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 months ended December 31, 2013 (the "**December 2013 period**") and the year ended December 31, 2013 (the "**December 2013 year**") (collectively, the "**2013 periods**").

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 previous fiscal year was the year ended August 31, 2012 (the "**August 2012 year**").

For the purposes of this MD&A, the results of operations and certain other financial information for the December 2012 period is considered to provide the closest related comparisons to the 2013 periods as sales volumes and revenues from the Tierra del Fuego area are only included in the last three months of the August 2012 year following the acquisition of interests in the Tierra del Fuego area on May 28, 2012.

In this MD&A, unless otherwise noted, all dollar amounts are expressed in United States dollars ("**USD**"). References to "**CAD**" are to Canadian dollars and "**ARS**" are to Argentina Peso.

This MD&A is dated as of April 17, 2014 and should be read in conjunction with the Company's audited December 31, 2013 consolidated financial statements. The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("**IFRS**").

IFRS requires that an entity's functional currency reflect the underlying transactions, events, and conditions relevant to the entity. On October 1, 2013, based on management's evaluation, taking into consideration the currency that most strongly influences sales prices and in which management makes primary operating and capital decisions in addition to the currency in which funding requirements are met, management changed the functional currency of the Argentine subsidiaries from ARS to USD. This change in accounting treatment is applied prospectively. The assets and liabilities of the Argentine subsidiaries were translated from ARS to USD at the exchange rate on the date of change in functional currency.

Concurrent with the functional currency change, the Company changed its reporting currency from CAD to USD. For comparative purposes, historical financial statements and MD&A data were translated into the USD reporting currency using the approach whereby assets and liabilities were translated at the closing rate in effect at the end of the comparative periods; revenues, expenses and cash flows were translated at the average rate in effect for the comparative periods; and equity transactions were translated at historical rates.

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 audited December 31, 2013 consolidated financial statements and Annual Information Form for the year ended December 31, 2013, will be made 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 (used in) operations to cash flow from (used in) operating activities, which is the most directly comparable measure calculated in accordance with IFRS as follows:

	December 2013 Period (3 months)	December 2013 Year	December 2012 Period (4 months)	August 2012 Year
Funds flow from (used in) operations	2,244,446	7,471,191	2,524,534	(581,541)
Changes in non-cash working capital	279,368	(168,441)	(157,279)	143,405
Cash flow from (used in) operating activities	2,523,814	7,302,750	2,367,255	(438,136)

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:

2-D		two dimensional
3-D		three dimensional
bbls	-	barrels
Bcf		billion cubic feet
BOE	-	barrels of oil equivalent of natural gas, on the basis of 1 BOE for 6 Mcf of natural gas
km^2		square kilometres
Mcf	-	thousand cubic feet
MMbbls		Million barrels
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 Cerro de Los Leones Exploration Concession and the Laguna de Piedra Exploration Concession, both of which are located in the Neuquén basin; the El Valle Exploitation Concession and the Cañadón Ramirez Exploitation Concession, both of which are located in the Golfo San Jorge 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 S.A., is the USD, and for the parent company, Crown Point, the functional currency is the CAD.

OUTLOOK

The Company's efforts over the next twelve months will be focused principally on two areas in Argentina: Tierra del Fuego for lower risk natural gas focused repeatable drilling and Cerro de Los Leones for continued completion and development of a potential high impact oil program.

The Company signed a drilling contract with San Antonio International to provide a drilling rig for our initial ten well drilling program in Tierra del Fuego (25.78% working interest) on February 27, 2014.

The drilling rig arrived in Tierra del Fuego in April with drilling operations on the Las Violetas Exploitation Concession expected to commence in late April. The term of the contract is one year with provisions for extending the term.

The initial ten well program on the Las Violetas Exploitation Concession will consist of eight development wells in the Los Flamencos gas pool and two exploration wells, one on the Puesto Quince prospect and another near the southern San Luis natural gas pool. Site preparation and pre-drilling logistics have largely been completed for this drilling program. All of the drilling locations have been fully imaged with 3-D seismic. The Puesto Quince prospect lies to the northeast of the Los Flamencos and Los Patos producing pools and is adjacent to the Rio Chico gas pool. The feature has a seismically mapped areal extent of approximately 50 km^2. The San Luis exploration prospect has been defined with 3-D seismic and is located on a separate fault block near the San Luis gas pool which to date has produced approximately 32 Bcf of natural gas.

Concurrent with the commencement of drilling operations, a fracture stimulation program will be performed on four producing wells in the Los Flamencos natural gas pool and one well in the San Luis field. A similar program undertaken in 2010 significantly improved deliverability from five wells in the Los Flamencos pool.

On the Cerro de Los Leones Exploration Concession in the Neuquén Basin, Province of Mendoza, the Company has completed the interpretation of seismic and has identified two separate structural features, La Hoyada and La Mocha.

On February 12, 2014 the Company announced that it has drilled, logged, cased and rig released the La Hoyada x-1 exploration well as a potential Vaca Muerta oil discovery. The La Hoyada x-1 well was drilled to a total depth of 1,953 metres and encountered persistent oil shows and gas while drilling through the Vaca Muerta formation which consisted of 125 metres of shale and 84 metres of imbedded fractured igneous intrusives.

Crown Point believes that the presence of the oil shows and background gas demonstrates that the Vaca Muerta formation at Cerro de Los Leones is mature and generating oil. Analogous wells in the area indicate that the fractured intrusive igneous rocks in the Vaca Muerta function as conventional fractured reservoirs sourcing oil from the surrounding Vaca Muerta shale. Interpretation of samples and logs indicate that 36 metres of the total 84 metres of intrusives were highly fractured and had the best live oil shows during drilling.

Similar igneous intrusives in the Mendoza portion of the Northern Neuquén basin are recognized as significant hydrocarbon reservoirs having produced over 26 MMbbls of oil to date from areas surrounding Cerro de Los Leones.

Additional secondary targets in the well include a 5 metre thick fractured limestone layer at the bottom of the Chachao Formation and several fractured igneous intrusives in the Agrio Formation all with oil and gas shows and full gas chromatography.

Crown Point has sent the Vaca Muerta drilling samples for laboratory analysis to obtain information on total organic content and thermal maturity. The Company anticipates that it will commence completion operations on the La Hoyada well in April 2014. If the completion is successful, the Company plans to place the well on a production test with the potential for further drilling at Cerro de Los Leones in late 2014.

A potential analogy to the La Hoyada well is the Vega del Sol well x-1, located 4 kilometres to the northwest of La Hoyada. This well was drilled in 1995 by YPF and encountered the Vaca Muerta 150 metres structurally lower than the La Hoyada well. It was completed in intrusive igneous rocks penetrating the Chachao formation and production tested at rates between 300 and 400 barrels of oil per day. Due to problems with the well cementation program it was subsequently suspended and abandoned by YPF.

Crown Point believes that this drilling result is confirmation of the conventional and unconventional potential of the Vaca Muerta formation on Crown Point's 100% interest in the 314,000 acre Cerro de Los Leones Exploration Concession. Crown Point's geological model at Cerro de Los Leones has indicated an area of 350 km^2 that could lie in the oil generation window.

OVERVIEW

Total sales volumes in the December 2013 period and the December 2013 year were 153,327 BOE and 655,788 BOE, respectively, as compared to 250,411 BOE in the December 2012 period and 266,215 BOE in the August 2012 year. Average daily sales volumes in the December 2013 period and the December 2013 year were 1,667 BOE per day and 1,797 BOE per day, respectively, as compared to 2,053 BOE per day in the December 2012 period and 727 BOE per day in the August 2012 year.

During 2013, Crown Point did not drill any wells as it was awaiting governmental approval for the extension of the TDF Concessions and preparing for the commencement of drilling operations in Tierra del Fuego and at Cerro de Los Leones.

Crown Point experienced a decrease in average daily sales volumes from the TDF area in the 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 2013 periods, which resulted from Crown Point and its partners fulfilling the residential commitment on a monthly basis in the 2013 periods (three and 12 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 left in the gas stream.

El Valle average daily sales volumes for the 2013 periods were lower than the December 2012 period and the August 2012 year due in part to 7,977 bbls of oil delivered to the terminal in the third and fourth quarter of 2013 to compensate for a total of 6,375 bbls of oil sold in advance by the operator earlier in the year, which resulted in 1,602 bbls of oil in inventory at December 31, 2013. El Valle sales and production volumes for the 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 December 2013 period and the December 2013 year was $5,208,744 and $21,716,647, respectively, as compared to $8,298,961 and $10,768,464 in the December 2012 period and the August 2012 year, respectively. Although total average daily sales volumes were lower in the 2013 periods as compared to the December 2012 period, the Company benefited from stronger commodity prices.

Funds flow from operations in the December 2013 period and the December 2013 year was $2,244,446 and $7,471,191, respectively, as compared to $2,524,534 of funds flow from operations in the December 2012 period and $581,541 of funds used in operations in the August 2012 year. The Company recognized $3,642,950 and $14,991,261 of net losses in the December 2013 period and the December 2013 year, respectively, as compared to a $865,239 net loss in the December 2012 period and a $5,035,575 net loss in the August 2012 year.

Impairment indicators for the El Valle property and Cañadón Ramirez Exploitation Concession were identified in the second quarter of 2013 resulting in the recognition of $9,375,695 of impairment during the quarter. The impairment indicators for the El Valle property persisted at December 31, 2013 and based on the externally prepared December 31, 2013 reserve report, the Company recognized an additional

$4,760,000 of impairment in the December 2013 period.

During the second quarter of 2013, the Company evaluated the collectability of a USD denominated receivable from an Argentine operator and recorded $504,473 of impairment during the June 30, 2013 period, which was subsequently reduced to $446,589 at December 31, 2013 related to the effects of foreign currency translation. The Company also recognized $146,000 of impairment at December 31, 2013 due to collectability concerns over a receivable from another Argentine operator.

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 2013, the Company received proceeds of $6.0 million for the sale of Petroleo Plus Credits, of which $3.2 million was received in the fourth quarter. The Company also has $1.1 million of approved certificates that have been assigned to a domestic oil exporter and $1.1 million of outstanding certificates relating to 2013 production and reserves awaiting approval; however, as discussed below, as the Petroleo Plus Program is under unofficial review by the Federal Secretary of Energy, there is no certainty that the Company will receive approval for the assigned or the outstanding certificates.

REGULATORY AND INDUSTRY 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.

  In November 2013, the Company was informed that its application for participation in the New Gas Incentive had been rejected because the Government of Argentina had determined that the New Gas Incentive would not apply to companies of Crown Point's size; however, on November 28, 2013, the Government of Argentina announced the introduction of a new incentive program (the "**Program**") designed for companies with lower gas production rates.

  The Program is similar to the New Gas Incentive in that it compensates companies for increasing production above base production levels. The Company submitted its application to participate in the Program on March 30, 2014. As of the date hereof, the Company's application has not been processed and approved by the government. Additional details of the New Gas Incentive and the Program can be found in the Company's Annual Information Form for the year ended December 31, 2013.

  The Government of Argentina has indicated its intent to increase oil and natural gas production in Argentina through increased investments by YPF S.A. ("**YPF**"), which is 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.

- After the approximate 17 percent devaluation of the Argentine Peso experienced in early 2014, the Argentine Government participated in negotiations between producers and refiners to adjust oil prices in the short term to lower the cost of hydrocarbon products in ARS values. Subsequent to the devaluation, oil price realizations for Medanito production from the Neuquén basin were agreed to be $71.40 for January and February, $75.74 for March, and $79.89 for April to allow for a more gradual increase of gas prices at gas pumps. Prices are expected to stabilize throughout the remainder of 2014; however, the Company cannot accurately predict how world oil prices will evolve in 2014 and beyond or what additional actions the Argentine Government will take in response to future fluctuations in world oil prices, the drop in the level of the country's oil reserves or in reaction to changes in the country's fiscal and trade balances.

- Since the midterm presidential elections held in October 2013, there have been several indications that Argentina policy-making environment may be shifting toward being more favourable to the oil and gas industry. Export taxes for domestic oil production have been reduced and natural gas prices have been increased in an attempt to attract new investments and stem production declines. Argentina is forecasted to become a net oil importer in the near term. YPF plans large investments to increase domestic production and has relied heavily on joint ventures to evaluate its shale potential. A more stable regulatory environment will assist YPF to pursue these objectives.
- During the first quarter of 2014, the Federal Secretary of Energy commenced an unofficial review of the Petroleo Plus Program. At that time, the Company had some Petroleo Plus certificates pending approval and other certificates that had already been approved and assigned to a domestic oil exporter that were in the process of being sold. As a result of such review, it is uncertain whether such certificates will be approved or whether the Company will be able to sell previously approved Petroleo Plus certificates that have been assigned. The Company is currently in discussions with the Federal Secretary of Energy to resolve these issues and attempt to have the certificates reinstated.
- In February 2014, the Argentine Government and Repsol S.A. ("**Repsol**") agreed to a settlement of their dispute over the April 2012 seizure of Repsol's 51 percent stake in YPF. The resolution of this issue is expected to be a positive development for Argentina and its oil and gas sector.
- Significant discrepancies between the official inflation rate published by the Argentine government (10.9% at December 31, 2013) and the unofficial rate of 25% to 30% measured by independent economists caused the International Monetary Fund ("IMF") to officially reprimand Argentina in February 2013 for its inaccurate inflation statistics.

  The IMF's Executive Board met in December 2013 to consider Argentina's progress on implementing remedial measures to address the quality of the official consumer price index ("CPI") and gross domestic product ("GDP") data. It was noted that although Argentina had not adopted the measures called for by the IMF to address the inaccurate data, Argentina's ongoing work and intention to introduce a new national CPI in early 2014 and to improve GDP data was acknowledged. In addition, the IMF outlined specific actions and various deadlines required by Argentina including the public release of a new national CPI and revised GDP estimates by March 31, 2014.

  In February 2014, Argentina's Economic Minister introduced a new CPI developed with help from the IMF. In March 2014, Argentina's Economic Minister released the country's GDP rate which it has subsequently stated was preliminary after releasing a revised figure in mid-April 2014 which indicated a deceleration of Argentina's 2014 economic activity. The IMF continues to monitor data released by Argentina and has urged the country to adopt further corrective measures to improve the quality of official figures.

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

	December 31 2013	December 31 2012	August 31 2012
Working capital	15,049,226	14,892,869	17,894,572
Exploration and evaluation assets	10,350,417	9,945,769	7,404,202
Property and equipment	32,029,851	53,550,285	56,686,222
Total assets	64,868,464	84,011,091	87,517,910
Non-current financial liabilities (1)	3,942,392	–	–
Share capital	101,334,798	101,536,837	101,536,837
Total common shares outstanding	104,515,222	104,515,222	104,515,222

	December 2013 Period (3 months)	December 2013 Year	December 2012 Period (4 months)	August 2012 Year
Oil and gas revenue	5,208,744	21,716,647	8,298,961	10,768,464
Petroleo Plus Credits	3,247,173	5,983,564	–	–
Net loss	(3,642,950)	(14,991,261)	(865,239)	(5,035,575)
Net loss per share [(2)]	(0.03)	(0.14)	(0.01)	(0.07)
Funds flow from (used in) operations	2,244,446	7,471,191	2,524,534	(581,541)
Funds flow per share [(2)]	0.02	0.07	0.02	(0.01)
Weighted average number of shares	104,515,222	104,515,222	104,515,222	73,906,739

(1) Non-current financial liabilities are comprised of bank debt. The total amount outstanding at December 31, 2013 is $4,113,800 of which $171,408 is classified as current and $3,942,392 is long-term.

(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

Per BOE	December 2013 Period (3 months)	December 2013 Year	December 2012 Period (4 months)	August 2012 Year
Total sales volumes (BOE)	153,327	655,788	250,411	266,215
BOE per day	1,667	1,797	2,053	727 [(1)]
Oil and gas revenue ($)	33.97	33.12	33.14	40.45
Royalties ($)	(6.01)	(6.19)	(5.89)	(8.95)
Operating costs ($)	(13.80)	(13.00)	(11.44)	(10.58)
Operating netback ($)	14.16	13.93	15.81	20.92
Composition of sales volumes				
Light oil	26%	28%	35%	53%
NGL	1%	2%	4%	3%
Natural gas	73%	70%	61%	44%
Total BOE	100%	100%	100%	100%

(1) Average daily sales volumes for the August 2012 year are calculated on total sales volumes divided by 366 days. However sales volumes from the TDF area are only included for the last three months of the year (92 days). TDF daily sales volumes in the August 2012 year calculated over 92 days are 1,741 BOE per day and total company daily sales volumes are 1,829 BOE per day.

Total Company operating netbacks decreased in the 2013 periods compared to the December 2012 period due mainly to an increase in royalties and operating costs per BOE in both TDF and El Valle in the 2013 periods as compared to the comparative periods in 2012. These increases were partially offset by higher oil and natural gas prices earned in the 2013 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 August 2012 year, the operating netback is higher for the August 2012 year.

Operating netbacks are analyzed below by area: El Valle and TDF.

Results of Operations – TDF

Operating Netback

Per BOE	December 2013 Period (3 months)	December 2013 Year	December 2012 Period (4 months)	August 2012 Year
Oil and gas revenue ($)	30.45	27.73	27.95	18.14
Royalties ($)	(4.71)	(4.30)	(3.84)	(2.71)
Operating costs ($)	(11.76)	(10.67)	(9.77)	(6.96)
Operating netback ($)	13.98	12.76	14.34	8.47

Sales Volumes and Revenues

	December 2013 Period (3 months)	December 2013 Year	December 2012 Period (4 months)	August 2012 Year
Light oil (bbls)	26,020	96,279	48,942	9,583
NGL (bbls)	1,655	13,586	11,214	7,290
Natural gas (Mcf)	673,607	2,734,415	914,951	710,782
Total BOE	139,943	565,601	212,648	135,336
Light oil bbls per day (average)	283	264	401	26
NGL bbls per day (average)	18	37	92	20
Natural gas Mcf per day (average)	7,322	7,492	7,500	1,942
BOE per day [(1)]	1,521	1,550	1,743	370
Light oil revenue ($)	1,948,454	6,714,382	3,137,699	671,084
NGL revenue ($)	34,563	356,960	73,186	74,537
Natural gas revenue ($)	2,277,712	8,615,308	2,733,653	1,709,935
Total revenue	4,260,729	15,686,650	5,944,538	2,455,556
Light oil revenue per bbl ($)	74.88	69.74	64.11	70.03
NGL revenue per bbl($)	20.88	26.27	6.53	10.22
Natural gas revenue per Mcf ($)	3.38	3.15	2.99	2.41
Revenue per BOE ($)	30.45	27.73	27.95	18.14

(1) Average daily sales volumes for the August 2012 year are calculated based on sales recognized for the last three months of the August 2012 year divided by the full 366 days in the year. Daily sales volumes in the August 2012 year calculated over 92 days are: light oil – 104 bbls per day; NGL – 79 bbls per day; natural gas – 7,726 mcf per day; total sales – 1,741 BOE per day

Production and Sales Volumes

TDF net production for the December 2013 year averaged 1,564 BOE per day in the first quarter, 1,565 BOE per day in the second quarter, 1,541 BOE per day in the third quarter and 1,490 BOE per day in the fourth quarter.

In the December 2013 period, average net oil production was 250 bbls per day, average net NGL production was 26 bbls per day and average net gas production was 7,280 Mcf per day. Compared to previous 2013 quarters, oil production is relatively unchanged, NGL production decreased as the majority of NGL volumes were left in the gas stream, and gas production is lower due to scheduled maintenance work at the Company-owned San Luis gas plant.

TDF sales volumes were weighted as follows:

	December 2013 Period (3 months)	December 2013 Year	December 2012 Period (4 months)	August 2012 Year
Light oil	19%	17%	23%	7%
NGL	1%	2%	5%	5%
Natural gas	80%	81%	72%	88%
Total	100%	100%	100%	100%

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

Oil (and related NGL) production from TDF 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 December 2012 period included 35,980 bbls of oil produced during the August 2012 year that was in inventory as 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 2013 periods.

During the December 2013 year, oil production was 90,270 bbls (247 bbls per day) and sales were 96,279 bbls (264 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 December 31, 2013 was 4,202 bbls which was sold in the first quarter of 2014. Oil inventory at December 31, 2012 was 10,210 bbls, which was sold in the first quarter of 2013, and at August 31, 2012 was 35,980 bbls, which was sold in September and October 2012.

TDF average daily NGL sales volumes for the 2013 periods were lower than the December 2012 period as during the December 2012 period (four months) the Company delivered its entire annual (12 months) NGL commitment to the residential market compared to a monthly fulfillment of the commitment in the 2013 periods.

During the December 2013 year, NGL production was 10,234 bbls (28 bbls per day) and sales were 13,586 bbls (37 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 December 31, 2013 was 763 bbls, which was sold in the first quarter of 2014. NGL inventory at December 31, 2012 was 4,115 bbls, which was sold during the first quarter of 2013. The Company did not have any NGL inventory at August 31, 2012.

A portion of the Company's NGL production is sold into the domestic TDF island market, but starting in June 2013, the majority of NGL production was left in the gas stream. Although TDF average daily natural gas sales volumes increased in the latter half of 2013 due to the re-injection of butane volumes, average daily natural gas sales volumes decreased in the December 2013 period compared to the December 2013 year and the December 2012 period due to scheduled maintenance work at the Company-owned San Luis gas plant.

<u>Revenues</u>

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, which in turn has led to higher oil prices for TDF crude.

The price earned by the Company on TDF NGL sales is higher in the December 2013 year as compared to the December 2012 period and the August 2012 year because lower sales volumes to the residential market were offset by export sales of NGL to Chile. During the December 2013 year, the Company exported 4,845 bbls of NGL at an average price of $45.68 per bbl. In the December 2012 period, all sales were to the lower-priced domestic market; in the August 2012 periods, a moderate amount of NGL sales were exported to Chile.

Of the commodities produced from the TDF Concessions, only natural gas is subject to seasonal demand. Residential demand for natural gas in Argentina is higher during the colder months of April through October, generally resulting in lower average natural gas prices during this period. Seasonal reductions in average natural gas prices during winter are typically offset by increases in gas sales during warmer months to the much higher-priced industrial market.

The price earned by the Company on TDF natural gas production averaged $3.38 per Mcf and $3.15 per Mcf during the December 2013 period and the December 2013 year, respectively, compared to $2.99 per Mcf and $2.41 per Mcf in the December 2012 period and the August 2012 year, respectively. The natural gas price earned in the December 2013 periods increased due to higher sales to the industrial market in the first and fourth quarters of 2013, compared to both the second and third quarters of 2013 and the December 2012 period.

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

Royalties

	December 2013 Period (3 months)	**December 2013 Year**	**December 2012 Period** (4 months)	**August 2012 Year**
Provincial royalties ($)	658,662	2,429,920	816,284	367,162
Royalties as a % of Revenue	16%	16%	14%	15%
Royalties per BOE ($)	4.71	4.30	3.84	2.71

Prior to 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 terms for the extension of the TDF Concessions, the base royalty rate was increased from 12% to 15%. As a result, royalties as a percentage of revenue are higher in the 2013 periods.

Variances in TDF royalties are also impacted by the level of sales volumes to mainland Argentina which bear an additional royalty of 2% compared to domestic TDF sales which carry a 1% royalty. As a result, commencing in July 2013, TDF royalties are expected to typically range between 16% and 17%.

Operating Costs

	December 2013 Period (3 months)	**December 2013 Year**	**December 2012 Period** (4 months)	**August 2012 Year**
Production and processing ($)	1,510,671	5,453,376	1,913,416	823,461
Transportation and hauling ($)	136,013	580,895	162,823	119,687
Total operating costs ($)	1,646,684	6,034,271	2,076,239	943,148
Operating costs per BOE ($)	11.76	10.67	9.77	6.96

Operating costs were higher in the 2013 periods due to maintenance costs for gas measuring points, 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. The December 2013 period also includes other scheduled maintenance costs and increases in instrumentation and surface pump service costs. These cost increases combined with lower sales volumes resulted in an increase in operating costs per BOE in the 2013 periods.

Results of Operations – El Valle

Operating Netbacks

Per BOE	**December 2013 Period** (3 months)	**December 2013 Year**	**December 2012 Period** (4 months)	**August 2012 Year**
Oil and gas revenue ($)	70.83	66.86	62.35	63.52
Royalties ($)	(19.62)	(18.10)	(17.44)	(15.40)
Operating costs ($)	(35.04)	(27.60)	(20.91)	(14.31)
Operating netback ($)	16.17	21.16	24.00	33.81

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

Sales Volumes and Revenues

	December 2013 Period (3 months)	**December 2013 Year**	**December 2012 Period** (4 months)	**August 2012 Year**
Argentina light oil (bbls)	13,384	90,188	37,763	130,879
BOE per day (average)	145	247	310	358
Revenue ($)	948,015	6,029,667	2,354,423	8,312,908
Revenue per BOE ($)	70.83	66.86	62.35	63.52

Production and Sales Volumes

Production volumes averaged 180 bbls per day and 266 bbls per day in the December 2013 period and the December 2013 year, respectively, as compared to 335 bbls per day and 358 bbls per day in the December 2012 period and the August 2012 year, respectively. Production volumes for the 2013 periods decreased from prior periods due to the shut-in of two wells for repair and mechanical issues coupled with ongoing natural declines in some producing wells. Production volumes were also higher in the August 2012 period and the December 2012 period as a direct result of five wells drilled and placed on production between June and August 2012.

Sales volumes for the first half of the December 2013 year included the sale of all volumes produced in the period plus 9,120 bbls in inventory at December 31, 2012 and 6,375 bbls of oil sold in advance by the operator. Sales volumes for the latter half of the December 2013 year were reduced as the oil sold in advance by the operator was required to be delivered to the terminal. A total of 7,977 bbls of oil were delivered to the terminal in the latter half of the December 2013 year to compensate for oil sold in advance, of which 4,805 bbls were delivered in the third quarter and 3,172 bbls in the fourth quarter, which resulted in 1,602 bbls of inventory for volumes delivered in excess of the volumes sold in advance. The delivery of 3,172 bbls of oil in the fourth quarter as compensation for oil sold in advance reduced average daily sales volumes for the December 2013 period. Daily sales volumes for the December 2013 year were also lower than comparative periods due to lower production volumes.

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 delivered to the terminal. The following table summarizes the components of our daily sales volumes on a quarterly and annual basis in 2013.

BOE per day (average)	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Total 2013
Production volumes	265	246	216	180	226
Inventoried volumes at December 31, 2012	101	–	–	–	26
Advance (compensation) volumes	36	34	(52)	(35)	(5)
Sales volumes	402	280	164	145	247

Revenues

Increases in mainland Argentina demand have resulted in improved market prices for oil since the middle of 2009, which in turn has led to higher oil prices for El Valle crude. The price of oil for the December 2013 period is higher than the comparative periods due to an increase in Argentine industry prices.

Royalties

	December 2013 Period (3 months)	December 2013 Year	December 2012 Period (4 months)	August 2012 Year
Royalties by type				
Provincial ($)	169,713	1,072,994	433,858	1,167,918
Freehold and other ($)	92,831	559,101	224,764	848,256
Total ($)	262,544	1,632,095	658,622	2,016,174
Royalties as a % of Revenue				
Provincial	18%	18%	18%	14%
Freehold and other	10%	10%	10%	10%
Total	28%	28%	28%	24%
Total royalties per BOE ($)	19.62	18.10	17.44	15.40

Provincial royalties as a percentage of sales are higher in the 2013 periods and December 2012 period as compared to the August 2012 year due to an increase in the royalty rate from 12% to 15% following 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 2012 year as reflected in provincial royalties for the 2013 periods and December 2012 period.

Operating Costs

	December 2013 Period (3 months)	December 2013 Year	December 2012 Period (4 months)	August 2012 Year
Production and processing ($)	398,003	2,055,971	281,582	975,206
Transportation and hauling ($)	70,950	432,752	507,838	898,214
Total operating costs ($)	468,953	2,488,723	789,420	1,873,420
Operating costs per BOE ($)	35.04	27.60	20.91	14.31

Operating costs per BOE for the 2013 periods and December 2012 period as compared to the August 2012 year 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 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, workover expenditures incurred in September 2013 and charges for services performed in previous periods invoiced in the December 2013 period. These additional expenses combined with lower production and sales volumes resulted in higher operating costs per BOE.

The Company continues to work 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 and agreed to by the operator.

General and Administrative

General and administrative expenses ("**G&A**") for the December 2013 period and the December 2013 year were $1,940,717 and $6,363,044, respectively, compared to $2,011,125 and $4,432,647 for the December 2012 period and the August 2012 year, respectively. G&A expenses are higher in the December 2013 year due to the addition of Antrim Argentina employees and expenses following the acquisition of Antrim Argentina on May 28, 2012.

	December 2013 Period (3 months)	**December 2013 Year**	**December 2012 Period** (4 months)	**August 2012 Year**
Salaries and benefits	1,147,751	3,469,246	778,681	1,971,333
Professional fees	442,427	1,243,968	343,686	1,243,512
Office and general	251,664	1,185,687	755,738	908,424
Travel and promotion	98,875	464,143	133,020	309,378
	1,940,717	6,363,044	2,011,125	4,432,647

Salaries and benefits in the December 2013 year include the effect of annual salary increases, annual 2012 bonuses for Canadian and Argentine executives and employees approved and paid in the first quarter of 2013, annual 2013 bonuses accrued in December 2013 and severance for a senior Argentine employee who departed in the third quarter of 2013.

Professional fees include fees for reserve reports, financial reporting services, 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 lower in the December 2012 period compared to the December 2013 period as certain services and reports required for the December 2012 period were carried over and updated from the August 2012 year, thereby reducing costs.

Office and general expenses for the December 2013 year includes Antrim Argentina related expenses for the entire period as compared to only three months in the August 2012 year.

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

Acquisition Costs

During the August 2012 year, the Company incurred $1,311,718 of transaction costs in conjunction with the acquisition of Antrim Argentina.

Depletion and Depreciation

	December 2013 Period (3 months)	December 2013 Year	December 2012 Period (4 months)	August 2012 Year
El Valle depletion	297,281	2,066,295	854,116	2,315,736
TDF depletion	1,157,685	4,860,032	1,930,981	1,201,420
Total depletion	1,454,966	6,926,327	2,785,097	3,517,156
Depreciation	(7,853)	169,484	189,940	105,265
	1,447,113	7,095,811	2,975,037	3,622,421

As at December 31, 2013, future development costs of proved and probable reserves were estimated at $27.3 million, of which $4.8 million relates to El Valle and $22.5 million relates to TDF (December 31, 2012 – $37.4 million, of which $11.6 million relates to El Valle and $25.8 million relates to TDF; August 31, 2012 — $38.7 million, of which $12.8 million relates to El Valle and $25.9 million relates to TDF). Developed and producing assets in Argentina as at December 31, 2013 include $3.3 million (December 31, 2012 – $5.2 million; August 31, 2012 – $5.0 million) of value added tax ("**VAT**").

In the December 2013 year, the Company capitalized $617,604 (December 2012 period – $336,540; August 2012 year – $617,152) of G&A and $71,015 (December 2012 period – $35,938; August 2012 year – $133,022) of share-based payments.

Depletion rates by area are as follows:

	December 2013 Period (3 months)	December 2013 Year	December 2012 Period (4 months)	August 2012 Year
TDF depletion rate per BOE ($)	22.21	22.91	22.62	17.69
El Valle depletion rate per BOE ($)	8.27	8.59	9.08	8.88
Total depletion rate per BOE ($)	9.49	10.82	11.12	13.21

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 on a straight line basis over 3 to 10 years for Argentina office furniture and equipment and a straight line basis over the term of the lease for all leasehold improvements.

The TDF depletion rate increased in the December 2012 period as compared to the August 2012 year due to a decline in proved plus probable reserves. The depletion rate improved in the December 2013 period due to an increase in the reserve base as reported in the externally prepared December 31, 2013 reserve report. The depletion rate for the December 2013 year is higher than the December 2013 period as it was based on the lower 2012 reserves for the first three quarters of the year.

Proved plus probable reserves in El Valle have declined from August 31, 2012 to December 31, 2013. Consistent with the decline in reserves, the depletion rate increased in the December 2012 period as compared to the August 2012 year. The 2013 depletion rates decreased due to a reduction in the depletable cost base for $7.7 million of impairment recognized in the second quarter of 2013. In addition, the El Valle depletion rate is slightly lower in the December 2013 period due to an increase in December 31, 2013 reserves as compared to an internal update of 2012 reserves used to determine the depletion rate for the third quarter.

Impairment

	December 2013 Period (3 months)	December 2013 Year	December 2012 Period (4 months)	August 2012 Year
Trade and other receivables	39,986	592,589	–	–
Exploration and evaluation assets	820,000	2,451,777	–	–
Property and equipment	3,940,000	11,683,918	–	–
	4,799,986	14,728,284	–	–

- Trade and other receivables: During the second quarter of 2013, the Company evaluated the collectability of a $892,768 USD denominated receivable from an Argentine operator and recognized $504,473 of impairment due to collectability concerns. The impairment was subsequently adjusted for the effects of foreign currency translation resulting in net impairment of $446,589 recognized in the December 2013 year. 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. During the fourth quarter of 2013, the Company evaluated the collectability of a $146,000 USD denominated receivable from a second Argentine operator and recognized $146,000 of impairment due to collectability concerns.
- Exploration and evaluation assets: During the second quarter of 2013, the Company recognized impairment for the entire carrying amount of the Cañadón Ramirez Exploitation Concession in the amount of $331,777 as the Company has no current plans to allocate any portion of its capital budget to the concession. The Company also recognized $2,120,000 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 its interest in the CGU and its value to continue to hold and use its interest in the CGU. 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 $9,043,918 lower than the carrying amount at June 30, 2013 of which $7,743,918 was allocated to property and equipment and $1,300,000 was allocated to exploration and evaluation assets.

  The impairment indicators for the El Valle property persisted at December 31, 2013. The estimated recoverable amount for the El Valle CGU was based on 25% discounted cash flows expected to be derived from the El Valle CGU's proved plus probable reserves based on the externally prepared December 31, 2013 reserve report. The discount rate was increased from 15% at June 30, 2013 to 25% at December 31, 2013 as the majority of the El Valle CGU's value is represented by probable reserves which, combined with a shift in the Company's development focus to lower risk and higher return properties, increases the development uncertainty of the El Valle CGU. Given management's assessment of El Valle's development uncertainty at December 31, 2013, management determined that 25% discounted cash flows of El Valle CGU's proved plus probable reserves provided the best estimate of the El Valle CGU's recoverable amount. As a result, the December 31, 2013 impairment test resulted in the recognition of an additional $4,760,000 of impairment in the December 2013 period, of which $3,940,000 was allocated to property and equipment and $820,000 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 December 2013 period and the December 2013 year, the Company recognized $129,000 and $1,006,574, respectively, of SBP expense compared to $317,045 and $1,426,489 recognized in the December 2012 period and the August 2012 year, respectively.

SBP recognized in the August 2012 year relates to options granted prior to August 2012. SBP recognized in the December 2012 period primarily relates to 2,780,000 options granted in the August 2012 year. SBP recognized in the 2013 periods primarily relates to options granted in the August 2012 year plus 2,875,000 options granted in the first and second quarters of 2013.

As at December 31, 2013, the remaining unvested share-based compensation was $168,755.

Foreign Exchange Gain (Loss)

During the December 2013 period and the December 2013 year, the Company recognized foreign exchange losses of $517,487 and $580,924, respectively, compared to a foreign exchange gain of $101,660 and $53,501 during the December 2012 period and the August 2012 year, respectively.

These amounts occur as a result of currency fluctuations between the USD, the CAD and the ARS due to translation of monetary assets and liabilities.

Exchange rates as at:	December 31 2013	December 31 2012	August 31 2012
CAD to USD	0.9349	1.0031	1.0089
ARS to USD	0.1535	0.2034	0.2158
ARS to CAD	0.1632	0.2024	0.2128

On October 1, 2013, the functional currency of the Argentine subsidiaries was changed from ARS to USD and the presentation currency of the Company was changed from CAD to USD. Prior to this date, the foreign exchange effects of translating the assets and liabilities of the Argentine subsidiaries from ARS functional currency to CAD presentation currency were recognized in accumulated other comprehensive income, within the equity section of the statement of financial position.

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

During 2013, the value of ARS declined by 25 percent against the USD; 11 percent of the decline occurred since October 1, 2013. Subsequent to December 31, 2013, the value of ARS has declined an additional 19 percent as of April 17, 2014. As a result, foreign exchange loss recognized in the consolidated statement of loss in the December 2013 period and December 2013 year, increased significantly due to the change in functional currency and the decline in the value of ARS against the USD.

The devaluation of ARS against the USD is linked to Argentina's rate of inflation, which has been a persistent problem for several years, causing significant increases in the Company's USD cost of operations and capital expenditures.

Financing Income (Expense)

During the December 2013 period and December 2013 year, the Company incurred $135,109 and $480,877, respectively, of financing fees and bank charges compared to $288,733 and $332,014 in the December 2012 period and the August 2012 year, respectively.

Financing fees and bank charges result primarily from bank taxes charged in Argentina on cash transfers. The 2013 periods and December 2012 period include Argentine bank taxes for both Crown Point Oil & Gas S.A. and Antrim Argentina throughout both periods whereas the August 2012 year includes only three months of expenses incurred by Antrim Argentina in addition to a full year of expenses incurred by Crown Point Oil & Gas S.A.

During the December 2013 period and the December 2013 year, the Company also incurred $95,125 of interest expense on bank debt with HSBC Bank Argentina S.A. as disclosed in the Liquidity and Capital Resources section.

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 2012, subsequent to the acquisition of Antrim Argentina, which removed 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 December 2013 period and December 2013 year, the Company recognized $nil and $327,962, respectively, of recoveries of VAT for amounts previously estimated as unrecoverable (December 2012 period – $660,249; August 2012 year – $40,672).

Petroleo Plus Credits

During the December 2013 period and the December 2013 year, the Company received proceeds of $3.2 million and $6.0 million, respectively, for the sale of Petroleo Plus Credits. The Company also has $1.1 million of approved certificates that have been assigned to a domestic oil exporter and $1.1 million of outstanding certificates awaiting approval; however, the Company is uncertain as to when and if it will receive governmental approval for the assigned or the outstanding certificates. .

The Company accounts for Petroleo Plus Credits on a cash basis as sale proceeds are received.

CAPITAL EXPENDITURES

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

	December 2013 Period (3 months)	**December 2013 Year**	**December 2012 Period** (4 months)	**August 2012 Year**
Cerro de Los Leones	2,048,329	4,331,538	2,988,715	927,222
Cañadón Ramirez and other	(5,382)	115,418	32,473	669,660
VAT	13	(15,776)	1,504	(41,216)
Cash expenditures	2,042,960	4,431,180	3,022,692	1,555,666
Decommissioning revisions	(19,322)	(31,308)	5,627	(22,287)
Transferred to property and equipment assets	–	–	–	(842,509)
	2,023,638	4,399,872	3,028,319	690,870

During the first quarter of 2013 and the December 2012 period, the Company recorded and processed 122 kilometres of 2-D seismic and 143 square kilometres of 3-D seismic in Cerro de Los Leones. During the remainder of 2013, the Company interpreted main leads from the seismic data, prepared well prognosis and proposal graphics and commenced drilling operations on the first Cerro de Los Leones exploration well.

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

	December 2013 Period (3 months)	December 2013 Year	December 2012 Period (4 months)	August 2012 Year
Intangible	1,010,852	2,209,685	442,916	12,728,510
Tangible	413,214	1,069,067	436,958	458,371
VAT	(192,704)	(1,211,734)	409,811	1,801,542
El Valle electrification	–	24,046	492,595	474,805
Capitalized G&A	70,150	629,875	332,172	607,045
Corporate assets	6,916	192,437	484,212	232,113
Cash expenditures	1,308,428	2,913,376	2,598,664	16,302,386
Capitalized SBP	5,380	71,015	35,938	133,022
Decommissioning revisions	189,818	134,348	42,653	(702,470)
Transferred from E&E assets	–	–	–	842,509
	1,503,626	3,118,739	2,677,255	16,575,447

Allocation of cash expenditures:	December 2013 Period (3 months)	December 2013 Year	December 2012 Period (4 months)	August 2012 Year
El Valle	15,699	682,319	1,293,466	15,868,957
TDF	1,285,813	2,038,620	820,986	201,316
Corporate	6,916	192,437	484,212	232,113
	1,308,428	2,913,376	2,598,664	16,302,386

During the December 2013 year, 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 2013 year, the Company paid the first installment and accrued the remaining two installments for the $1.3 million required in respect of the TDF Concessions extension and incurred the balance of expenditures on facility improvements.

During the December 2012 period, the Company completed the electrification of the El Valle Exploitation 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 December 31, 2013, the Company had working capital of $15,049,226 (December 31, 2012 – $14,892,869) 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.

On November 13, 2013, Antrim Argentina drew all of the available ARS 26,800,000 ($4.1 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, and is secured by a USD denominated deposit of $2.3 million in the form of a guaranteed investment certificate. The $4.1 million principal amount of bank debt is repayable in 24 monthly installments commencing on December 13, 2014.

Of the Company's total cash resources at December 31, 2013, $4.6 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.

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 debt. If more of the Company's properties become economic and productive, the additional cash flow generated will assist in funding the Company's future activities.

COMMITMENTS

Leased premises

- As at December 31, 2013, the Company is committed to future payments for Canadian office rental and a proportionate share of operating costs in the amount of CAD $24,208 ($22,632) per month from January 1, 2014 until October 31, 2014, CAD $24,817 ($23,201) from November 1, 2014 to October 31, 2017 and CAD $25,426 ($23,771) from November 1, 2017 to October 31, 2019.
- As at December 31, 2013, the Company is committed to future payments for Buenos Aires accommodation rental in the amount of $3,500 per month until August 31, 2014.
- As at December 31, 2013, the Company is committed to future payments for Buenos Aires office rental in the amount of $10,500 per month until May 31, 2014, $12,000 per month from June 1, 2014 to March 31, 2015, $12,600 per month from April 1, 2015 to March 31, 2016 and $13,230 per month from April 1, 2016 to March 31, 2017.
- In the cases of Argentina leases, the Company has the option to cancel the commitments at any time for a penalty of one month's rent cost.

El Valle Exploitation Concession

On October 25, 2012, the Parliament of Santa Cruz Province approved the extension of the El Valle Exploitation Concession until January 2026. As at December 31, 2013, the Company's 50% share of commitments on the El Valle Exploitation Concession in relation to the extension are as follows:

(in millions of $)	2014 to 2016	2017 to 2020	2021 to 2024	2025 to 2026	Total
Total	4.2 [(1)]	4.4	2.6	1.8	13.0

(1) The total commitment for the 2013 to 2016 period was $4.9 million reduced by $ 0.7 million expended in 2013 to satisfy a portion of the capital expenditures.

As part of the extension commitment the Company paid $66,953 on November 24, 2012, $18,576 on January 4, 2013 and $18,576 on July 3, 2013.

The Company has the right to freely market and dispose of the hydrocarbons lifted from the area, after paying 15% production royalties to the Province of Santa Cruz. In addition, the Company is required to pay a yearly surface rent of ARS 110,236 ($16,921) based on a rate of ARS 3,445 ($529) per square kilometre on the acreage covered by the El Valle Exploitation Concession at the Company's 50% working interest.

Cañadón Ramirez Exploitation Concession

The Cañadón Ramirez Exploitation Concession is not subject to any mandatory relinquishments of acreage nor any outstanding work commitments other than the work plans submitted by the Company to the Provincial and Federal governments on a yearly basis.

The Company has the right to freely market and dispose of the hydrocarbons lifted from the area, after paying the standard 12% royalties to the Province of Chubut. In addition, the Company is required to pay a yearly surface rent of ARS 88,085 ($13,521) based on a rate of ARS 3,445 ($529) per square kilometre on the acreage covered by the Cañadón Ramirez Exploitation Concession.

Cerro de Los Leones Exploration Concession

Following the receipt of environmental permits for its 100% interest in the Cerro de Los Leones Exploration Concession in May 2012 and a subsequent reduction in the concession area following a governmental designation of certain acreage as protected, the Company has the following work commitments with respect to the concession:

- Commencing May 2012, $9.1 million of expenditures over a three-year period (“Period 1”) of which $4.1 million had been incurred as at December 31, 2013;
- Commencing upon the expiry of Period 1, $0.75 million of expenditures including one exploration well over a two-year period (“Period 2”); and
- Commencing upon the expiry of Period 2, one exploration well (“Period 3”).

If the Company fails to make the necessary expenditures during Period 1, it will surrender all of the land on the Cerro de Los Leones Exploration Concession.

If a commercial discovery is made by the Company, it will be entitled to obtain an exclusive 25-year exploitation concession to produce hydrocarbons from the relevant discovery and shall also be granted the right to freely market and dispose of the hydrocarbons lifted from the area, after paying the standard monthly 16% royalty to the Province of Mendoza. The Cerro de Los Leones Exploration Concession is also subject to the payment of yearly surface rent per square kilometre on the acreage covered by the Cerro de Los Leones Exploration Concession.

Laguna de Piedra Exploration Concession

The Company will have the following work commitments with respect to its 100% interest in the Laguna de Piedra Exploration Concession in the event that the necessary environmental work permits are received:

- Commencing upon the receipt by the Company of the environmental permits, $2.85 million of expenditures over a two-year period (“Period 1”) including a minimum of one exploration well; and
- Commencing upon the expiry of Period 1, $1.75 million of expenditures including one exploration well over a one-year period (“Period 2”).

If a commercial discovery is made by the Company, it will be entitled to obtain an exclusive 25-year exploitation concession to produce hydrocarbons from the relevant discovery and shall also be granted the right to freely market and dispose of the hydrocarbons from the relevant discovery, after paying the standard monthly 12% royalty to the Province of Rio Negro. The Laguna de Piedra Exploration Concession is also subject to the payment of yearly surface rent per square kilometre on the acreage covered by the Laguna de Piedra Exploration Concession.

TDF 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. In July 2013, the provincial legislature approved a ten year extension of the TDF Concessions to August 2026.

The Company’s share of the key terms of the extensions are:

Las Violetas Exploitation Concession

- Cash payment: $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: $12.1 million to be expended over the remaining life of the concession which will be met, in part, through an eight well program for which a drilling rig was secured in February 2014 for a one year term with provisions to extend; and
- Minimum total exploration investment commitment: $1.3 million to be expended over the next 60 months.

Rio Cullen and Angostura Exploitation Concessions

- Exploration commitment - Rio Cullen: $0.85 million, Angostura: $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 $0.46 million on each concession.

SUBSEQUENT EVENTS

There have been no reportable events subsequent to December 31, 2013.

RELATED PARTY TRANSACTIONS

There were no transactions between the Company and related parties of the Company in the December 2013 period, the December 2013 year, the December 2012 period or the August 2012 year.

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	–	(210,000)	(1,305,698)
Forfeited	–	(70,000)	–
December 31, 2013 and April 17, 2014	104,515,222	7,585,000	–

DIVIDENDS

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

FINANCIAL INSTRUMENTS

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

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

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Significant estimates used by Crown Point are disclosed in Note 2(d) to the December 31, 2013 audited consolidated financial statements; significant accounting policies are disclosed in Note 3. Preparing financial statements in accordance with IFRS requires management to make certain judgments and estimates. Changes to these judgments and estimates could have a material effect on the Company's financial statements and financial position. There were no changes to Crown Point's critical judgments and accounting estimates during the year ended December 31, 2013 with the exception of additional considerations with respect to functional currency. The determination of the functional currency for the Company and each of its subsidiaries was based on management's judgment of the underlying transactions, events, and conditions relevant to each entity.

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 in the audited December 31, 2013 consolidated financial statements.

The Company has reviewed amendments to accounting pronouncements that have been issued but are not yet effective and determined that the following may have an impact on the Company:

IAS 32 Financial Instruments: Presentation

Amendments to *IAS 32 Financial Instruments: Presentation* clarify that an entity has a legally enforceable right to set-off if that right is (a) not contingent on a future event; and (b) enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the entity and all counterparties. The amendments also clarify that when a settlement mechanism provides for either net settlement or gross settlement, it is equivalent to net settlement.

IAS 36 Impairment of Assets

In May 2013, the International Accounting Standards Board issued an amendment to *IAS 36 Impairment of Assets*. These narrow-scope amendments address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.

The above amendments are effective for annual periods beginning on or after January 1, 2014. The Company is currently assessing the impact of these amendments on its 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;
- uncertainties inherent in estimating quantities of oil and natural gas reserves and cash flows to be

derived therefrom and the risk that the value of such reserves may be impaired in future periods;
- fluctuations in the price of oil and natural gas, interest rates and exchange rates;
- 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;
- 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	December 31 2013	September 30 2013	June 30 2013	March 31 2013	December 2012 (1)	August 31 2012	May 31 2012	February 29 2012
Working capital	15,049,226	14,242,848	12,818,352	14,062,065	14,892,869	17,894,572	25,723,243	34,428,171
Oil and gas revenue	5,208,744	4,848,468	5,275,267	6,384,168	8,298,961	4,862,771	1,936,901	1,994,370
Petroleo Plus Credits	3,247,173	1,536,202	–	1,200,189	–	–	–	–
Funds flow from (used in) operations	2,244,446	2,649,509	261,447	2,315,789	2,524,534	299,790	(1,156,242)	106,659
Basic and diluted per share	0.02	0.03	0.00	0.02	0.02	0.00	(0.02)	0.01
Cash flow from (used in) operating activities	2,523,814	2,757,622	1,304,916	716,398	2,367,256	(253,499)	(422,777)	313,651
Net income (loss)	(3,642,950)	146,978	(11,299,597)	(195,692)	(865,239)	(1,800,050)	(1,990,861)	(562,617)
Basic and diluted income (loss) per share (2)	(0.03)	0.00	(0.11)	(0.00)	(0.01)	(0.02)	(0.03)	(0.01)
Expenditures on property and equipment and E&E assets	3,351,388	554,796	439,377	2,998,995	5,621,357	9,109,606	6,565,669	64,609
Total assets	64,868,464	63,019,390	69,797,016	80,465,946	84,011,091	87,517,910	93,581,668	59,476,600
Bank debt	4,113,800	–	–	–	–	–	–	–

(1) Four months ended December 31, 2012. All other periods are three months in duration.
(2) The sum of quarterly per share amounts may not add to annual figures due to rounding.

- Working capital, funds flow from operations and cash flow from operations improved in the quarter ended December 31, 2013 due to $3.2 million of Petroleo Plus proceeds received in the period.
- The Company recognized $3.9 million of impairment on property and equipment and $0.8 million of impairment on exploration and evaluation assets in the December 31, 2013 quarter which reduced the positive effect of Petroleo Plus proceeds on earnings.
- Working capital improved in the quarter ended September 30, 2013 due to $1.5 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 $1.5 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 $9.9 million of impairment comprised of $0.5 million on accounts receivable, $1.6 million on exploration and evaluation assets and $7.8 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 to 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 $2.98 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 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 $997,713 of transaction costs for the acquisition of Antrim Argentina. An additional $314,005 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; the intent of the Company to focus on Tierra del Fuego for lower risk natural gas focused repeatable drilling and Cerro de Los Leones for continued completion and development of a potential high impact oil program; expected timing for commencement of drilling operations on the Las Violetas Exploitation Concession; expected details of the drilling program on the Las Violetas Exploitation Concession; expected details of a fracture stimulation program on wells in the Los Flamencos natural gas pool and one well in the San Luis field; expected timing of commencement of completion operations on the La Hoyada well; expectations for a production test on the La Hoyada well; the potential for further drilling at Cerro de Los Leones later in 2014; the conventional and unconventional potential of the Vaca Muerta formation, including the possibility that up to 350 square kilometres could lie in the oil generation window; the expected range of royalties from the TDF Concessions; expectations that the Company's current working capital will be sufficient to meet current financial obligations over the next twelve months; the anticipation that the Company will use existing working capital and cash flow to fund the Company's capital expenditure program through to the end of 2014; 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; and 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. . 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.

Analogous Information

Certain information contained herein is considered "analogous information" as defined in National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities* ("**NI 51-101**"). Such analogous information has not been prepared in accordance with NI 51-101 and the Canadian Oil and Gas Evaluation Handbook and Crown Point is unable to confirm whether such estimates have been prepared by a qualified reserves evaluator. In particular, this presentation presents: cumulative production information for areas in close proximity to areas in which the Company has an interest and results from a well drilled by YPF. Such information is not intended to represent projections of future results. Such information has been presented to show the presence of oil and gas resources in areas analogous to Crown Point's areas of interest. Such information is based on independent public data and public information received from other producers and Crown Point has no way of verifying the accuracy of such information and cannot determine whether the source of the information is independent. Such information has been presented to help demonstrate the basis for Crown Point's business plans and strategies. There is no certainty that such results will be achieved by Crown Point and such information should not be construed as an estimate of future reserves or resources or future production levels.

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.