

FOR IMMEDIATE RELEASE
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Crown Point Responds to Misleading Comments from Dissident

TSX-V: CWV: Crown Point Energy Inc. ("Crown Point" or the "Company") today responded to misleading comments made by dissident shareholder LAIG Oil Investments ("LAIG") regarding Crown Point and its transformative equity financing (the "Strategic Financing") with two strategic Argentinian investors.

"Our Strategic Financing is a transformative move for Crown Point that we have been working on since March," said Gordon Kettleson, Chairman of Crown Point. "Our ability to attract capital and investment in current market conditions speaks to the high quality of our assets and the experience of our management team."

"The Strategic Financing is superior in all respects to an opportunistic, coercive and highly dilutive financing (the "Inferior Proposal") proposed by LAIG. We believe LAIG is misrepresenting the facts about this financing and is pursuing this costly proxy contest to facilitate its opportunistic play for control of the Company," continued Mr. Kettleson.

"Because our priority was to focus on closing the first tranche of the Strategic Financing and our operations, we have not previously responded to LAIG's misrepresentations. Now that the first tranche has closed and we have solid exploration and development momentum, we want to be sure that shareholders are aware of the facts when assessing LAIG's motives and credibility."

Crown Point's Strategic Financing vs. LAIG's Inferior Proposal

LAIG has failed to disclose its real motivation for launching its costly proxy fight, which is to impose its Inferior Proposal on Crown Point for the benefit of LAIG at the expense of all other Crown Point shareholders.

Just prior to the Strategic Financing announcement in November, the Board rejected a demand by LAIG that Crown Point negotiate exclusively with LAIG to conclude the Inferior Proposal. Compared with the Strategic Financing, the terms demanded by LAIG are substantially less favourable to Crown Point and its shareholders, other than LAIG itself.

Shareholders should be aware of the following facts that LAIG should have disclosed, but did not:

- **LAIG's Demand For C\$0.20 Units** – LAIG demanded that Crown Point's share capital be increased by more than 25% through an issue of common shares and warrants to LAIG at just C\$0.20 per unit. LAIG's disclosure omission is significant given its inaccurate criticism of the more favourable terms of the Strategic Financing, which is at a share issue price of approximately C\$0.29 per share, a full 45% premium to LAIG's Inferior Proposal.
- **LAIG's Demand For Warrants** – LAIG's demand for warrants is significant because such warrants would have provided LAIG with a right to acquire even more Crown Point common shares at a fixed price of C\$0.30 per share for an unspecified period of time. The Strategic Financing does not include warrants.
- **LAIG's Inflexible Position** – LAIG did not present its financing demands as negotiable. Rather, LAIG said in writing that it would "require" these terms. Moreover, contrary to its public claim, LAIG did not mention shareholder approval in any of its correspondence with Crown Point.

- **LAIG's Coercive Tactics** – LAIG tried to place Crown Point at a significant negotiating disadvantage by demanding exclusivity and by refusing to provide certain basic information that Crown Point's Board requested. Neither did LAIG publicly disclose how it coercively demanded that Crown Point acquiesce on exclusivity within one day over Canada's Remembrance Day holiday, threatening a proxy contest if Crown Point refused.

Crown Point's Board and management are fully aware of their fiduciary obligations and have acted and continue to act in the best interests of the Company with respect to LAIG's Inferior Proposal as well as the Strategic Financing.

- **Crown Point Acted Responsibly** – Contrary to LAIG's assertions, Crown Point acted responsibly in responding to LAIG's Inferior Proposal by requesting more information. The only thing that Crown Point rejected was the demand for exclusivity on one day's notice. This coercive demand would have required Crown Point to terminate or suspend financing discussions with other parties.
- **Finalizing Strategic Financing** – When LAIG made this exclusivity demand, Crown Point was finalizing the terms of its Strategic Financing. Had Crown Point acquiesced to LAIG's demand, the timely signing of the Strategic Financing agreement and the eight months of effort that preceded it would have been at risk. It would not have been in the best interests of Crown Point's shareholders for the Board to have jeopardized the Strategic Financing in favour of the coercive terms of LAIG's Inferior Proposal.
- **The Official Exchange Rate** – The Strategic Financing is based on Argentina's official exchange rate which is the only exchange rate available to Crown Point. When Crown Point transfers funds to its Argentine subsidiaries in the ordinary course of business, it does so at the same official exchange rate as is used for the Strategic Financing.
- **Eight Months of Effort** – Contrary to LAIG's assertions, the Strategic Financing is not an attempt by Crown Point to entrench management and the Board in the face of LAIG's meeting requisition. As noted above, Crown Point has been in discussions and negotiations with the investors in the Strategic Financing since March and was in the process of finalizing a binding agreement when LAIG requisitioned a shareholder meeting.
- **Funding Near-term Commitments** – Contrary to LAIG's assertions, the structure of the Strategic Financing is not designed to circumvent regulatory requirements, but rather to ensure that Crown Point is able to obtain access to the capital that it needs to fund its near term commitments for its ongoing capital program at TDF.
- **Strategic Investors** – The two strategic Argentinian investors will add significant value to Crown Point. They have strong reputations in Argentina based on demonstrated successful track records in oil and gas, finance, and other industry sectors. Crown Point expects that they will bring access to new opportunities and financial resources and will help to accelerate the Company's growth plans.

Crown Point Acted Appropriately in Reassessing El Valle

LAIG's criticism of Crown Point's strategic decisions in Argentina, such as the sale by Crown Point of the El Valle block in Argentina, are unreasonable. Contrary to LAIG's assertions, Crown Point acted appropriately in reassessing El Valle's value in light of disappointing drilling and operating results that were damaging its financial performance. Given Crown Point's limited cash resources, Crown Point acted reasonably in narrowing its strategic focus to Tierra del Fuego ("TDF") and the Neuquén basin.

Contrary to LAIG's assertions, Crown Point did not abandon the Laguna de Piedra and the Cañadón Ramirez blocks. In the case of Laguna de Piedra, after the block was awarded to Crown Point local authorities placed a ban on surface access for drilling activities. In the case of Cañadón Ramirez, a third party dispute between the provincial government and former owners of the property has so far prevented Crown Point from exercising its ownership rights. Crown Point believes these are both temporary force majeure situations and that the blocks still represent long term potential value for Crown Point.

Meanwhile, as previously disclosed, Crown Point is focused on increasing its TDF production base through exploration and development drilling supplemented by the recompletion and fracture stimulation of certain existing wells. Starting in the fourth quarter of 2014, Crown Point expects this program to begin adding to the production from existing TDF wells.

Moreover, now that Crown Point has disclosed the success of its first of two TDF exploration wells, Crown Point is hard at work identifying new drilling targets in the vicinity of the successful well. If the second TDF well is also successful, Crown Point expects to identify even more new drilling targets.

The Company is also pursuing high impact exploration programs in the Neuquén basin, where, contrary to LAIG's assertions, the La Hoyada XI exploration well remains prospective. The well is suspended and may be re-entered for additional testing.

LAIG's Groundless Criticism of Crown Point's Expenses

Contrary to the assertions of LAIG, Crown Point believes that its general and administrative expenses have been reasonable and that LAIG's criticisms are unfounded.

- Crown Point takes seriously its obligations as a Canadian publicly traded company. Since LAIG has never operated a Canadian-based publicly traded company, LAIG is not in a position to make informed statements about expenses incurred to meet these obligations.
- Contrary to LAIG's assertions, Crown Point has only one Chief Operating Officer and only one Chief Financial Officer. As disclosed in the Company's management information circular for its 2014 annual general meeting, Crown Point's executive compensation is carefully benchmarked against peers and is informed by a 2012 report from a respected independent compensation consulting firm. This firm was retained by the Board's Compensation Committee to provide advice on the competitiveness and effectiveness of compensation programs for the Company's employees and directors. Crown Point believes it has acted responsibly with regard to compensation.
- In unfairly comparing Crown Point's expenses with those of Antrim Argentina, LAIG overlooks the following important context:
 - Antrim Argentina was only active in TDF, whereas Crown Point is active in TDF and other areas
 - Antrim Argentina had not undertaken a drilling program since 2010, whereas Crown Point is actively advancing its 14-well capital program at TDF
 - Crown Point has provided significant technical advice to the operator of the TDF joint venture, incurring costs that Antrim Argentina did not face, while benefitting the TDF program.

Notwithstanding Crown Point's regulatory obligations, responsible compensation policies and valued technical contributions to TDF, Crown Point is committed to efficiently managing its general and



administrative expenses. In that context, Crown Point reduced G&A expenses by 17%, including a 22% decrease in salaries, during the nine month period ended September 30, 2014 compared with the same period in 2013. Prior to the initiation of this unnecessary and costly proxy contest by LAIG, Crown Point was on track to continue reducing G&A expenses in the fourth quarter of 2014.

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About Crown Point

Crown Point Energy Inc. is an international oil and gas exploration and development company headquartered in Calgary, Canada, incorporated in Canada, trading on the TSX Venture Exchange and operating in South America. Crown Point's exploration and development activities are focused in the Austral and Neuquén basins in Argentina. Crown Point has a strategy that focuses on establishing a portfolio of producing properties, plus production enhancement and exploration opportunities to provide a basis for future growth.

Advisory

This press release 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 press release may contain forward-looking information attributed to third party 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 press release contains forward-looking information concerning, among other things, the following: the Company's assessment of the Inferior Proposal to the Strategic Financing; the Company's assessment of LAIG's motivations; the potential benefits of the Strategic Financing and the potential consequences of completing the Inferior Proposal; Crown Point's belief that LAIG is misrepresenting the facts about the Strategic Financing and is pursuing a costly proxy contest to facilitate its opportunistic play for control of Crown Point; statements with respect to Crown Point's focus on increasing its TDF production base through exploration and development drilling supplemented by the recompletion and fracture stimulation of certain existing wells and that Crown Point expects this program to begin adding to the production from existing TDF wells in the fourth quarter of 2014; the statement that Crown Point is working on identifying new drilling targets in the vicinity of the successful well and if the second TDF well is also successful, Crown Point expects to identify even more new drilling targets; that the Hoyada

XI exploration well may be re-entered for additional testing; and Crown Point's assessment with respect to its G&A and compensation policies and practises compared to its peers and otherwise.

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 press release including, but not limited to, the risk that the remaining portion of the Strategic Financing is not completed in a timely manner (or at all) or on the terms presently proposed; the risk that the Company is unable to realize the anticipated benefits of the Strategic Financing; the risk that Crown Point's TDF program does not result in additional incremental production or result in the identification of additional drilling locations; the risk that the Company's Hoyada XI exploration well may not be re-entered for additional testing; the risks and other factors described under "Risk Factors" in the Company's Annual Information Form, which is available for viewing on SEDAR at www.sedar.com.

With respect to forward-looking information contained in this press release, Crown Point 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 fully complete the remaining portion of the proposed Strategic Financing in a timely manner (or at all) or on the terms it presently contemplates; the ability of the Company to continue as a going concern without the loss or forfeiture of any assets; the appropriate identification of its peer group for the purposes of compensation policies and practices; 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 press release 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 press release are expressly qualified by this cautionary statement.

The forward-looking information contained herein is made as of the date of this press release 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.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.