CROWN POINT ENERGY INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("**MD&A**") of consolidated financial results of Crown Point Energy Inc. ("**Crown Point**" or the "**Company**") is at and for the three and nine months ended September 30, 2013.

Crown Point changed its financial year-end from August 31 to December 31 and the transition year was the four months ended December 31, 2012 (the "**December 2012 period**"). The third quarter periods of the new fiscal year are the three and nine months ended September 30, 2013 (collectively, the "**September 2013 periods**"). The comparative periods are the three and nine months ended August 31, 2012 (collectively, the "**August 2012 periods**").

Results of operations and certain other financial information for the December 2012 period have also been included in this MD&A as it provides a more closely related comparison to the September 2013 periods as the Company only had operations relating to the TDF Concessions (as defined below) for a portion of the August 2012 periods. Crown Point did not acquire its interest in the TDF Concessions until May 28, 2012 upon the completion of the acquisition of Antrim Argentina S.A. ("**Antrim Argentina**").

This MD&A is dated as of November 27, 2013 and should be read in conjunction with the Company's unaudited condensed interim September 30, 2013 consolidated financial statements as well as the Company's audited December 31, 2012 consolidated financial statements and MD&A. The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("**IFRS**").

The presentation currency of the Company is the Canadian dollar which is assumed to be at par with the United States dollar for budgeted and estimated capital expenditures and commodity reference prices. In this MD&A, unless otherwise noted, all dollar amounts are expressed in Canadian dollars and references to "**$**" and "**Cdn$"** are to Canadian dollars. References to "**US$**" are to United States dollars and "**ARS$**" are to Argentina Peso.

This MD&A contains forward-looking information relating to future events and the Company's future performance. Please refer to "Advisories - Forward-Looking Information" at the end of this MD&A for further information.

Additional information relating to Crown Point, including Crown Point's unaudited condensed interim September 30, 2013 consolidated financial statements, audited December 31, 2012 consolidated financial statements and related MD&A and Annual Information Form, is available on SEDAR at www.sedar.com.

NON-IFRS MEASURES

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

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

	Three months ended		Nine months ended		December
	September 30 2013	August 31 2012	September 30 2013	August 31 2012	2012 period
Funds flow from (used by) operations	2,507,642	303,339	5,981,934	(743,216)	2,572,120
Changes in non-cash working capital	97,513	(559,839)	(652,031)	382,176	(162,490)
Cash flow from (used by) operating activities	2,605,155	(256,500)	5,329,903	(361,040)	2,409,630

This MD&A also contains other industry benchmarks and terms, including “operating netbacks” (calculated on a per unit basis as oil, natural gas and NGL revenues less royalties, transportation and operating costs), which is a non-IFRS measure. Management believes this measure is a useful supplemental measure of the Company’s profitability relative to commodity prices. Readers are cautioned, however, that operating netbacks should not be construed as alternatives to other terms such as net income as determined in accordance with IFRS as measures of performance. Crown Point’s method of calculating this measure may differ from other companies, and accordingly, may not be comparable to similar measures used by other companies.

ABBREVIATIONS AND BOE PRESENTATION

The following abbreviations used in this MD&A have the meanings set forth below:

bbls - barrels
BOE - barrels of oil equivalent of natural gas, on the basis of 1 BOE for 6 mcf of natural gas
mcf - thousand cubic feet
MMBtu - million British thermal units
NGL - natural gas liquids
WTI - West Texas Intermediate, the reference price paid in U.S. dollars at Cushing, Oklahoma for crude oil of standard grade

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 thousand mcf to one bbl of oil (6 mcf:1 bbl) is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas in Argentina is significantly different from the energy equivalency conversion ratio of 6:1, utilizing a conversion on a 6:1 basis is misleading as an indication of value.

DESCRIPTION OF COMPANY

Crown Point is a junior international oil and gas company with strong cash flow and a production and opportunity base in the three largest producing basins in Argentina. Growth is targeted through low risk natural gas and oil development drilling combined with some highly focused high reward exploration. Crown Point is a natural gas weighted company and is levered to benefit from expected increasing natural gas prices in Argentina.

Crown Point’s main assets are the Las Violetas, Angostura Sur and Rio Cullen Exploitation Concessions (collectively, the “**TDF Concessions**”) in the Austral Basin, Tierra del Fuego (“**TDF**”); the El Valle Exploitation Concession and the Cañadón Ramirez Exploitation Concession, both of which are located in the Golfo San Jorge basin; and the Cerro de Los Leones Exploration Concession and the Laguna de Piedra Exploration Concession, both of which are located in the Neuquén basin. The shares of Crown Point trade on the TSX Venture Exchange under the symbol CWV. The functional currency of its wholly owned subsidiaries, Crown Point Oil & Gas S.A., CanAmericas (Argentina) Energy Ltd. and Antrim Argentina, is the Argentina Peso, and for the Company, the functional currency is the Canadian dollar.

OVERVIEW

Total sales volumes in the three and nine months ended September 30, 2013 were 159,201 BOE and 502,461 BOE, respectively, as compared to 250,411 BOE in the December 2012 period (three and nine months ended August 31, 2012 – 173,696 BOE and 234,697 BOE, respectively). Average daily sales volumes in the three and nine months ended September 30, 2013 were 1,730 BOE per day and 1,841 BOE per day, respectively, as compared to 2,053 BOE per day in the December 2012 period (three and nine months ended August 31, 2012 – 1,888 BOE per day and 857 BOE per day, respectively).

Sales volumes and revenues for the August 2012 periods include volumes from the TDF area only for the last three months of the comparative nine month period ended August 31, 2012, as Crown Point's interests in the area were not acquired until May 28, 2012.

Crown Point experienced a decrease in average daily sales volumes from the TDF area in the September 2013 periods as compared to the December 2012 period. The December 2012 period included the sale of higher than usual TDF volumes in inventory at August 31, 2012, thereby increasing average daily sales volumes for the December 2012 period. The decrease can also be attributed to lower NGL sales in the September 2013 periods, which resulted from Crown Point and its partners fulfilling the residential commitment on a monthly basis in the September 2013 periods (three and nine months of commitments) as compared to the December 2012 period when the entire 2012 calendar year commitment (12 months of commitments) was fulfilled. In addition, in mid-May 2013, NGL exports were terminated and commencing in June 2013, the majority of NGL production was being left in the gas stream.

El Valle average daily sales volumes for the September 2013 periods were lower than comparative periods due to 4,805 bbls of oil compensated to the terminal in the third quarter related to a total of 6,375 bbls of oil sold in advance by the operator earlier in the year. Production volumes for the September 2013 periods were also lower than comparative periods due to the shut-in of two wells for repair and mechanical issues coupled with natural declines in some producing wells.

Revenue in the three and nine months ended September 30, 2013 was $5,038,144 and $16,884,284, respectively, as compared to $8,206,914 in the December 2012 period (three and nine months ended August 31, 2012 – $4,914,604 and $8,894,257, respectively). Although total average daily sales volumes were lower in the September 2013 periods as compared to the December 2012 period, the Company benefited from stronger commodity prices.

Funds flow from operations in the three and nine months ended September 30, 2013 was $2,507,642 and $5,981,934 respectively, as compared to $2,572,120 in the December 2012 period (three and nine months ended August 31, 2012 – $303,339 of funds flow from operations and $743,216 of funds used by operations, respectively). The Company recognized $174,778 of net income and a $11,609,851 net loss in the three and nine months ended September 30, 2013, respectively, as compared to a $813,778 net loss in the December 2012 period (three and nine months ended August 31, 2012 – $1,831,364 and $4,359,396 net loss, respectively).

Impairment indicators for the El Valle property and Cañadón Ramirez Concession were identified in the second quarter of 2013 resulting in the recognition of $10,071,555 of impairment during the June 30, 2013 period.

During the second quarter of 2013, the Company evaluated the collectability of a US$ denominated receivable from the Argentine operator of its El Valle property and recorded $516,178 of impairment. An additional $49,867 of impairment was recorded in the third quarter related to the effects of foreign currency translation.

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 for cash to other domestic oil exporters. During the nine months ended September 30, 2013, the Company received proceeds of $2.8 million for the sale of Petroleo Plus Credits, of which $1.6 million was received in the third quarter. Crown Point received an additional US$1.0 million of proceeds in October 2013 and expects to receive US$2.4 million of proceeds in December 2013 for recently approved certificates relating to 2011 and 2012 production. The Company also has US$2.0 million of outstanding certificates relating to the remainder of 2012 and 2013 production and reserves. There is no certainty that the US$2.0 million of outstanding certificates will be approved by the government or that approved certificates will be sold.

REGULATORY DEVELOPMENTS

The actions of various levels of government in Argentina during recent periods continue to add uncertainty to the oil and gas industry in Argentina and are likely to continue to impact Crown Point's results, operations and development plans.

- On January 3, 2013, the Ministry of Economy and Public Finance issued a resolution that increased the tax-exempt export price on crude oil from US$42 to US$70 per bbl when the reference price (WTI) exceeds US$80 per bbl. The measure is intended to guarantee similar profitability for domestic crude oil and export crude oil.
- On August 16, 2013, Crown Point submitted to the Argentine Government its formal proposal for participation in the New Gas Program announced by the President of Argentina. However, finalization of the New Gas Program structure and terms and the approval of program applications has been delayed due to Argentine mid-term elections, recent surgery undergone by the President and a cabinet shuffle.

  The New Gas Program is designed to encourage and compensate gas producers by paying cash compensation to companies who increase production above a corporate base production rate provided that their natural gas production remains at or above a negotiated committed level of production.
- The stated objective of the Argentine Government is to increase oil and natural gas production in Argentina through increased investments by YPF S.A. ("YPF"), now majority owned by the Argentine government. In 2013, the Argentine Government announced the creation of a trust fund of up to $2.0 billion for financing oil and gas companies in which it has an equity interest.

  Following the announcement of these measures, YPF contracted a significant amount of the drilling equipment and related services available in Argentina during 2013. As a result, Crown Point has experienced significant delays in obtaining equipment to drill planned wells in Tierra del Fuego following the receipt of the TDF Concessions extension in July 2013.

Additional details of the regulatory regime in Argentina can be found under the heading "Industry Conditions" in the Company's Annual Information Form, which is available on SEDAR at www.sedar.com.

SUMMARY FINANCIAL INFORMATION

	September 30 2013	**December 31 2012**	**August 31 2012**
Working capital	14,686,377	14,846,843	17,736,716
Total assets	64,981,841	83,751,460	86,745,872
Total non-current liabilities (1)	2,172,770	2,299,227	2,267,574
Share capital	107,179,021	107,387,933	107,387,933
Total common shares outstanding	104,515,222	104,515,222	104,515,222

	Three months ended		Nine months ended		December
	September 30 2013	August 31 2012	September 30 2013	August 31 2012	2012 period
Total revenue	5,038,144	4,914,604	16,884,284	8,894,257	8,206,914
Net income (loss)	174,778	(1,831,364)	(11,609,851)	(4,359,396)	(813,778)
Net income (loss) per share [2]	0.00	(0.02)	(0.11)	(0.05)	(0.01)
Funds flow from (used by) operations	2,507,642	303,339	5,981,934	(743,216)	2,572,120
Funds flow per share [2]	0.02	0.00	0.06	(0.01)	0.02
Weighted average number of shares	104,515,222	104,515,222	104,515,222	80,269,854	104,515,222

[1] The Company's non-current liabilities are the decommissioning provision.

[2] All per share figures are based on the basic weighted average number of shares outstanding in the period. The effect of options and warrants is anti-dilutive in loss periods.

RESULTS OF OPERATIONS

Operating Netbacks – Total Company

	Three months ended		Nine months ended		December
Per BOE	September 30 2013	August 31 2012	September 30 2013	August 31 2012	2012 period
Total sales volumes (BOE)	159,201	173,696	502,461	234,697	250,411
BOE per day	1,730	1,888	1,841	857	2,053
Oil and gas revenue ($)	31.65	28.29	33.60	37.90	32.77
Royalties ($)	(6.22)	(5.70)	(6.39)	(8.31)	(5.83)
Operating costs ($)	(12.20)	(8.47)	(13.05)	(10.56)	(11.29)
Operating netback ($)	13.23	14.12	14.16	19.03	15.65
Composition of sales volumes					
Light oil	25%	28%	29%	46%	35%
NGL	2%	4%	2%	3%	4%
Natural gas	73%	68%	69%	51%	61%
Total BOE	100%	100%	100%	100%	100%

Total Company operating netbacks decreased in the September 2013 periods due mainly to an increase in royalties and operating costs per BOE in both TDF and El Valle as compared to the comparative periods.

As the TDF volumes, which include a large percentage of natural gas volumes that earn a lower operating netback than oil sales volumes from the El Valle area, are only included in the last three months of the nine months ended August 31, 2012, the operating netback is higher for the nine months ended August 31, 2012.

Operating netbacks are analyzed below by area: El Valle and TDF. The TDF assets were acquired as part of the acquisition of Antrim Argentina on May 28, 2012.

Results of Operations – TDF

Operating Netback

Per BOE	Three months ended September 30 2013	Three months ended August 31 2012	Nine months ended September 30 2013	Nine months ended August 31 2012	December 2012 period
Oil and gas revenue ($)	27.57	18.15	27.49	18.15	27.64
Royalties ($)	(4.93)	(2.72)	(4.26)	(2.72)	(3.80)
Operating costs ($)	(9.80)	(6.98)	(10.57)	(6.98)	(9.63)
Operating netback ($)	12.84	8.45	12.66	8.45	14.21

Sales Volumes and Revenues

	Three months ended September 30 2013	Three months ended August 31 2012	Nine months ended September 30 2013	Nine months ended August 31 2012	December 2012 period
Light oil (bbls)	25,018	9,583	70,259	9,583	48,942
NGL (bbls)	2,407	7,290	11,931	7,290	11,214
Natural gas (mcf)	700,092	710,782	2,060,808	710,782	914,951
Total BOE	144,107	135,336	425,658	135,336	212,648
Light oil bbls per day (average)	272	104	257	35 (1)	401
NGL bbls per day (average)	26	79	44	27 (1)	92
Natural gas mcf per day (average)	7,610	7,726	7,549	2,594 (1)	7,500
BOE per day	1,566	1,471	1,559	494 (1)	1,743
Light oil revenue ($)	1,838,621	671,363	4,894,015	671,363	3,102,898
NGL revenue ($)	46,893	74,568	326,288	74,568	72,374
Natural gas revenue ($)	2,087,360	1,710,646	6,482,755	1,710,646	2,703,333
Total revenue	3,972,874	2,456,577	11,703,058	2,456,577	5,878,605
Light oil revenue per bbl ($)	73.49	70.06	69.66	70.06	63.40
NGL revenue per bbl($)	19.48	10.23	27.35	10.23	6.45
Natural gas revenue per mcf ($)	2.98	2.41	3.15	2.41	2.95
Revenue per BOE ($)	27.57	18.15	27.49	18.15	27.64

(1) Average daily sales volumes for the 2012 nine-month period are calculated based on sales recognized for the last three months of the period divided by the full 274 days in the period.

Production and Sales Volumes

TDF net production during the third quarter of 2013 averaged 1,541 BOE per day, compared with 1,564 BOE per day in the first quarter and 1,565 BOE per day in the second quarter. Third quarter average net oil production was 249 bbls per day, average net NGL production was 27 bbls per day and average net gas production was 7,590 mcf per day. These numbers are comparable with the prior quarters with the exception of NGL production which decreased as the majority of NGL volumes are being left in the gas stream.

TDF sales were weighted 17% oil, 2% NGL and 81% natural gas in the three months ended September 30, 2013 and 16% oil, 3% NGL and 81% natural gas in the nine months ended September 30, 2013 as compared to 7% oil, 5% NGL and 88% natural gas in the August 2012 periods and 23% oil, 5% NGL and 72% natural gas in the December 2012 period.

Oil (and related NGL) production from TDF is stored and periodically transported by ship to a refinery on the mainland. The sale of crude oil from TDF can be impacted by intermittent shipments due to storage levels and weather conditions. Oil and NGL sales volumes may include both previously inventoried volumes as well as current period production.

TDF average daily sales volumes for the August 2012 periods were lower than the September 2013 periods and the December 2012 period as 35,980 bbls of oil produced in the August 2012 periods was in inventory at August 31, 2012 and sold during the December 2012 period. The sale of this higher than usual volume of inventory in the December 2012 period increased the average daily sales volumes for the December 2012 period as compared to the September 2013 periods.

During the nine months ended September 30, 2013, oil production was 67,493 bbls (247 bbls per day) and sales were 70,259 bbls (257 bbls per day) as compared to the December 2012 period for which oil production was 29,327 bbls (240 bbls per day) and sales were 48,942 bbls (401 bbls per day). Oil inventory at September 30, 2013 was 7,444 bbls which was sold in October and November 2013 (December 31, 2012 – 10,210 bbls sold during February and March 2013; August 31, 2012 – 35,980 bbls sold in September and October 2012).

TDF average daily sales NGL volumes for the September 2013 periods were lower than the December 2012 period as during the December 2012 period the Company delivered its entire annual NGL commitment to the residential market compared to a monthly fulfillment of the commitment in the September 2013 periods.

During the nine months ended September 30, 2013, NGL production was 9,358 bbls (34 bbls per day) and sales were 11,931 bbls (44 bbls per day) as compared to the December 2012 period for which NGL production was 9,174 bbls (75 bbls per day) and sales were 11,214 bbls (92 bbls per day). NGL inventory at September 30, 2013 was 1,535 bbls which was sold in October and November 2013 (December 31, 2012 – 4,115 bbls sold during the first quarter of 2013).

A portion of the Company's NGL production is being sold into the domestic island market, but starting in June 2013, the majority of NGL production is being left in the gas stream. TDF average daily sales natural gas volumes increased in the third quarter of 2013 due to the re-injection of butane volumes which increases the volume of gas.

Revenues

The price earned by the Company on TDF oil averaged 71% of US$98.15 WTI during the nine months ended September 30, 2013 (December 2012 period – 71% of US$89.85 WTI; August 2012 – 79% of US$88.13 WTI). Oil from the TDF Concessions is sold on a spot basis with reference to the in-country Medanito crude oil benchmark price less a quality discount. Increases in mainland Argentina demand have resulted in increased market prices for oil since the middle of 2009, resulting in increases in the oil price received.

The price earned by the Company on TDF NGL sales is higher in the September 2013 periods as compared to the December 2012 period and the August 2012 periods due to lower sales to the residential market in the September 2013 periods offset by export sales of NGL to Chile. During the nine months ended September 30, 2013, the Company exported 4,845 bbls at an average price of $45.68 per bbl. In the December 2012 period, all sales were domestic which earn a lower price than export sales; in the August 2012 periods, a moderate amount of NGL sales were exported.

The price earned by the Company on TDF natural gas production averaged $2.98 per mcf and $3.15 per mcf during the three and nine months ended September 30, 2013, respectively, compared to $2.95 per mcf in the December 2012 period and $2.41 per mcf in the August 2012 periods. The natural gas price earned in the September 2013 periods increased due to lower sales to the residential market for the first half of the year (16%) which earns a lower price than the industrial market.

In mid-May 2013, NGL exports to Chile were terminated. A portion of the Company's NGL production is being sold into the domestic island market, but the majority of NGL production is being left in the gas stream which increases the heat content. The higher heat content improves the price per mcf of gas received by Grown Point, relative to gas produced with the NGLs removed.

Royalties

	Three months ended		Nine months ended		December
	September 30 2013	August 31 2012	September 30 2013	August 31 2012	2012 period
Provincial royalties ($)	710,598	367,770	1,812,916	367,770	808,579
Royalties as a % of Revenue	18%	15%	16%	15%	14%
Royalties per BOE ($)	4.93	2.72	4.26	2.72	3.80

Prior to the receiving approval for the extension of the TDF concessions in July 2013, the combined royalty rate paid in TDF was typically 14% to 15% of revenue. However, as part of the concession extension, the base royalty rate was increased from 12% to 15%. As a result, royalties as a % of revenue are higher in the third quarter of 2013.

Variances in TDF royalties are also impacted by the level of export sales volumes which bear an additional royalty of 2% compared to domestic sales which have a 1% royalty.

Operating Costs

	Three months ended		Nine months ended		December
	September 30 2013	August 31 2012	September 30 2013	August 31 2012	2012 period
Production and processing ($)	1,269,469	824,679	4,042,312	824,679	1,886,866
Transportation and hauling ($)	142,488	119,864	455,412	119,864	160,564
Total operating costs ($)	1,411,957	944,543	4,497,724	944,543	2,047,430
Operating costs per BOE ($)	9.80	6.98	10.57	6.98	9.63

Operating costs were higher in the September 2013 periods due to technical service fees billed by the operator, salary increases and a semi-annual payment for half of the annual federally legislated mandatory payment of one extra month's salary plus maintenance costs for gas measuring points. Transportation and hauling costs for the third quarter of 2013 are higher than the August 2012 periods due to an increase in personnel costs.

Operating costs dropped in the third quarter of 2013 compared to the nine months ended September 30, 2013 due to an adjustment made in the quarter for the capitalization of $235,860 of direct costs related to Cerro los Leones that were previously included in TDF operating costs for 2013.

Results of Operations – El Valle

Operating Netbacks

	Three months ended		Nine months ended		December
Per BOE	September 30 2013	August 31 2012	September 30 2013	August 31 2012	2012 period
Oil and gas revenue ($)	70.57	64.08	67.46	64.79	61.66
Royalties ($)	(18.52)	(16.22)	(18.17)	(15.93)	(17.28)
Operating costs ($)	(35.11)	(13.75)	(26.84)	(15.44)	(20.61)
Operating netback ($)	16.94	34.11	22.45	33.42	23.77

The decrease in the operating netback for the September 2013 periods as compared to the December 2012 period and the August 2012 periods is explained by changes in sales volumes and revenues, royalties and operating costs as detailed below.

Sales Volumes and Revenues

	Three months ended		Nine months ended		December
	September 30 2013	August 31 2012	September 30 2013	August 31 2012	2012 period
Argentina light oil (bbls)	15,094	38,360	76,804	99,361	37,763
BOE per day (average)	164	417	281	363	310
Revenue ($)	1,065,270	2,458,027	5,181,226	6,437,680	2,328,309
Revenue per BOE ($)	70.57	64.08	67.46	64.79	61.66

Production and Sales Volumes

Production volumes averaged 216 bbls per day and 243 bbls per day during the three and nine months ended September 30, 2013, respectively. Production volumes for the September 2013 periods decreased from prior periods due to the shut-in of two wells for repair and mechanical issues coupled with natural declines in some producing wells. Production volumes were also higher in the August 2012 periods and the December 2012 period as a direct result of five wells drilled and placed on production between June and August 2012.

During the first quarter of 2013, sales volumes included the sale of all production in the quarter plus 9,180 bbls in inventory at December 31, 2012. The Company did not have any oil inventory in El Valle at September 30, 2013.

El Valle average daily sales volumes for the September 2013 periods were lower than comparative periods due to 4,805 bbls of oil compensated to the terminal in the third quarter related to a total of 6,375 bbls of oil sold in advance by the operator earlier in the year (primarily in January to April). Previous periods' royalties and operating costs included accruals for expenses related to the advanced sales volumes and a proportionate amount for the compensation volumes was adjusted in the third quarter.

The advanced sale of oil is a common practice in Argentina. The operator agrees with the terminal where the oil is stored to dispatch a higher volume than the balance of the joint venture at the date of the shipment, and according to the capacity of the vessel. Advance sales are compensated with future volumes of oil at the terminal.

BOE per day (average)	Q3 2013	Q2 2013	Q1 2013	Total 2013
Production volumes	216	246	265	243
2012 inventoried volumes	–	–	101	33
Advance (compensation) volumes	(52)	34	36	5
Sales volumes	164	280	402	281

Revenues

The price earned by the Company on El Valle oil averaged 69% of US$98.15 WTI during the nine months ended September 30, 2013 (nine months ended August 31, 2012 – 65% of US$100.88 WTI; December 2012 period – 69% of US$89.85 WTI).

Royalties

	Three months ended		Nine months ended		December
	September 30 2013	August 31 2012	September 30 2013	August 31 2012	2012 period
Royalties by type					
Provincial ($)	199,266	353,275	920,742	916,846	429,763
Freehold and other ($)	80,322	268,799	474,836	665,749	222,642
Total ($)	279,588	622,074	1,395,578	1,582,595	652,405
Royalties as a % of Revenue					
Provincial	19%	14%	18%	14%	18%
Freehold and other	7%	11%	9%	10%	10%
Total	26%	25%	27%	24%	28%
Total royalties per BOE ($)	18.52	16.22	18.17	15.93	17.28

Provincial royalties as a percentage of sales are higher in the September 2013 periods and December 2012 period as compared to the August 2012 periods due to an increase in the royalty rate from 12% to 15% as a result of the ten-year extension to the El Valle Exploitation Concession signed in October 2012 with an effective date of September 1, 2012. In addition, the turnover tax rate increased from 2% to 3% during the latter part of the August 31, 2012 fiscal year as reflected in provincial royalties for the September 2013 periods and December 2012 period.

Freehold and other royalties as a percentage of sales are lower in the September 2013 periods as the rate of these royalties is reduced by the increase in the provincial rate resulting from the concession extension.

Operating Costs

	Three months ended		Nine months ended		December
	September 30 2013	August 31 2012	September 30 2013	August 31 2012	2012 period
Production and processing ($)	445,749	324,511	1,692,700	933,022	575,614
Transportation and hauling ($)	84,217	202,854	368,468	600,919	202,853
Total operating costs ($)	529,966	527,365	2,061,168	1,533,941	778,467
Operating costs per BOE ($)	35.11	13.75	26.84	15.44	20.61

Operating costs per BOE for the September 2013 periods and December 2012 period as compared to the August 2012 periods reflect an increase in labour costs combined with a new operating agreement with respect to the operations on the El Valle Exploitation Concession which came into effect in September 2012. Under the new agreement, operating costs are assigned to partners at a rate of US$1.33 per bbl plus a pro-rata share of actual operating costs. On average, the actual operating cost allocation is higher than the rates assigned under the old agreement. Previously, operating costs were assigned on a sliding scale basis of US$7.50 per bbl for production below 6,000 bbls; US$5.40 per bbl for production between 6,000 bbls and 12,000 bbls; and US$4.30 per bbl for production over 12,000 bbls, plus shipping, storage and transportation costs.

Operating costs per BOE for the September 2013 periods are higher than the December 2012 period due to an increase in fixed costs related to a mineral lease payment made in March 2013, a semi-annual payment of the annual federally legislated mandatory payment of one extra month's salary in June 2013 and workover expenditures incurred in September 2013. These additional expenses combined with lower volumes resulted in higher operating costs per BOE.

The Company is working with the other parties with interests in the El Valle Exploitation Concession to attempt to find ways to reduce operating costs. These efforts include a detailed review of operating costs, particularly charges for third party services. Recoveries will be recognized in the period in which they are identified.

General and Administrative

General and administrative expenses ("**G&A**") for the three and nine months ended September 30, 2013 were $1,390,989 and $4,527,851, respectively, compared to $1,923,219 and $3,570,653 for the three and nine months ended August 31, 2012, respectively, and $1,981,848 for the December 2012 period. G&A expenses are higher in the September 2013 periods and December 2012 period as compared to the August 2012 periods due to the addition of Antrim Argentina employees and expenses on May 28, 2012.

	Three months ended		Nine months ended		December
	September 30 2013	**August 31 2012**	**September 30 2013**	**August 31 2012**	**2012 period**
Salaries and benefits	$ 746,102	$ 866,544	$ 2,377,233	$ 1,549,555	$ 1,184,381
Professional fees	285,288	541,302	822,092	984,576	338,683
Office and general	259,524	312,675	915,851	664,610	316,141
Travel and promotion	94,216	117,595	372,176	263,309	131,084
Transfer agent	5,859	85,103	40,499	108,603	11,559
	$ 1,390,989	$ 1,923,219	$ 4,527,851	$ 3,570,653	$ 1,981,848

Salaries and benefits in the nine months ended September 30, 2013 include $219,000 of annual bonuses for Argentine executive and employees plus $90,250 of bonuses for Canadian executives approved and paid in the first quarter of 2013.

Professional fees in the nine months ended September 30, 2013 include additional fees for reserve reports over accruals in the prior periods, financing fees paid to consultants, legal fees related to assistance with the preparation of filing documents, including the Annual Information Form and Management Information Circular, and costs associated with the annual meeting. Professional fees were higher in the August 2012 periods due to the preparation of reserves reports, IFRS implementation and audit, interim review and fiscal August 31, 2012 year-end audit fees and public company filing fees.

Office and general expenses are higher in the nine months ended September 30, 2013 as compared to the nine months ended August 31, 2012 as the 2013 period includes Antrim Argentina related expenses from January to September 2013 whereas the 2012 period includes Antrim Argentina from June to August 2012 only.

Travel and promotion expenses are higher in the nine months ended September 30, 2013 due to investor relations activities and travel to Argentina, including an operational tour of the Company's properties for the Board of Directors.

Transfer agent fees in the nine months ended September 30, 2013 include fees associated with the filing of annual documents and listing fees. Transfer agent fees are higher in the August 2012 periods due to financing activities and share-based related fees.

Acquisition Costs

During the three and nine months ended August 31, 2012, the Company incurred $329,008 and $1,336,163, respectively, of transaction costs in conjunction with the acquisition of Antrim Argentina.

Depletion and Depreciation

	Three months ended		Nine months ended		December
	September 30 2013	August 31 2012	September 30 2013	August 31 2012	2012 period
El Valle depletion	$ 423,472	$ 770,739	$ 1,804,256	$ 1,793,721	$ 844,104
TDF depletion	1,288,953	1,224,527	3,786,762	1,224,527	1,908,345
Total depletion	1,712,425	1,995,266	5,591,018	3,018,248	2,752,449
Impairment	–	–	7,923,600	–	–
Depreciation	22,573	47,680	181,046	95,021	187,713
	$ 1,734,998	$ 2,042,946	$13,695,664	$ 3,113,269	$2,940,162

As at September 30, 2013, future development costs of proved and probable reserves were estimated at US$32.0 million, of which US$6.2 million relates to El Valle and US$25.8 million relates to TDF (December 31, 2012 – US$37.4 million, of which US$11.6 million relates to El Valle and US$25.8 million relates to TDF; August 31, 2012 — US$38.7 million, of which US$12.8 million relates to El Valle and US$25.9 million relates to TDF). Developed and producing assets in Argentina as at September 30, 2013 include $3.6 million (December 31, 2012 – $5.2 million; August 31, 2012 – $5.0 million) of value added tax ("**VAT**").

During the nine months ended September 30, 2013, the Company capitalized $571,146 (December 2012 period – $328,310; nine months ended August 31, 2012 – $384,380) of G&A and $66,700 (December 2012 period – $35,520; nine months ended August 31, 2012 – $126,960) of share-based payments.

Depletion rates by area are as follows:

	Three months ended		Nine months ended		December
	September 30 2013	August 31 2012	September 30 2013	August 31 2012	2012 period
TDF depletion rate per BOE ($)	8.94	9.05	8.90	9.05	8.97
El Valle depletion rate per BOE ($)	28.06	20.09	23.49	18.05	22.35
Total depletion rate per BOE ($)	10.76	11.49	11.13	12.86	10.99

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 20% declining balance basis for Canadian office furniture and equipment, a straight line basis over 3 - 10 years for Argentina office furniture and equipment and a straight line basis over the term of the lease for all leasehold improvements.

The slightly lower TDF depletion rate for the nine months ended September 30, 2013 as compared to the December 2012 period is due to an expected decrease in the September 30, 2013 reserve base due to production in the September 2013 periods combined with a decrease in the depletable base due to a lower ARS$ to Cdn$ exchange rate).

The El Valle depletion rate increased in the September 2013 periods due to downward revisions to the reserve base based on a June 30, 2013 internal update of the externally prepared December 31, 2012 reserve report.

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	$ 49,867	$ –	$ 566,045	$ –
Exploration and evaluation assets	–	–	1,631,777	–
Property and equipment	–	–	7,923,600	–
	$ 49,867	$ –	$ 10,121,422	$ –

- Trade and other receivables: During the second quarter of 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 operator has acknowledged the outstanding receivable and the Company continues to address this matter with the operator in an attempt to collect the entire balance.
- Exploration and evaluation assets: During the second quarter of 2013, the Company recognized $331,777 of impairment for the Cañadón Ramirez Concession as the Company has no current plans to allocate budget dollars to the Concession. The Company also recognized $1,300,000 of impairment related to the El Valle cash-generating unit ("CGU") as discussed below.
- Property and equipment: During the second quarter of 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 curtailment of drilling plans, as indicators of impairment. Increasing operating costs are due to trade union negotiated pay increases and increasing costs of materials and services. The Company and its partners are diligently investigating ways to reduce costs, but until such cost-savings are attained future capital investment is being deferred.

  As a result of the presence of impairment indicators, 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.

Share-Based Payments

Share based payments ("**SBP**") are non–cash amounts, calculated using the Black-Scholes model, of the estimated cost associated with options granted to purchase common shares. This expense does not represent actual cash compensation realized by the recipients of the options upon the eventual exercise of the options and disposition of the underlying shares.

During the three and nine months ended September 30, 2013, the Company recognized $187,344 and $892,553, respectively, of SBP expense compared to $165,647 and $1,033,604 recognized in the three and nine months ended August 31, 2012, respectively, and $313,359 recognized during the December 2012 period.

SBP recognized in the August 2012 periods relates to options granted prior to August 2012. SBP recognized in the December 2012 period primarily relates to 2,630,000 options granted between August 2012 and December 2012. SBP recognized in the September 2013 periods primarily relates to the 2,630,000 options referred to in the December 2012 period plus 2,875,000 options granted in the first and second quarters of 2013.

As at September 30, 2013, the remaining unvested share-based compensation was $321,484.

Foreign Exchange Gain (Loss)

During the three and nine months ended September 30, 2013, the Company recognized foreign exchange losses of $2,458 and $100,425, respectively, compared to foreign exchange losses of $4,642 and $35,128 during the three and nine months ended August 31, 2012, respectively, and a foreign exchange gain of $125,719 in the December 2012 period.

These amounts occur as a result of currency fluctuations between the Cdn$, US$ and the ARS$ due to translation of working capital items.

Exchange rates as at:	September 30 2013	December 31 2012	August 31 2012
ARS$ to Cdn$	$ 0.1775	$ 0.2024	$ 0.2128
US$ to Cdn$	$ 1.0285	$ 0.9949	$ 0.9863
US$ to ARS$	$ 5.7944	$ 4.9155	$ 4.6349

The International Monetary Fund ("**IMF**") has noted that Argentina is being monitored for inflation and whether the economy of Argentina should be considered highly inflationary. If the cumulative inflation rate for a three-year period is in excess of 100%, the economy may be considered highly inflationary. Argentina had an estimated three-year cumulative inflation rate of 31% in 2011 which was projected to be 33% by the end of 2012. The figures are based on Argentina's official government data for Gross Domestic Product and Consumer Price Index which have been questioned as to their quality and accuracy. Data by private analysts have shown considerably higher inflation figures than the official government data since 2007.

On February 1, 2013, the IMF officially reprimanded Argentina for its inaccurate inflation statistics and gave the government of Argentina until September 29, 2013 to take remedial measures to comply with the IMF's rules on the reporting of statistics. If it fails to do so, Argentina risks consequences that may include losing its ability to borrow from the IMF and as severe as expulsion from the IMF.

Argentina's Economic Ministry met with the IMF on September 16, 2013 and announced that it has been working on the creation of a new price index as part of its efforts to comply with international reporting standards for statistics.

The Managing Director of the IMF submitted a report to the IMF Board on November 13, 2013 on the status of Argentina's implementation of remedial measures. On the basis of the report, the IMF Board will review Argentina's response and the report findings and follow IMF procedures for consideration of the withdrawal of the motion of censorship against the country. There is no official date for the IMF Board review.

Financing Fees and Bank Charges

During the three and nine months ended September 30, 2013, the Company incurred $127,138 and $353,879, respectively, of financing fees and bank charges compared to $200,321 and $260,714 incurred in the three and nine months ended August 31, 2012, respectively, and $286,657 incurred in the December 2012 period.

Financing fees and bank charges result primarily from bank stamp taxes charged in Argentina on cash transfers. The September 2013 periods include Argentine bank stamp taxes for both Crown Point Oil &Gas S.A. and Antrim Argentina throughout both periods whereas the nine month period ended August 31, 2012 includes only three months of expenses incurred by Antrim Argentina. In addition, transfers were lower in the three months ended September 30, 2013 than the three months ended August 31, 2012.

Recovery of VAT

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. However, as a result of the decision of the Federal Government of Argentina in August 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 three and nine months ended September 30, 2013, the Company recognized $nil and $334,033, respectively, of recoveries for amounts previously estimated as unrecoverable (December 2012 period – $656,384; August 2012 periods – $37,612).

Petroleo Plus Credits

During the nine months ended September 30, 2013, the Company received proceeds of $2.8 million for the sale of Petroleo Plus Credits, of which $1.6 million was received in the third quarter and $1.2 million was received in the first quarter. Crown Point received an additional US$1.0 million of proceeds in October 2013 and expects to receive US$2.4 million of proceeds in December 2013 for recently approved certificates relating to 2011 and 2012 production. The Company also has US$2.0 million of outstanding certificates relating to the remainder of 2012 and 2013 production and reserves.

There is no certainty that the US$2.0 million of outstanding certificates will be approved by the government or that approved certificates will be sold to other domestic oil exporters. As a result, the Company accounts for Petroleo Plus Credits on a cash basis as proceeds are received.

CAPITAL EXPENDITURES

The Company recognized the following additions in exploration and evaluation ("**E&E**") assets during the periods presented:

	Nine months ended		December
	September 30 2013	**August 31 2012**	**2012 period**
Cerro de Los Leones	$ 2,316,345	$ 957,164	$ 2,953,970
Cañadón Ramirez and other	123,198	509,138	32,095
VAT	(15,912)	5,183	1,487
Cash expenditures	2,423,631	1,471,485	2,987,552
Decommissioning revisions	(2,066)	16,467	5,562
	$ 2,421,565	$ 1,487,952	$ 2,993,114

During first quarter of 2013 and the December 2012 period, the Company recorded and processed 122 kilometers of 2D seismic and 143 square kilometers of 3D seismic in Cerro de Los Leones. During the third quarter of 2013, the Company continued to interpret main leads from the seismic data and to prepare well prognosis and proposal graphics.

The Company recognized the following additions to property and equipment assets during the periods presented:

	Nine months ended September 30 2013	Nine months ended August 31 2012	December 2012 period
Intangible	$ 1,222,394	$ 11,339,143	$ 437,768
Tangible	671,990	507,934	431,878
VAT	(1,054,522)	1,297,807	405,047
El Valle electrification	24,608	478,243	486,868
Capitalized G&A	571,147	534,030	328,310
Corporate assets	189,390	210,375	478,583
Cash expenditures	1,625,007	14,367,532	2,568,454
Capitalized SBP	66,700	145,020	35,520
Decommissioning additions and revisions	(54,736)	(611,543)	42,157
	$ 1,636,971	$ 13,901,009	$ 2,646,131

	Nine months ended September 30 2013	Nine months ended August 31 2012	December 2012 period
Allocation of cash expenditures:			
El Valle	$ 673,143	$ 13,954,383	$ 1,278,429
TDF	762,474	202,774	811,442
Corporate	189,390	210,375	478,583
	$ 1,625,007	$ 14,367,532	$ 2,568,454

During the nine months ended September 2013, Crown Point incurred workover and stimulation expenditures on two wells in the El Valle area. However, overall drilling activity in El Valle has been curtailed while the Company and other parties with interests in the El Valle Exploitation Concession work on solutions to reduce operating costs.

During the December 2012 period, the Company completed the electrification of the El Valle Concession and identified additional drilling locations in the Cañadón Seco formation and considered 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.

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. As at September 30, 2013, the Company had working capital of $14,686,377 (December 31, 2012 – $14,846,843) which given planned capital expenditures, administrative overhead requirements and commitments, is expected to be sufficient to meet current financial obligations over the next twelve months.

Of the Company's total cash resources at September 30, 2013, $7.8 million is on deposit in short term guaranteed investment certificates with a major Canadian financial institution. Management has received confirmation from the financial institution that these funds are available on demand. The remaining cash is in bank deposit/chequing accounts available as required for operations and vendor payments.

In addition, the Company has a ARS$26,800,000 (Cdn$4.8 million) development loan facility with a compensatory interest rate of 15.25% per annum for the development of the TDF Concessions which became available to the Company in July 2013 following the receipt of approval of the ten-year extension for the TDF Concessions to 2026. The entire amount of the loan was drawn on November 13, 2013 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. Interest is calculated and paid monthly at the commencement of the loan; the loan principal is repayable in 24 monthly installments commencing December 13, 2014.

The Company anticipates using existing working capital and cash flow to fund the Company's capital expenditure program through to the end of 2014. However, as new opportunities arise or planned expenditures are revised, the Company is committed to raising the necessary funds required for operations and capital expenditures through equity financing, joint venture agreements, and loans. If more of the Company's properties become economic and productive, the additional cash flow generated will assist in funding the Company's future activities.

COMMITMENTS

(a) 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 was set to expire in November 2016, however the Company and its partners recently 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.

SUBSEQUENT EVENTS

Petroleo Plus Credits

Subsequent to September 30, 2013, the Company received US$1.0 million of Petroleo Plus proceeds for the sale of a certificate related to 2011 production. The Company also sold US$2.4 million of certificates related to 2012 production, the proceeds of which are expected to be received in December 2013.

Development loan

On November 8, 2013, the Company received ARS$26,800,000 (Cdn$4.8 million) of development loan proceeds from HSBC Bank Argentina S.A. The loan bears a compensatory interest rate of 15.25% per annum, calculated and paid monthly. The loan principal is repayable in 24 monthly installments commencing on December 13, 2014.

OUTLOOK

The Company's efforts over the next twelve months will be focused principally on two areas: Tierra del Fuego and Cerro de Los Leones. Production operations and optimization efforts will continue at El Valle.

Drilling operations are expected to commence in Tierra del Fuego in the first quarter of 2014. A ten well program consisting of eight development wells and two exploration wells is planned. Site preparation and pre-drilling logistics have commenced for this drilling program.

At Cerro de Los Leones the Company has completed the interpretation of the seismic and has identified two separate structural features, La Hoyada and La Mocha. Both of these prospects are targeted for oil and have the potential for multiple zones. The Company currently is completing well design, AFE's and pre-drilling logistics. Drilling operations on the La Hoyada structure are expected to commence in the first quarter of 2014.

RELATED PARTY TRANSACTIONS

There were no transactions between the Company and related parties of the Company in either the September 2013 periods or the comparative August 2012 periods.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off balance sheet arrangements.

SHARE CAPITAL

Issued and outstanding	**Common Shares**	**Stock Options**	**Series B Warrants**
December 31, 2012	104,515,222	4,990,000	1,305,698
Granted	–	2,875,000	–
Expired	–	(280,000)	(1,305,698)
September 30, 2013 and November 27, 2013	104,515,222	7,585,000	–

FINANCIAL INSTRUMENTS

The fair values of the Company's cash and cash equivalents, trade and other receivables, other non-current assets and trade and other payables approximate their carrying amounts due to the short-term nature of these financial instruments. Financial instruments also include other non-current assets for which fair value is not materially different than the carrying amount.

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

NEW ACCOUNTING STANDARDS AND PRONOUNCEMENTS

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 September 30, 2013 condensed interim consolidated financial statements.

BUSINESS RISKS AND UNCERTAINTIES

Crown Point’s production and exploration activities are concentrated in Argentina, where activity is highly competitive and includes a variety of different sized companies ranging from smaller junior producers to the much larger integrated petroleum companies. Crown Point is subject to various types of business risks and uncertainties, which may materially affect the Company’s future performance including total revenue, and profit or loss:

- the risks of the oil and gas industry both domestically and internationally, such as operational risks in exploring for, developing and producing crude oil and natural gas and market demand;
- general economic conditions in Canada, Argentina and globally;
- the ability of management to execute its business plan;
- fluctuations in the price of oil and natural gas, interest rates and exchange rates;
- governmental regulation of the oil and gas industry, including environmental regulation;
- lack of diversification of the Company’s interests;
- risks associated with foreign operations, including changes in energy policies or personnel administering them, nationalization, hyper-inflationary conditions, currency fluctuations, exchange and export controls and royalty and tax rates;
- the impact of work disruption and labour unrest on the Company’s operations;
- actions taken by governmental authorities, including increases in taxes and changes in government regulations and incentive programs;
- geological, technical, drilling and processing problems;
- risks and uncertainties involving geology of oil and gas deposits;
- risks inherent in marketing operations, including credit risk;
- the ability to enter into, renew and/or extend leases and/or concessions;
- the uncertainty of reserves estimates and reserves life;
- 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 our inability to obtain the necessary oilfield services we require, including drilling rigs;
- the insufficiency of cash flow to fund operations;
- availability of sufficient financial resources to fund the Company’s capital expenditures;
- uncertainty of finding reserves and developing and marketing those reserves;
- unanticipated operating events, which could reduce production or cause production to be shut in or delayed;
- the ability of management to identify and complete potential acquisitions;
- if completed, the failure to realize the anticipated benefits of acquisitions;
- incorrect assessments of the value of acquisitions;
- ability to locate satisfactory properties for acquisition or participation;
- shut-ins of connected wells resulting from extreme weather conditions;
- insufficient storage or transportation capacity;
- hazards such as fire, explosion, blowouts, cratering and spills, each of which could result in substantial damage to wells, production facilities, other property and the environment or in personal injury;
- encountering unexpected formations or pressures, premature decline of reservoirs and the invasion of water into producing formations;

- the failure to satisfy work commitments and the potential to lose exploration and exploitation rights as a result;
- the ability to add production and reserves through development and exploration activities;
- the possibility that government policies or laws, including laws and regulations related to the environment, may change or governmental approvals may be delayed or withheld;
- uncertainty in amounts and timing of royalty payments;
- uncertainties inherent in estimating quantities of oil and natural gas reserves and cash flows to be derived therefrom;
- failure to obtain industry partner and other third party consents and approvals, as and when required;
- stock market volatility and market valuations;
- competition for, among other things, capital, acquisition of reserves, undeveloped land and skilled personnel; and
- the availability of capital on acceptable terms.

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

LEGAL, ENVIRONMENTAL, REMEDIATION AND OTHER CONTINGENT MATTERS

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

SELECTED CONSOLIDATED QUARTERLY INFORMATION

The following table sets forth selected consolidated financial information of the Company for the periods presented. Note that Crown Point changed its financial year-end from August 31 to December 31 and the transition year was the four months ended December 31, 2012.

Unaudited CAD$	September 30 2013	June 30 2013	March 31 2013	December 2012 [(1)]	August 31 2012	May 31 2012	February 29 2012	November 30 2011
Working capital	14,686,377	13,493,002	14,315,449	14,846,843	17,736,716	26,409,900	34,318,352	22,006,302
Total revenues [(2)]	5,038,144	5,394,411	6,451,729	8,206,914	4,914,604	1,937,752	2,041,901	1,878,685
Funds flow from (used in) operations	2,507,642	827,946	2,646,346	2,572,120	303,339	(1,154,565)	108,010	42,936
Basic and diluted per share	0.02	0.01	0.03	0.02	0.00	(0.02)	0.01	0.00
Cash flow from (used in) operating activities	2,605,155	1,737,934	986,814	2,409,630	(256,500)	(422,164)	317,624	(202,219)
Net income (loss)	174,778	(11,563,578)	(221,051)	(813,778)	(1,831,364)	(1,963,048)	(564,984)	(733,627)
Basic and diluted income (loss) per share	0.00	(0.11)	(0.00)	(0.01)	(0.02)	(0.03)	(0.01)	(0.01)
Expenditures on property and equipment and E&E assets	576,648	449,649	3,022,341	5,556,006	9,217,440	6,556,149	65,428	2,148,731
Total assets	64,981,841	69,260,016	81,915,858	83,751,460	86,745,872	96,079,741	59,286,882	46,366,071

(1) Four months ended December 31, 2012. All other periods are three months in duration.
(2) Oil and natural gas revenue, before royalties and operating expense, excluding interest income.

- Working capital improved in the quarter ended September 30, 2013 due to $1.6 million of Petroleo Plus proceeds received in the period.

- Funds flow from operations increased and the Company recognized $0.2 million of net income in the quarter ended September 30, 2013 primarily related to the recognition of $1.6 million of Petroleo Plus proceeds.
- Funds flow from operations decreased in the quarter ended June 30, 2013 due to an increase in net loss related to a decrease in sales volumes and a decrease in the Company's operating netback.
- Net loss increased in the quarter ended June 30, 2013 due to a decrease in the Company's operating netback and the recognition of $10.1 million of impairment comprised of $0.5 million on accounts receivable, $1.6 million on exploration and evaluation assets and $8.0 million on property and equipment
- Expenditures on property and equipment and E&E assets decreased in the quarter ended June 30, 2013 due to a curtailment of activity in El Valle and the pending approval of extensions of the TDF Concessions.
- Cash flow from operating activities decreased in the quarter ended March 31, 2013 due an increase in trade and other receivables and a decrease in trade and other payables related to operating activities.
- Net loss decreased in the quarter ended March 31, 2013 due to an increase in the Company's operating netback and net proceeds from the sale of Petroleo Plus Credits.
- Expenditures on property and equipment and E&E assets in the quarter ended March 31, 2013 relate to interpretation of the Cerro de Los Leones seismic program and workover and stimulation expenditures in the El Valle area.
- Expenditures on property and equipment and E&E assets in the December 31, 2012 period included $2.95 million in relation to the Cerro de Los Leones seismic program with the balance primarily relating to the El Valle drilling program.
- Expenditures on property and equipment and E&E assets in the quarters ended August 31, 2012 and May 31, 2012 primarily relate to the El Valle drilling program.
- Increase in assets and long-term liabilities as at May 31, 2012 is due to the acquisition of Antrim Argentina.
- Net loss, funds flow used in operations and cash flow used in operating activities increased in the May 31, 2012 quarter due primarily to $1,007,155 of transaction costs for the acquisition of Antrim Argentina. An additional $329,008 of transaction costs were incurred in the three months ended August 31, 2012).

ADVISORIES

Forward-Looking Information

This MD&A contains forward-looking information. This information relates to future events and the Company's future performance. All information and statements contained herein that are not clearly historical in nature constitute forward-looking information, and the words "may", "will", "should", "could", "expect", "plan", "intend", "anticipate", "believe", "estimate", "propose", "predict", "potential", "continue", "aim", 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: our business plans and objectives and how we intend to achieve those objectives and our forecast timing for achieving those objectives; that growth is targeted through low risk natural gas and oil development drilling combined with some highly focused high reward exploration; management's expectation that the Company is levered to benefit from expected increasing natural gas prices in Argentina; expected timing of receiving proceeds for the sale of Petroleo Plus Credits; management's expectation that the Company will be able to meet its commitments under the New Gas Program; estimated future development costs of the Company's proved plus probable reserves; our intention to work with our partners to find ways to reduce operating costs on our El Valle property and our intention to defer future capital investment on this property; the sufficiency of existing working capital and cash flow to fund capital expenditures and other financial obligations; expectations of obtaining future financing and the Company's commitment to raise the necessary funds required for operations and capital expenditures, if needed, through equity financing, joint venture agreements, and loans; the expectation that if more of the Company's properties become economic and productive, the additional cash flow generated will assist in funding the Company's future activities; our belief that our working capital is sufficient to meet current financial obligations in the upcoming year; and our intention to focus our efforts over the next twelve months principally on the Tierra del Fuego, Cerro de Los Leones and El Valle areas. . The reader is cautioned that such information, although considered reasonable by the Company, may prove to be incorrect. 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 are not limited to, the risks and other factors described under "Business Risks and Uncertainties" in this MD&A and under "Risk Factors" in the Company's Annual Information Form, which is available for viewing on SEDAR at www.sedar.com.

In addition, note that information relating to reserves is deemed to be forward-looking information, as it 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 in this MD&A, the Company has made assumptions regarding, among other things: 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, taxes and environmental matters in the jurisdictions in which the Company operates; and the ability of the Company to successfully market its oil and natural gas products**.** Management of Crown Point has included the above summary of assumptions and risks related to forward-looking information included in this MD&A in order to provide investors with a more complete perspective on the Company's future operations. Readers are cautioned that this information may not be appropriate for other purposes.

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

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

ADDITIONAL INFORMATION

Additional information regarding the Company and its business and operations is available on the Company's profile at www.sedar.com. Copies of the information can also be obtained by contacting the Company at Crown Point Energy Inc., 1600, 700 – 6th Avenue SW., Calgary, Alberta T2P 0T8, or by phone at 403 232-1150, by email at info@crownpointenergy.com or on the Company's website at www.crownpointenergy.com.