crownpointenergy.com. All amounts are in Canadian '\$' unless otherwise stated.

HIGHLIGHTS

Highlights in the year ended August 31, 2012 include:

- **Acquisition of Antrim Argentina S.A.:** On May 28, 2012, Crown Point acquired all the issued and outstanding shares of Antrim Argentina S.A. ("Antrim Argentina"). Consideration for the acquisition was \$9,246,784 of cash and 35,761,290 common shares of the Company. The acquisition of Antrim Argentina has resulted in the following benefits for Crown Point;
 - **Average Production:** for the three months ended August 31, 2012 was 1,888 barrels of oil equivalent ("BOE") per day ("BOEPD").
 - **Proved Developed Producing Reserves:** increased to 2.61 million barrels of oil equivalent (gross).⁽¹⁾
 - **Total Proved Reserves:** increased to 4.42 million barrels of oil equivalent (gross).⁽¹⁾
 - **Total Proved plus Probable Reserves:** increased to 7.81 million barrels of oil equivalent (gross).⁽¹⁾
 - **Total Proved plus Probable plus Possible Reserves:** increased to 9.61 million barrels of oil equivalent (gross).⁽¹⁾

- **2012 Drilling Program:** Five successful oil wells drilled at El Valle, stratigraphic correlations and production performance point to a pool of significant size with water flood potential.
- **Cerro de los Leones:** On the Company's 100% owned 306,646 acre concession in the Neuquén Basin the Company commenced and subsequently completed a seismic program consisting of 122 kilometers of 2D and 143 square kilometers of 3D data. The Company expects to have the processed data ready for interpretation in early February 2013.

(1) Reserves volumes are based on the report prepared by McDaniel and Associates Consultants Ltd. for the Company effective as of August 31, 2012 in accordance with National Instrument 51-101 ("NI 51-101") and the Canadian Oil and Gas Evaluation Handbook using forecast prices and costs. "Possible reserves" are those additional reserves that are less certain to be recovered than probable reserves. There is a 10% probability that the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible reserves. Copies of the Company's NI 51-101 filings for the year ended August 31, 2012 are available under the Company's profile at www.sedar.com and on the Company's website at www.crownpointenergy.com.

Financial and Operating Information

	Three months ended August 31, 2012		Three months ended August 31, 2011	
Total sales volumes (BOE)		173,696		26,384
Average Production (BOEPD)		1,888		287
		<u>Per BOE</u>		<u>Per BOE</u>
Oil and gas revenue	\$ 4,914,604	\$ 28.29	\$ 1,476,765	\$ 55.97
Royalties	(989,844)	(5.70)	(285,979)	(10.84)
Operating costs	(1,471,908)	(8.47)	(424,812)	(16.10)
Operating netback	\$ 2,452,852	\$ 14.12	\$ 765,974	\$ 29.03
Net loss		\$	(1,294,423)	
	\$ (1,831,364)			
Per share – basic and diluted	\$ (0.02)		\$ (0.03)	

	Year ended August 31, 2012		Year ended August 31, 2011	
Total sales volumes (BOE)		266,215		73,696
Average production (BOEPD)		727		202
		<u>Per BOE</u>		<u>Per BOE</u>
Oil and gas revenue	\$ 10,772,942	\$ 40.47	\$ 3,839,359	\$ 52.10
Royalties	(2,387,282)	(8.97)	(818,877)	(11.11)
Operating costs	(2,820,736)	(10.60)	(1,044,832)	(14.18)
Operating netback	\$ 5,564,924	\$ 20.90	\$ 1,975,650	\$ 26.81

Net loss	\$ (5,093,023)	\$ (2,825,487)
Per share – basic and diluted	\$ (0.07)	\$ (0.06)
Working capital		\$
	\$ 17,736,716	24,405,427
		\$
Total assets	\$ 86,745,872	51,411,935
Total common shares outstanding	104,515,222	54,674,907

New Gas Pricing Announcement by the President of Argentina

On November 28, 2012, the President of Argentina, Cristina Fernández de Kirchner, announced the creation of a new gas pricing program under which “Old Gas” would continue to be paid at current prices, while any incremental gas or “New Gas” would receive \$7.50/MMBtu (approximately \$7.75/mcf). The implementation of this program or one similar would have a significant and positive impact on Crown Point’s capital programs and its financial netbacks on its Tierra del Fuego Concessions. For comparison, Crown Point’s average natural gas price for the year ended August 31, 2012 was approximately \$2.33/MMBtu (\$2.41/mcf).

There is no certainty that the pricing announcement for new gas will be formally approved and put into effect on the terms announced or at all.

TIERRA DEL FUEGO, ARGENTINA

The Company’s 25.78% working interest in the Tierra del Fuego area of Argentina covers approximately 489,000 acres (126,000 net acres) in the Austral Basin and includes the Las Violetas, Angostura Sur and Rio Cullen exploitation concessions. The primary term of all three licenses expires in November 2016, however, the Company and its partners have negotiated a ten year extension (to November 2026) with the provincial government authorities of Tierra del Fuego. The extension and its terms are currently awaiting ratification by the provincial legislature.

Crown Point’s operational focus at Tierra del Fuego is on increasing production and reserves from the higher priced Gas Plus areas. Currently, approximately 10% of Crown Point’s natural gas production flows from a Gas Plus designated reservoir and is sold at a price of \$4.10/MMBtu (approximately \$4.24/mcf), as compared to an average price of \$2.10/MMBtu (approximately \$2.17/mcf) for its remaining natural gas production. Crown Point’s average natural gas price for the year ended August 31, 2012 was approximately \$2.33/MMBtu (\$2.41/mcf).

DEVELOPMENT AND DRILLING PLANS

Development and drilling operations will commence in Tierra del Fuego after the ten year extension to 2026 has been approved.

Crown Point and its partners plan to drill six to eight new wells per year for the next three to four years. The majority of these wells will target the areas which are currently designated as Gas Plus areas as well as other 3D seismically defined areas which would also qualify as Gas Plus eligible at \$4.10/MMBtu (approximately \$4.24/mcf). The Company plans to acquire additional 3D seismic on the Las Violetas, Angostura Sur and Rio Cullen concessions starting in 2014. The proposed Las Violetas 3D seismic program is designed to fully evaluate and identify drilling targets over areas and trends, which have been mapped using older 2D seismic. The Angostura Sur and Rio Cullen seismic programs are following up exploration leads from existing 2D seismic and geological information.

Management believes that Crown Point's Tierra del Fuego concessions are high quality natural gas weighted assets possessing the capability to deliver increased levels of production and reserves in an increasing natural gas price market. If the new pricing program, announced by the President of Argentina is implemented and is available to Crown Point and its partners, it is likely that the Tierra del Fuego capital spending plans would be revised to include additional drilling and 3D seismic acquisition designed to accelerate growth in production and reserves.

PRODUCTION

The bulk of the Company's production and reserves in the Tierra del Fuego area are located on the Las Violetas Concession. Crown Point's net production at Tierra del Fuego has increased 15 percent over historical production levels following a fracture stimulation program carried out on five wells on the Las Flamencos gas pool earlier this year. This fracture program primarily targeted wells eligible to receive the higher Gas Plus prices of \$4.10/MMBtu (approximately \$4.24/mcf).

CERRO DE LOS LEONES, NEUQUEN BASIN, ARGENTINA

The Company's 100% interest in the Cerro de Los Leones exploration concession covers approximately 306,646 acres in the Mendoza portion of the Neuquén Basin.

EXPLORATION, DEVELOPMENT AND DRILLING PLANS

Crown Point has completed the Cerro de los Leones seismic programs comprised of 122 kilometers of 2D seismic and 143 square kilometers of 3D seismic. Field recording of both seismic programs has been completed and the data has been sent in for processing. The Company expects to have the processed data ready for interpretation in early February 2013. The total cost of the two seismic programs is estimated to be \$6 million.

Drilling on various conventional plays is expected to commence in 2013, following interpretation of the seismic programs. Information obtained from these wells may assist Crown Point in determining the economic viability of the VacaMuertashale play on the Cerro de Los Leones Concession. A second 3D seismic program is planned for the eastern portion of the concession targeting the Loncoche, Neuquén Group and Huitrin resource type plays. This program may be shot in late 2013 or 2014 and would be followed up with the drilling of one to two wells targeting the above mentioned plays.

Following the initial drilling phase, Crown Point may consider additional exploration and development drilling in the area, including the possibility of drilling vertical and horizontal tests in the VacaMuerta shale play.

EL VALLE, ARGENTINA

El Valle has three distinct productive sedimentary formations, which, in descending order from shallow to deep, are the CañadonSeco, Caleta Olivia and Mina el Carmen. Each of these formations may contain multiple discrete hydrocarbon bearing sandstone zones. Typically, the CañadonSeco oil produces medium grade oil (API gravity that ranges from 16 to 22°), while the Caleta Olivia and Mina el Carmen produce lighter oil (API gravity of approximately 30°). By continuing to re-interpret the seismic data and integrating recent drilling results, the Company has developed a drilling inventory consisting of 12 development drilling and eight new exploration drilling targets in the El Valle field. Additionally, potential exists for secondary recovery programs such as water flood or horizontal drilling, plus workovers and recompletions on existing wells.

2012 DRILLING PROGRAM

Since Crown Point commenced drilling operations on the El Valle Concession, the Company has drilled and completed 18 wells (16 oil wells, 1 suspended potential oil well and 1 non-producing natural gas well) with no dry holes.

During calendar 2012, to August 31, 2012, Crown Point drilled 6 wells on the El Valle Concession for a total cost of \$11.7 million. This program, which commenced in April 2012, was focused on the drilling of development oil wells with multiple-zones targeted in the CañadónSeco and Caleta Olivia formations in the south east and south central areas of El Valle.

The producing zones in the EV33, EV34 and EV36 wells demonstrate a good correlation to the EV23, EV26 and EV31 wells drilled in 2011. Stratigraphic correlation and production performance of these wells all point to a single oil pool of significant size. The new wells encountered a slightly pressure depleted reservoir indicative of connectivity with the prior year's wells. The larger pool size is supported by geological and seismic mapping and the lack of a defined water contact in the reservoir.

Crown Point has identified additional drilling locations in this pool and is in the early conceptual planning stage of implementing a waterflood secondary recovery scheme.

Waterflood secondary recovery schemes are used throughout the San Jorge Basin and consistently demonstrate improved rates of production and higher ultimate recoveries of oil in place from equivalent reservoirs.

CURRENT EL VALLE PRODUCTION

Sales volumes for the year ended August 31, 2012 averaged 358 barrels of oil per day compared to 202 barrels of oil per day for the year ended August 31, 2011.

CAÑADÓN RAMIREZ

The Company has a 100% working interest in approximately 6,325 acres in the Cañadón Ramirez area of the Golfo San Jorge Basin. The Company plans to commence the drilling of two oil exploitation wells on the Cañadón Ramirez Concession in 2014. The proposed wells are to be drilled on a 3D seismically defined western extension of the Mata Magallanes Oeste field. The Cañadón Ramirez Concession has access to existing infrastructure in the adjacent Mata Magallanes Field.

LAGUNA DE PIEDRA

The Company holds a 100% interest and operatorship of the approximate 246,354 acre exploration concession.

Crown Point plans to drill one exploration well on the Laguna de Piedra Concession. The primary targets are 3D seismically defined light oil objectives in the Punta Rosada and Quintuco sandstones. Environmental approval from the Province of Rio Negro will be required before drilling operations will begin. Discussions with the local municipal governments and Provincial Environmental departments are ongoing.

For inquiries please contact:

Murray McCartney,
President & CEO
Ph: (403) 232-1150
Crown Point Energy Inc.
m.mccartney@crownpointenergy.com
Website: www.crownpointenergy.com

Arthur J.G. Madden
Vice-President & CFO
Ph: (403) 232-1150
Crown Point Energy Inc.
amadden@crownpointenergy.com

About Crown Point



CROWN POINT ENERGY INC. IS AN INTERNATIONAL OIL AND GAS EXPLORATION AND DEVELOPMENT COMPANY HEADQUARTERED IN CALGARY, CANADA, INCORPORATED IN CANADA, TRADING ON THE TSX VENTURE EXCHANGE AND OPERATING IN SOUTH AMERICA. CROWN POINT'S EXPLORATION AND DEVELOPMENT ACTIVITIES ARE FOCUSED IN THE GOLFO SAN JORGE, NEUQUÉN AND AUSTRAL BASINS IN ARGENTINA. CROWN POINT HAS A STRATEGY THAT FOCUSES ON ESTABLISHING A PORTFOLIO OF PRODUCING PROPERTIES, PLUS PRODUCTION ENHANCEMENT AND EXPLORATION OPPORTUNITIES TO PROVIDE A BASIS FOR FUTURE GROWTH.

Advisory

Certain Oil and Gas Disclosures: Barrels of oil equivalent (boe's) may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet (6 mcf) to one barrel (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. In addition, given that the value ratio based on the current price of crude oil in Argentina as compared to the current price of natural gas in Argentina is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value. "MMbtu" means million British thermal units. "Mcf" means thousand cubic feet.

Non-GAAP Measures: This press release discloses "operating netbacks" (calculated on a per unit basis as oil, natural gas and natural gas liquids revenues less royalties, transportation and operating costs), which is a non-IFRS measure. Management believes this measure is a useful supplemental measures of the Company's profitability relative to commodity prices. Readers are cautioned, however, that this measure should not be construed as an alternative to other terms such as net income as determined in accordance with IFRS as a measure 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.

Forward looking information: Certain information set forth in this document, including: our belief that we have identified an oil pool of significant size with waterflood potential on our El Valle concession, and our expectations for the impact a waterflood program could have on production and recovery rates; our future plans and operations on each of our concessions, including plans for shooting, processing and interpreting seismic data, drilling plans, plans for completing workovers, waterfloods, recompletions and other field optimization and secondary recovery activities, our plan to focus our activities on Gas Plus and other areas where higher commodity prices prevail, our anticipation regarding the timing of completing such plans and operations, certain factors that might impact our future plans and operations and the manner in which they might be impacted, and the information that we hope to obtain from certain of our future plans and operations; our drilling inventory at El Valle; our capital expenditure budget for the four month period ended December 31, 2012 and the year ended December 31, 2013, the amounts to be spent on each of our concessions, the nature of the proposed expenditures, and the timing for making such expenditures; the details regarding the potential creation of a new gas pricing program in Argentina and the potential impact thereof on us; the details regarding the potential extension of the term of our Tierra del Fuego concession licenses, including the timing for receipt of final approvals; management's expectations that Crown Point's interests in the Tierra del Fuego area possess the capability of delivering increased levels of production and reserves in an increasing natural gas price market; is considered forward-looking information, and necessarily involve risks and uncertainties, certain of which are beyond Crown Point's control. Such risks include but are not limited to: risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation; risks associated with operating in Argentina, including risks of changing government regulations (including the adoption of, amendments to, or the cancellation of government incentive programs or other laws and regulations relating to commodity prices, taxation, currency controls and export restrictions, in each case that may adversely impact Crown Point), expropriation/nationalization of assets, price controls on commodity prices, inability to enforce contracts in certain circumstances and other economic and political risks; loss of markets and other economic and industry conditions; volatility of commodity prices; currency fluctuations; imprecision of reserve estimates; environmental risks; competition from other producers; inability to retain drilling services; incorrect assessment of value of acquisitions and failure to realize the benefits therefrom; delays resulting from or inability to obtain required regulatory approvals; the lack of availability of qualified personnel or management; stock market volatility and ability to access sufficient capital from internal and external sources; and economic or industry condition changes. Actual results, performance or achievements could differ materially from those expressed in, or implied by, the forward-looking information and, accordingly, no assurance can be given that any events anticipated by the

forward-looking information will transpire or occur, or if any of them do so, what benefits that Crown Point will derive therefrom. In addition, the information relating to reserves is deemed to be forward-looking information, as such information involves the implied assessment, based on certain estimates and assumptions, that the reserves described can be economically produced in the future. With respect to forward-looking information contained herein, the Company has made assumptions regarding: the impact of increasing competition; the general stability of the economic and political environment in which the Company operates; the timely receipt of any required regulatory approvals; the ability of the Company to obtain qualified staff, equipment and services in a timely and cost efficient manner; drilling results; the costs of obtaining equipment and personnel to complete the Company's capital expenditure program; the ability of the operator of the projects which the Company has an interest in to operate the field in a safe, efficient and effective manner; the ability of the Company to obtain financing on acceptable terms when and if needed; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development and exploration activities; the timing and costs of pipeline, storage and facility construction and expansion and the ability of the Company to secure adequate product transportation; future oil and natural gas prices; currency, exchange and interest rates; the regulatory framework regarding royalties, commodity price controls, import/export matters, taxes and environmental matters in Argentina; and the ability of the Company to successfully market its oil and natural gas products. Additional information on these and other factors that could affect Crown Point are included in reports on file with Canadian securities regulatory authorities, including under the heading "Risk Factors" in the Company's annual information form, and may be accessed through the SEDAR website (www.sedar.com). Furthermore, the forward-looking information contained in this document are made as of the date of this document, and Crown Point does not undertake any obligation to update publicly or to revise any of the included forward looking information, whether as a result of new information, future events or otherwise, except as may be expressly required by applicable securities law.

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