CROWN POINT ENERGY INC.
Condensed Interim Consolidated Financial Statements

For the three and nine months ended September 30, 2013
(Unaudited)

CROWN POINT ENERGY INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited)
(Canadian dollars)

	September 30 2013	December 31 2012
Assets		
Current assets:		
Cash and cash equivalents	$ 12,018,641	$ 12,872,129
Trade and other receivables	3,928,835	4,929,996
Inventory	239,205	867,588
Prepaid expenses	1,120,918	1,062,158
	17,307,599	19,731,871
Exploration and evaluation assets (Note 5)	9,407,129	9,915,032
Property and equipment (Note 6)	37,006,534	53,384,792
Other non-current assets (Note 7)	1,260,579	719,765
	$ 64,981,841	$ 83,751,460
Liabilities and Shareholders' Equity		
Current liabilities:		
Trade and other payables	$ 2,621,222	$ 4,885,028
Decommissioning provision (Note 9)	2,172,770	2,299,227
	4,793,992	7,184,255
Shareholders' equity:		
Share capital	107,179,021	107,387,933
Contributed surplus	6,056,712	4,888,547
Accumulated other comprehensive loss	(14,677,139)	(8,948,381)
Deficit	(38,370,745)	(26,760,894)
	60,187,849	76,567,205
	$ 64,981,841	$ 83,751,460

Subsequent events (Notes 8 and 13)
Commitments (Note 17)

See accompanying notes to the condensed interim consolidated financial statements.

CROWN POINT ENERGY INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Unaudited)
(Canadian dollars)

	For the three months ended		For the nine months ended	
	September 30 2013	August 31 2012	September 30 2013	August 31 2012
Revenue				
Oil and gas	$ 5,038,144	$ 4,914,604	$ 16,884,284	$ 8,894,257
Royalties	(990,186)	(989,844)	(3,208,494)	(1,950,365)
	4,047,958	3,924,760	13,675,790	6,943,892
Expenses				
Operating	1,941,923	1,471,908	6,558,892	2,478,484
General and administrative	1,390,989	1,923,219	4,527,851	3,570,653
Antrim acquisition costs	–	329,008	–	1,336,163
Depletion and depreciation (Note 6)	1,734,998	2,042,946	5,772,064	3,113,269
Impairment (Note 12)	49,867	–	10,121,422	–
Share-based payments	187,344	165,647	892,553	1,033,604
Foreign exchange loss	2,458	4,642	100,425	35,128
	5,307,579	5,937,370	27,973,207	11,567,301
Results from operating activities	(1,259,621)	(2,012,610)	(14,297,417)	(4,623,409)
Finance income (expense)				
Interest income	47,817	92,246	155,028	268,056
Financing fees and bank charges	(127,138)	(200,321)	(353,879)	(260,714)
Accretion of decommissioning provision	(81,212)	(95,091)	(242,737)	(127,741)
Other income (Note 13)	1,594,932	37,612	3,129,154	37,612
Income (loss) before income taxes	174,778	(2,178,164)	(11,609,851)	(4,706,196)
Current income tax recovery	–	346,800	–	346,800
Net income (loss) for the period	174,778	(1,831,364)	(11,609,851)	(4,359,396)
Exchange differences on translation of foreign operations	(3,938,207)	(4,448,543)	(5,728,758)	(2,640,915)
Comprehensive loss for the period	$ (3,763,429)	$ (6,279,907)	$ (17,338,609)	$ (7,000,311)
Income (loss) per share (Note 14)				
Basic and diluted	$ 0.00	(0.02)	$ (0.11)	$ (0.05)

See accompanying notes to the condensed interim consolidated financial statements.

CROWN POINT ENERGY INC.

CONSENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Unaudited)

(Canadian dollars)

	For the nine months ended	
	September 30 2013	August 31 2012
Share capital		
Balance, beginning of period	$ 107,387,933	$ 67,147,442
Private placement	–	13,086,155
Acquisition of Antrim	–	28,609,032
Exercise of stock options	–	531
Exercise of share purchase warrants	–	288,828
Expiry of share purchase warrants	(208,912)	(504,314)
Share issuance costs	–	(1,239,741)
Balance, end of period	107,179,021	107,387,933
Contributed surplus		
Balance, beginning of period	4,888,547	2,856,964
Expiry of share purchase warrants	208,912	504,314
Share-based payments	959,253	1,178,624
Transfer on exercise of stock options	–	(234)
Balance, end of period	6,056,712	4,539,668
Accumulated other comprehensive income		
Balance, beginning of period	(8,948,381)	(3,574,940)
Exchange differences on translation of foreign operations	(5,728,758)	(2,640,915)
Balance, end of period	(14,677,139)	(6,215,855)
Deficit		
Balance, beginning of period	(26,760,894)	(21,587,720)
Net loss for the period	(11,609,851)	(4,359,396)
Balance, end of period	(38,370,745)	(25,947,116)
Total Shareholders’ Equity	$ 60,187,849	$ 79,764,630

See accompanying notes to the condensed interim consolidated financial statements.

CROWN POINT ENERGY INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(Canadian dollars)

	For the nine months ended	
	September 30 2013	August 31 2012
Cash provided by (used in):		
Operating activities:		
Net loss for the period	$ (11,609,851)	$ (4,359,396)
Items not affecting cash:		
Depletion and depreciation	5,772,064	3,113,269
Impairment	10,121,422	–
Share-based payments	892,553	1,033,604
Unrealized foreign exchange loss (gain)	563,009	(658,434)
Accretion of decommissioning provision	242,737	127,741
	5,981,934	(743,216)
Change in non-cash working capital (Note 15)	(652,031)	382,176
	5,329,903	(361,040)
Investing activities:		
Property and equipment expenditures, net	(1,625,007)	(14,367,532)
Exploration and evaluation asset expenditures	(2,423,631)	(1,471,485)
Acquisition of Antrim, net of cash acquired	–	(2,815,087)
Change in other non-current assets	(704,198)	30,446
Change in non-cash working capital (Note 15)	(965,327)	1,600,177
	(5,718,163)	(17,023,481)
Financing activities:		
Share issuance proceeds, net of costs	–	12,135,539
Change in cash and cash equivalents	(388,260)	(5,248,982)
Foreign exchange effect on cash held in foreign currencies	(465,228)	372,660
Cash and cash equivalents, beginning of period	12,872,129	21,046,439
Cash and cash equivalents, end of period	$ 12,018,641	$ 16,170,117

See accompanying notes to the consolidated financial statements

1. REPORTING ENTITY:

Crown Point Energy Inc. ("Crown Point" or the "Company") was incorporated under the laws of British Columbia and continued under the laws of Alberta on July 27, 2012. Crown Point is based in Calgary, Alberta and is involved in the exploration for, and development and production of petroleum and natural gas in Argentina.

During 2012, Crown Point changed its financial year-end from August 31 to December 31. The third interim period following the change in year-end is the nine months ended September 30, 2013. The comparative period is the nine months ended August 31, 2012.

The Company's registered office is Suite 1600, 700 – 6th Street SW, Calgary, Alberta, T2P OT8.

2. BASIS OF PRESENTATION:

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, including International Accounting Standard 34 – Interim Financial Reporting.

The Company has consistently applied the same accounting policies throughout all periods presented except as noted below (Note 3). These unaudited condensed interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto for the four months ended December 31, 2012.

These unaudited condensed interim consolidated financial statements include the accounts of the Company and its wholly owned Argentine subsidiaries, Crown Point Oil & Gas S.A., CanAmericas (Argentina) Energy Ltd. and Antrim Argentina S.A.

These unaudited condensed interim consolidated financial statements were authorized for issue by the Board of Directors on November 27, 2013.

3. CHANGES IN ACCOUNTING POLICIES:

As disclosed in the Company's December 31, 2012 audited consolidated financial statements, on January 1, 2013, the Company adopted new standards for IFRS 10, "Consolidated Financial Statements", IFRS 11 "Joint Arrangements", IFRS 12 "Disclosure of Interests in Other Entities", IFRS 13 "Fair Value Measurement" as well as consequential amendments to IAS 28 "Investments in Associates and Joint Ventures". The adoption of these standards and amendments had no impact on the amounts recorded or disclosures included in the unaudited condensed interim consolidated financial statements as at and for the three and nine months ended September 30, 2013.

(Canadian dollars)

4. TRADE AND OTHER RECEIVABLES:

The Company's trade and other receivables consist of:

		September 30 2013		December 31 2012
Due from international oil and gas companies	$	1,478,378	$	1,054,544
Due from other Argentine companies		2,758,712		2,883,657
Other receivables		207,923		991,795
Impairment (Note 12)		(516,178)		–
Total trade and other receivables	$	3,928,835	$	4,929,996

The Company's trade and other receivables are aged as follows:

		September 30 2013		December 31 2012
Not past due (less than 90 days)	$	3,156,832	$	4,695,579
Past due (more than 90 days)		772,003		234,417
Total trade and other receivables	$	3,928,835	$	4,929,996

Trade and other receivables are subject to credit risk. During the nine months ended September 30, 2013, the Company recognized an impairment charge of $516,178 related to trade and other receivables past due more than 90 days. See Note 12.

The Company did not impair any other trade and other receivables and or record an allowance for doubtful accounts in any previous periods.

5. EXPLORATION AND EVALUATION ASSETS (''E&E''):

Carrying amount, December 31, 2012	$	9,915,032
Additions		2,423,631
Impairment (Note 12)		(1,631,777)
Decommissioning changes		(12,176)
Effect of change in exchange rates		(1,287,581)
Carrying amount, September 30, 2013	$	9,407,129

E&E assets consist of the Company's intangible exploration projects in Argentina which are pending the determination of proven or probable reserves. Additions represent the Company's share of costs incurred on E&E assets during the period. E&E assets are not depreciated or depleted.

The amounts capitalized as Argentina E&E assets at September 30, 2013 include $0.7 million of Value Added Tax ("VAT") (December 31, 2012 – $0.8 million). VAT is payable on goods and services supplied to the Company and is not recoverable from the Government of Argentina, however the Company is allowed to retain VAT on any sales that it collects to the extent of the VAT recorded and paid on previous expenditures.

(Canadian dollars)

6. PROPERTY AND EQUIPMENT:

	Argentina		Canada	
	Development and Production Assets	Other Assets	Other Assets	Total
	$	$	$	$
Cost:				
Balance at December 31, 2012	59,726,893	250,015	647,590	60,624,498
Additions	1,502,317	25,753	159,940	1,688,010
Decommissioning changes	(54,736)	–	–	(54,736)
Effect of change in exchange rates	(6,465,800)	(32,206)	–	(6,498,006)
Balance at September 30, 2013	54,708,674	243,562	807,530	55,759,766
Accumulated depletion and depreciation:				
Balance at December 31, 2012	6,917,524	83,784	238,398	7,239,706
Depletion and depreciation	5,469,797	45,792	131,558	5,647,147
Impairment (Note 12)	7,923,600	–	–	7,923,600
Effect of change in exchange rates	(2,043,181)	(14,040)	–	(2,057,221)
Balance at September 30, 2013	18,267,740	115,536	369,956	18,753,232
Net carrying amount:				
At December 31, 2012	52,809,369	166,231	409,192	53,384,792
At September 30, 2013	36,440,934	128,026	437,574	37,006,534

Capitalized amounts:

The amounts capitalized as D&P assets in Argentina during the nine months ended September 30, 2013 include $571,146 of general and administrative costs and $66,700 of share-based compensation.

As at September 30, 2013, D&P assets in Argentina include $3.6 million of VAT (December 31, 2012 – $5.2 million).

Future development costs and salvage value:

The depletion expense calculation for the nine months ended September 30, 2013 included $32.9 million (four months ended December 31, 2012 – $37.2 million) for estimated future development costs associated with proved and probable reserves in Argentina. The Company reduced the September 30, 2013 depletable amount by $0.7 million of estimated salvage value (December 31, 2012 – $0.8 million).

7. OTHER NON-CURRENT ASSETS:

	September 30 2013	December 31 2012
Interest-bearing bonds	$ 434,474	$ 566,894
Long-term receivables	921,054	264,289
	1,355,528	831,183
Current portion of interest-bearing bonds included in trade and other receivables	(94,949)	(111,418)
Total non-current assets	$ 1,260,579	$ 719,765

(Canadian dollars)

8. DEBT FACILITY:

Antrim Argentina has a development loan facility in the amount of ARS$26,800,000 (Cdn$4.8 million). The amount advanced under the facility must be drawn in one sum on or before November 30, 2013 and bears compensatory interest at 15.25% (the “Fixed Rate”), calculated and paid monthly commencing on the date the loan is drawn. As at September 30, 2013, the Company had not drawn on the loan.

On November 13, 2013, the Company drew ARS$26,800,000 of proceeds under this debt facility, at which time the Company provided the lender security in the form of a US$2.3 million letter of credit held as a guaranteed investment certificate with a major Canadian financial institution. The loan principal is repayable in 24 monthly installments commencing December 13, 2014.

9. DECOMMISSIONING PROVISION:

The Company’s decommissioning provision results from net ownership interests in petroleum and natural gas assets including well sites, gathering systems and processing facilities. A reconciliation of the decommissioning provision is provided below:

Balance, December 31, 2012	$	2,299,227
Accretion		242,737
Change in estimates		(66,912)
Effect of change in exchange rates		(302,282)
Balance, September 30, 2013	$	2,172,770

The Company’s decommissioning provision is based on the following assumptions:

Undiscounted inflation-adjusted amount of cash flows	$5.1 million
Average risk-free interest rate in Argentina	17.6%
Inflation rate in Argentina	10.5%
Weighted average expected timing of cash flows	12.25 years

10. SHARE-BASED COMPENSATION:

On January 31, 2013, the Company granted 2,775,000 stock options to directors, officers and employees of the Company. The options are exercisable at $0.37 per share and expire January 31, 2018.

On May 1, 2013, the Company granted 100,000 stock options to the Company’s corporate secretary. The options are exercisable at $0.26 per share and expire May 1, 2018.

One third of the options granted vest immediately and the remainder vest in equal tranches on the first and second year anniversaries of the grant date.

The grant date fair value of the options was $0.30 per option, estimated using the Black-Scholes pricing model calculations based on the following significant weighted average assumptions:

Risk-free interest rate	1.32%
Expected forfeitures	10%
Expected volatility	115%
Expected life	5 years
Dividends	nil

(Canadian dollars)

Stock option activity is summarized as follows:

	Number of options	Weighted average exercise price
Balance, December 31, 2012	4,990,000	$ 1.09
Granted	2,875,000	0.37
Expired	(210,000)	(0.60)
Forfeited	(70,000)	(0.37)
Balance, September 30, 2013	7,585,000	$ 0.83
Balance exercisable, September 30, 2013	4,988,318	$ 1.01

Stock options outstanding and exercisable at September 30, 2013 are as follows:

Expiry date	Exercise price	Outstanding	Exercisable
May 15, 2014	$ 0.89	670,000	670,000
October 7, 2014	0.70	150,000	150,000
February 23, 2015	0.86	25,000	25,000
June 9, 2015	1.22	470,000	470,000
June 24, 2015	1.22	50,000	50,000
March 18, 2016	1.96	885,000	885,000
June 9, 2016	1.98	100,000	100,000
August 2, 2016	1.70	50,000	50,000
October 19, 2016	1.25	150,000	100,000
May 1, 2017	0.78	1,845,000	1,229,994
May 31, 2017	0.78	150,000	100,000
June 15, 2017	0.58	150,000	100,000
August 1, 2017	0.40	285,000	189,999
January 31, 2018	0.37	2,505,000	834,992
May 1, 2018	0.26	100,000	33,333
		7,585,000	4,988,318

During the three and nine months ended September 30, 2013, the Company recognized $198,844 and $959,253 (three and nine months ended August 31, 2012 – $664,562 and $994,917), respectively, of share-based compensation. As at September 30, 2013, the remaining unvested share-based compensation was $321,484.

11. SHARE PURCHASE WARRANTS:

As at December 31, 2012, the Company had 1,305,698 Series B warrants exercisable at $1.50 per share outstanding, all of which expired in May 2013. As at September 30, 2013, the Company had no Series B warrants outstanding.

(Canadian dollars)

12. IMPAIRMENT:

	For the three months ended		For the nine months ended	
	September 30 2013	August 31 2012	September 30 2013	August 31 2012
Trade and other receivables (a)	$ 49,867	$ –	$ 566,045	$ –
Exploration and evaluation assets (b)	–	–	1,631,777	–
Property and equipment (c)	–	–	7,923,600	–
	$ 49,867	$ –	$ 10,121,422	$ –

(a) Trade and other receivables

During the previous quarter ended June 30, 2013, the Company evaluated the collectability of a certain US$ denominated receivable from an Argentine operator and recognized $516,178 of impairment due to collectability concerns. An additional $49,867 of impairment was recognized in the third quarter related to the effects of foreign currency translation from US$ to Pesos. The Company continues to address this matter with the operator in an attempt to collect the entire balance.

(b) Exploration and evaluation assets

During the previous quarter ended June 30, 2013, the Company recognized $331,777 of impairment for the Cañadón Ramirez Concession as the Company has no current plans to further develop the Concession. The Company also recognized $1,300,000 of impairment related to the El Valle cash-generating unit ("CGU") as disclosed below in Note 12 (c).

(c) Property and equipment

During the previous quarter ended June 30, 2013, the Company identified certain business risks related to its El Valle CGU, such as steeper natural production declines than forecast on some producing wells, increasing operating costs and the deferral of future capital investment, as indicators of impairment. As a result, the Company performed an impairment test at June 30, 2013.

Management estimated the recoverable amount of the El Valle CGU based on the higher of the fair value less costs to sell and its value in use. The estimated recoverable amount for the El Valle CGU was based on 15% discounted cash flows expected to be derived from the El Valle CGU's proved plus probable reserves based on a June 30, 2013 internal update of the externally prepared December 31, 2012 reserve report. This estimated recoverable amount was approximately $9,223,600 lower than the carrying amount at June 30, 2013 of which $7,923,600 was allocated to property and equipment and $1,300,000 was allocated to exploration and evaluation assets.

13. OTHER INCOME:

Other income for the three and nine months ended September 30, 2013 is comprised of $1,594,932 and $2,795,121, respectively, of Petroleo Plus Credits and $nil and $334,033, respectively, of VAT recoveries.

Petroleo Plus Credits

The Government of Argentina implemented the Petroleo Plus Program in 2008 to reward producers who materially increase oil reserves and production through drilling and development by issuing export tax credits ("Petroleo Plus Credits") that can be used to offset taxes on oil sold off shore at market price. Petroleo Plus Credits are transferrable and can be sold to other domestic oil exporters.

The Company recognizes revenue from the sale of Petroleo Plus Credits on a cash basis when proceeds are received. During the nine months ended September 30, 2013, the Company received proceeds of $2.8 million for the sale of Petroleo Plus Credits earned in previous years, of which $1.6 million was received in the third quarter and $1.2 million was received in the first quarter.

(Canadian dollars)

Subsequent to September 30, 2013, the Company received US$1.0 million of sale proceeds and negotiated the sale of US$2.4 million of certificates for which sale proceeds are expected to be received in December 2013.

VAT recoveries

In 2009, Antrim Argentina wrote off $1.1 million of VAT credits which were considered uncollectible at the time due to the tax free status of the Province of Tierra del Fuego ("TDF"). However, as a result of the decision of the Federal Government of Argentina in May 2012 to remove certain favourable tax laws pertaining to the Province of Tierra del Fuego, the Company is able to apply the credits against VAT now charged on TDF sales. During the nine months ended September 30, 2013, the Company recognized $334,033 for the recovery of amounts previously estimated as unrecoverable.

14. PER SHARE AMOUNTS:

	For the three months ended		For the nine months ended	
	September 30 2013	August 31 2012	September 30 2013	August 31 2012
Net income (loss) for the period	$ 174,778	$ (1,831,364)	$ (11,609,851)	$ (4,359,396)
Basic weighted average number of shares:				
Issued common shares, beginning of period	104,515,222	104,515,222	104,515,222	54,689,907
Effect of shares issued	–	–	–	25,579,947
	104,515,222	104,515,222	104,515,222	80,269,854
Net income (loss) per share:				
Basic and diluted	$ 0.00	$ (0.02)	$ (0.11)	$ (0.05)

For the three and nine months ended September 30, 2013 and August 31, 2012, all stock options and share purchase warrants were excluded from the diluted per share amounts as their effect was anti-dilutive.

15. SUPPLEMENTAL CASH FLOW INFORMATION:

The breakdown of the Company's cash and cash equivalents is as follows:

	September 30 2013	December 31 2012
Cash in bank	$ 4,231,971	$ 1,092,328
Short-term investments	7,786,670	11,779,801
	$ 12,018,641	$ 12,872,129

Change in non-cash working capital items for the nine months ended September 30, 2013 and August 31, 2012 are as follows:

	September 30 2013	August 31 2012
Trade and other receivables	$ 435,116	$ 440,590
Inventory	507,163	(166,108)
Prepaid expenses	(58,760)	(100,394)
Trade and other payables	(2,263,806)	1,777,706
Effect of change in exchange rates	(237,071)	30,559
	$ (1,617,358)	$ 1,982,353
Attributable to:		
Operating activities	(652,031)	382,176
Investing activities	(965,327)	1,600,177
	$ (1,617,358)	$ 1,982,353

The Company did not pay any interest or taxes during the nine months ended September 30, 2013 and August 31, 2012.

16. FOREIGN CURRENCY EXCHANGE RISK:

A substantial portion of the Company's exploration and development activities are conducted in foreign jurisdictions and a portion of the Company's cash and cash equivalents are denominated in US dollars (USD) and Argentina Pesos (ARS). The Company has not entered into foreign exchange rate contracts to mitigate this risk.

The following table provides information on the foreign currency denominated financial instruments held by the Company:

As at September 30, 2013	Balance denominated in		Total CDN $
	USD	ARS	equivalents
Cash and cash equivalents	$ 591,034	$ 19,481,411	$ 4,065,829
Trade and other receivables	$ 3,423,025	$ 2,542,310	$ 3,897,669
Trade and other payables	$ (1437,160)	$ (10,033,114)	$ (2,230,497)

The following table presents an estimate of the impact on earnings of the market risk factors discussed above and is calculated based on the noted change in exchange rates applied to balances as at September 30, 2013.

Sensitivity analysis	Change in exchange rates	Change in comprehensive loss for the nine months ended September 30, 2013
Foreign exchange - effect of strengthening CAD$:		
USD denominated financial assets and liabilities	5%	$ 183,940
ARS denominated financial assets and liabilities	5%	$ 106,420

17. COMMITMENTS:

Approval of Tierra del Fuego Concessions

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 which was approved by the provincial legislature in July 2013.

The key terms of the extensions are:

Las Violetas Exploitation Concession

- Cash payment: US$5 million (gross) (net US$1.3 million) paid in three equal installments commencing in July 2013 and subsequently in 180 day successive periods;
- Base royalty: increase from 12% to 15%;
- Variable royalty: 0.5% to a maximum of 2.5% (in 0.5% increments) with increasing oil and gas prices;
- Minimum total development investment commitment: US$46.9 million including 18 wells (gross) (net US$12.1 million) to be expended over the remaining life of the concession; and
- Minimum total exploration investment commitment: US$5.0 million (gross) (net US$1.25 million) to be expended over the next 60 months.

Rio Cullen and Angostura Exploitation Concessions

- Exploration commitment - Rio Cullen: US$3.3 million (gross) (net US$0.85 million), Angostura: US$3.8 million (gross) (net US$0.98 million) which in both cases includes seismic and drilling and is to be expended over a 24 month period;
- Base royalty: increase from 12% to 15%; and
- Variable royalty: 0.5% to 2.5% (in 0.5% increments) with increasing oil and gas prices.

After fulfillment of the exploration commitments, there is an additional minimum total additional investment commitment of US$1.8 million (gross) (net US$0.46 million) on each concession.

18. SEGMENTED INFORMATION:

The Company's reportable segments are organized by activity type and geographic area. Activity types are (1) the acquisition, exploration and development of oil and gas properties and (2) other, while geographic areas consists of Canada and Argentina. Other includes corporate activities performed in Canada. Within Argentina, the Company has two operating segments: the El Valle area and the Tierra del Fuego area.

(Canadian dollars)

The following tables present information regarding the Company's reportable segments:

	Canada [(1)]	**Argentina**			**Total**
		El Valle	Tierra del Fuego	Total	
	$	$		$	$
September 30, 2013					
Assets	9,055,408	22,388,619	33,537,814	55,926,433	64,981,841
Liabilities	(390,831)	(1,031,628)	(3,371,533)	(4,403,161)	(4,793,992)
Three months ended September 30, 2013					
Revenue [(2)]	47,817	2,660,202	3,972,874	6,633,076	6,680,893
Impairment	–	49,867	–	49,867	49,867
Net income (loss)	(960,068)	705,006	429,840	1,134,846	174,778
Nine months ended September 30, 2013					
Revenue [(2)]	155,028	7,976,347	11,703,058	19,679,405	19,834,433
Impairment	–	10,121,422	–	10,121,422	10,121,422
Net income (loss)	(3,411,498)	(9,563,525)	1,365,172	(8,198,353)	(11,609,851)
December 31, 2012					
Assets	12,792,732	36,096,721	34,862,007	70,958,728	83,751,460
Liabilities	(536,105)	(1,623,962)	(5,024,188)	(6,648,150)	(7,184,255)
Three months ended August 31, 2012					
Revenue [(2)]	92,246	2,458,027	2,456,577	4,914,604	5,006,850
Impairment	–	–	–	–	–
Net income (loss)	(551,354)	(317,894)	(962,116)	(1,280,010)	(1,831,364)
Nine months ended August 31, 2012					
Revenue [(2)]	268,056	6,437,680	2,456,577	8,894,257	9,162,313
Impairment	–	–	–	–	–
Net income (loss)	(3,123,048)	(274,232)	(962,116)	(1,236,348)	(4,359,396)

[(1)] Canada is comprised of corporate assets only.
[(2)] Represents interest income in Canada and oil and gas revenue and Petroleo Plus Credits in Argentina.