

CROWN POINT VENTURES LTD.

**Notice of the Annual General and Special Meeting of Shareholders
to be held on July 27, 2012**

The annual general and special meeting (the "**Meeting**") of the holders of common shares of Crown Point Ventures Ltd. (the "**Corporation**" or "**Crown Point**") will be held in the Bantrel Tower Meeting Room on the 2nd floor of the Bantrel Tower, 700-6th Avenue S.W., Calgary, Alberta on July 27, 2012, at 10:00 a.m. (Calgary time), to:

1. receive and consider our financial statements for the fiscal year ended August 31, 2011, together with the report of the auditors thereon;
2. fix the number of directors to be elected at the Meeting at eight (8);
3. elect eight (8) directors for the ensuing year;
4. appoint auditors for the ensuing year and to authorize the directors to fix their remuneration as such;
5. to consider and if deemed advisable, to pass an ordinary resolution approving the Corporation's new stock option plan, all as more particularly described in the accompanying management information circular – proxy statement of the Corporation dated June 27, 2012 (the "**Information Circular**");
6. to consider and if thought appropriate, to pass, with or without variation, a special resolution approving the continuance of the Corporation from British Columbia to Alberta, and in connection with the same, changing the name of the Corporation to "Crown Point Energy Inc." and confirming the adoption of new by-laws of the Corporation, all as more particularly described in the accompanying Information Circular; and
7. to transact such other business as may properly come before the Meeting or any adjournment or adjournments thereof.

Only shareholders of record at the close of business on June 22, 2012 are entitled to notice of and to attend the Meeting or any adjournment or adjournments thereof and to vote thereat.

Shareholders may vote in person at the Meeting or any adjournment or adjournments thereof or they may appoint another person (who need not be a shareholder) as their proxy to attend and vote in their place. Shareholders unable to be present at the Meeting are requested to date and sign the enclosed form of proxy and return it to Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1 or by facsimile to 1-866-249-7775 (inside North America) or (416) 263-9524 (outside North America). In order to be valid, proxies must be received by Computershare Investor Services Inc. not less than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment thereof.

Particulars of the foregoing matters are set forth in the accompanying Information Circular. The audited consolidated financial statements of the Corporation as at and for the years ended August 31, 2011 and 2010 and the report of the auditor of the Corporation thereon are available on SEDAR at www.sedar.com and will be available at the Meeting.

Dated at Calgary, Alberta this 27th day of June, 2012.

By order of the Board of Directors

(Signed) *Murray D. McCartney*
President, Chief Executive Officer and a Director

CROWN POINT VENTURES LTD.

**Management Information Circular – Proxy Statement
dated June 27, 2012**

**For the Annual General and Special Meeting
of Shareholders to be held on July 27, 2012**

PROXIES

Solicitation of Proxies

This information circular – proxy statement is furnished in connection with the solicitation of proxies by or on behalf of our management for use at the annual general and special meeting (the "**Meeting**") of the shareholders of Crown Point Ventures Ltd. (the "**Corporation**" or "**Crown Point**") to be held in the Bantrel Tower Meeting Room on the 2nd floor of the Bantrel Tower, 700-6th Avenue S.W., Calgary, Alberta on July 27, 2012 at 10:00 a.m. (Calgary time), and any adjournment thereof for the purposes set forth in the accompanying Notice of Annual General and Special Meeting. Only shareholders of record on June 22, 2012 are entitled to notice of, and to attend and vote at, the Meeting.

Unless otherwise stated, the information in this information circular - proxy statement (the "**Information Circular**") is given at June 27, 2012.

The instrument appointing a proxy must be in writing and must be executed by you or your attorney authorized in writing or, if you are a corporation, under your corporate seal or by a duly authorized officer or attorney of the corporation.

The persons named in the enclosed form of proxy are officers of the Corporation. **As a shareholder submitting a proxy you have the right to appoint a person (who need not be a shareholder) to represent you at the Meeting other than the person or persons designated in the form of proxy furnished by us. To exercise this right you should insert the name of the desired representative in the blank space provided in the form of proxy and strike out the other names or submit another appropriate proxy.** In order to be effective, the proxy must be deposited with Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1 or by facsimile to 1-866-249-7775 (inside North America) or (416) 263-9524 (outside North America), not less than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment thereof.

Advice to Beneficial Holders of Common Shares

The information set forth in this section is of significant importance to you if you do not hold the common shares of the Corporation ("**Common Shares**") in your own name. Only proxies deposited by shareholders whose names appear on our records as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in your account statement provided by your broker, then in almost all cases those Common Shares will not be registered in your name on our records. Such Common Shares will likely be registered under the name of your broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co., the registration name for CDS Clearing and Depository Securities Inc., which acts as nominee for many Canadian brokerage firms. Common Shares held by your broker or their nominee can only be voted upon your instructions. Without specific instructions, your broker or their nominee is prohibited from voting your shares.

Applicable regulatory policy requires your broker to seek voting instructions from you in advance of the Meeting. Every broker has its own mailing procedures and provides its own return instructions, which you should carefully follow in order to ensure that your shares are voted at the Meeting. Often, the form of proxy supplied by your broker is identical to the form of proxy provided to registered shareholders. However, its purpose is limited to instructing the registered shareholder how to vote on your behalf. The majority of brokers now delegate

responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. or another intermediary. If you receive a voting instruction form from Broadridge Financial Solutions, Inc. or another intermediary it cannot be used as a proxy to vote shares directly at the meeting as the proxy must be returned (or otherwise reported as provided in the voting instruction form) as described in the voting instruction form well in advance of the Meeting in order to have the shares voted.

Although you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker (or agent of the broker), you may attend at the Meeting as proxyholder for the registered shareholder and vote Common Shares in that capacity. If you wish to attend the Meeting and indirectly vote your Common Shares as proxyholder for the registered shareholder, you should enter your own name in the blank space on the form of proxy provided to you and return the same to your broker (or the broker's agent) in accordance with the instructions provided by your broker (or agent), well in advance of the Meeting.

Revocability of Proxy

You may revoke your proxy at any time prior to the Meeting. If you or the person to whom you give your proxy attends personally at the Meeting you or such person may revoke the proxy and you may vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing executed by you or your attorney authorized in writing or, if you are a corporation, under your corporate seal or by a duly authorized officer or attorney of the corporation. To be effective the instrument in writing must be deposited at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting, or any adjournment thereof.

Persons Making the Solicitation

This solicitation is made on behalf of our management. We will bear the costs incurred in the preparation and mailing of the form of proxy, notice of annual general and special meeting and this Information Circular. In addition to mailing forms of proxy, proxies may be solicited by personal interviews, or by other means of communication, by our directors, officers and employees who will not be remunerated therefor. While no arrangements have been made to date by the Corporation, the Corporation may contract for the distribution and solicitation of proxies for the Meeting. The costs incurred by the Corporation in soliciting proxies will be paid by the Corporation.

Exercise of Discretion by Proxy

The Common Shares represented by proxy in favour of management nominees will be voted on any poll at the Meeting. Where you specify a choice with respect to any matter to be acted upon the shares will be voted on any ballot in accordance with the specification so made. **If you do not provide instructions your shares will be voted in favour of the matters to be acted upon as set out herein.** The persons appointed under the form of proxy which we have furnished are conferred with discretionary authority with respect to amendments or variations of those matters specified in the form of proxy and notice of annual general and special meeting and with respect to any other matters which may properly be brought before the Meeting or any adjournment thereof. At the time of printing this Information Circular, we know of no such amendment, variation or other matter.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Corporation is authorized to issue an unlimited number of Common Shares without par value and an unlimited number of class A preferred shares (the "**Class A Preferred Shares**") with a par value of \$1.00 each. As at June 27, 2012 there were 104,515,222 Common Shares and no Class A Preferred Shares issued and outstanding, each Common Share carrying the right to one vote. At the Meeting, every holder of Common Shares present in person or by proxy shall have one vote on each matter brought before the Meeting.

Only holders of record of Common Shares at the close of business on June 22, 2012, who either personally attend the Meeting or who complete and deliver an instrument of proxy in the manner and subject to the provisions set forth herein will be entitled to have his or her Common Shares voted at the Meeting or any adjournment thereof.

To the knowledge of the directors and executive officers of the Corporation, there are no persons who beneficially own, directly or indirectly, or exercise control or direction over, shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Corporation.

MATTERS TO BE ACTED UPON AT THE MEETING

Fixing the Number of Directors

The Board of Directors of the Corporation (the "**Board**") presently consists of eight (8) members. It is proposed that shareholders approve an ordinary resolution to fix the number of directors to be elected at the Meeting at eight (8). Unless otherwise directed, it is the intention of management to vote proxies in favour of the ordinary resolution to fix the number of directors to be elected at the Meeting at eight (8).

Election of Directors

Directors will be elected at the Meeting. Unless otherwise directed, it is the intention of management to vote proxies in favour of the election as directors of the following persons:

Murray D. McCartney
John Clark
Denny Deren
Gordon R. Kettleon
Dr. Brian J. Moss
Carlos Olivieri
Mateo Turic
Keith Turnbull

Each director elected will hold office until the next annual general meeting, or until his successor is duly elected or appointed, unless his office is earlier vacated.

Management does not contemplate that any of these nominees will be unable to serve as a director. However, if for any reason any of the proposed nominees does not stand for election or is unable to serve as such, **the management designees, if named as proxy, reserve the right to vote for any other nominee in their sole discretion unless you have specified in your proxy that your Common Shares are to be withheld from voting on the election of directors.**

The following information relating to the nominees as directors is based partly on our records and partly on information received by us from the nominees and sets forth the names, ages, province or state and country of residence of all of the persons nominated for election as directors, the periods during which they have served as directors, their principal occupations during the five preceding years and the number of Common Shares owned, or controlled or directed, directly or indirectly, by each of them as of June 27, 2012.

Name, Province/State and Country of Residence	Director Since	Principal Occupation During the Five Preceding Years	Number of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly
Murray D. McCartney Age 56 Alberta, Canada President, Chief Executive Officer and Director	May 5, 2009	President and Chief Executive Officer of Crown Point since May 2009. Prior thereto President and Chief Executive Officer of Adamant Energy Inc. (a private oil and gas company) from 2004 to 2008.	863,000
John Clark ⁽¹⁾⁽²⁾⁽⁴⁾ Age 57 Ontario, Canada Director	May 3, 2010	President of Investments and Technical Management Corp. since 1999.	Nil
Denny Deren ⁽¹⁾⁽³⁾⁽⁴⁾ Age 56 Alberta, Canada Director	July 9, 2008	President of Excalibur Foxx Ltd. since 1987. President of Foxxhole Escape Systems Inc. since 2006.	5,500
Gordon R. Kettleson ⁽²⁾⁽³⁾ Age 56 British Columbia, Canada Chairman and Director	December 17, 2001	Chief Executive Officer of Interwest Enterprises Ltd. since 2001. Formerly President and/or Chief Executive Officer of Crown Point for various periods between March 2007 and May 2009.	404,000
Dr. Brian J. Moss Age 63 Alberta, Canada Executive Vice-President, Chief Operating Officer and Director	May 28, 2012	Executive Vice-President and Chief Operating Officer of Crown Point since June 2012. From January 2008 to May 2012, Executive Vice President (Latin America) of Antrim Energy Inc. Prior to January 2008, President and Chief Executive Officer of Los Altares Resources Ltd., a private oil and gas company incorporated in Alberta.	22,461
Carlos Olivieri Age 62 Buenos Aires, Argentina Director	October 19, 2011	Dean and Professor of the Master of Business Administration program at D. Tella, Austral and Lema Universities.	Nil
Mateo Turic Age 70 Buenos Aires, Argentina Director	May 3, 2010	President and Chief Executive Officer of Crown Point Oil & Gas S.A. since 2007. Prior thereto Senior Exploration and Development Advisor to Pioneer Oil Co. from 2002 to 2006.	130,000
Keith Turnbull ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾ Age 63 Alberta, Canada Director	April 23, 2012	Business consultant since December 31, 2009. Prior thereto, Partner at KPMG LLP.	Nil

Notes:

- (1) Member of the audit committee of the Board.
- (2) Member of the corporate governance committee of the Board.
- (3) Member of the compensation committee of the Board.
- (4) Member of the reserves committee of the Board.

As at June 27, 2012, the directors and officers of the Corporation own, or control or direct, directly or indirectly, 1,434,961 Common Shares representing approximately 1.4% of the issued and outstanding Common Shares.

Cease Trade Orders

Except as disclosed below, to the knowledge of the management of the Corporation, other than as disclosed below, none of the proposed directors is, or has been in the last 10 years, a director, chief executive officer or chief financial officer of an issuer (including the Corporation) that, (a) while that person was acting in that capacity, was the subject of a cease trading order or similar order or an order that denied the issuer access to any exemptions under securities legislation, for a period of more than 30 consecutive days; or (b) was subject to, after that person ceased to be a director, chief executive officer or chief financial officer, in the issuer being the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation, for a period of more than 30 consecutive days, and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer.

Dr. Brian Moss was a director of Richards Oil & Gas Limited ("**ROG**") when each of the Alberta Securities Commission, British Columbia Securities Commission and the Ontario Securities Commission issued cease trade orders on May 7, 2010, May 11, 2010 and May 26, 2010, respectively, against ROG for failing to file certain annual disclosure documents for the financial year ended December 31, 2009. ROG's shares were de-listed from the TSX Venture Exchange (the "**TSXV**") on July 9, 2010 for failure to pay its listing fees. The cease trade orders by the Alberta Securities Commission and Ontario Securities Commission were varied in December 2010 to allow certain trades as part of ROG's proposal under the *Bankruptcy and Insolvency Act* (Canada) ("**BIA**"), as discussed below. On December 31, 2010, after assisting ROG with its successful restructuring process, Dr. Moss resigned as a director of ROG.

Bankruptcies

Except as disclosed below, to the knowledge of the management of the Corporation, no proposed director of the Corporation is, or within the ten years prior to the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any other issuer (including the Corporation) that: (a) was declared bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person; or (b) was a director or executive officer of a corporation (including the Corporation) that while that person acting in that capacity or within a year of the person ceasing to act as a director or officer of the corporation became bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Dr. Brian Moss was a director of ROG when ROG received protection from its creditors pursuant to an order under the BIA on May 5, 2010. On September 24, 2010 ROG filed a proposal under the BIA naming Alger & Associates Inc. as the trustee, which was accepted by ROG's creditors and the Alberta Court of Queen's Bench. On December 31, 2010, after assisting ROG with its successful restructuring process, Dr. Moss resigned as a director of ROG.

Penalties or Sanctions

To the knowledge of management of the Corporation, no proposed director of the Corporation have been subject to (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director of the Corporation.

Appointment of Auditor

Effective on September 21, 2011, at the request of the Corporation, Smythe Ratcliffe LLP, Chartered Accountants, of Vancouver, British Columbia, resigned as auditors of the Corporation. KPMG LLP, Chartered Accountants, of Calgary, Alberta, were appointed by the Board as successor auditors of the Corporation effective on September 21, 2011. The resignation of Smythe Ratcliffe LLP and the appointment of KPMG LLP were considered and approved by both the Audit Committee of the Board and the Board.

In accordance with National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**"), the Corporation filed with the securities regulatory authorities in the jurisdictions in which the Corporation was a reporting issuer on September 21, 2011, a "reporting package" (as such term is defined in NI 51-102) which included a change of auditor notice delivered to each of Smythe Ratcliffe LLP and KPMG LLP and a letter from each of Smythe Ratcliffe LLP and KPMG LLP stating that they agree with the information set out in the change of auditor notice (the "**Reporting Package**"). A copy of the Reporting Package, which indicates that there were no reservations in the auditors' reports on the Corporation's financial statements as at and for the years ended August 31, 2010 and 2009 and there have been no reportable events, is attached hereto as Schedule "A".

At the Meeting, shareholders will be asked to consider and, if thought fit, approve an ordinary resolution to engage the services of KPMG LLP of Calgary, Alberta to act as our auditors until the next annual general meeting of our shareholders and to authorize our directors to fix their remuneration as such. Unless otherwise directed, it is management's intention to vote proxies in favour of KPMG LLP, Chartered Accountants of Calgary, Alberta to serve as the auditors of the Corporation until the next annual general meeting of the shareholders of the Corporation and to authorize our directors to fix their remuneration as such.

Approval of New Stock Option Plan

Pursuant to TSXV Policy 4.4 (the "**Option Policy**") the Corporation is permitted to maintain a "rolling" stock option plan reserving a maximum of 10% of the issued and outstanding Common Shares for issuance pursuant to stock options ("**Options**"). In accordance with the Option Policy, rolling option plans must receive shareholder approval yearly at the Corporation's annual meeting.

The current stock option plan of the Corporation was initially approved by holders of Common Shares at the annual general meeting held on February 20, 2004 and was last approved by the holders of Common Shares on May 19, 2011. The Corporation currently has outstanding Options to purchase 5,860,000 Common Shares, at an average exercise price of \$0.91 per share.

On June 27, 2012, the Board approved a new option plan (the "**New Option Plan**") to replace the existing stock option plan of the Corporation for Crown Point in the form attached to this Information Circular as Schedule "B".

At the Meeting, shareholders of the Corporation will be asked to consider and, if deemed advisable, approve the New Option Plan. Crown Point will seek the agreement of each holder of outstanding Options that, provided the New Option Plan is approved by the shareholders, such Options will no longer be subject to the existing option plan and will instead be subject to, or exchanged for Options subject to, the terms and conditions of the New Option Plan. To the extent that any holder of outstanding Options does not agree, such Options will continue to be subject to the provisions of the existing option plan.

Background Information

Equity-based incentive compensation such as the Option Plan is an integral component of compensation for directors, officers, employees and consultants. The New Option Plan is being adopted in conjunction with the continuance of the Corporation into Alberta and includes a number of additional features which are not provided for in the current option plan of Crown Point, including the extension of the term of outstanding Options if the normal expiry of the term falls within a Black Out Period (as defined below). The New Option Plan is intended to maintain Crown Point's competitiveness within the oil and gas industry and facilitate the achievement of its long-term goals by providing an increased incentive for personnel to contribute to the future success and prosperity of Crown Point and by strengthening the alignment of the interests of personnel with the interests of the Crown Point shareholders.

Summary of the New Option Plan

The purpose of the New Option Plan is to aid in attracting, retaining and motivating the directors, officers, employees and consultants (collectively, "**Service Providers**") of Crown Point and its subsidiaries and affiliates in the growth and development of Crown Point by providing them with the opportunity through Options to acquire an increased proprietary interest in Crown Point.

The New Option Plan will be administered by a committee of the Board comprised of one or more directors appointed by the Board to administer the New Option Plan or, if no such committee is appointed, the Board (in each case, the "**Committee**"). The Committee may designate eligible Service Providers of Crown Point and its subsidiaries and affiliates to whom Options may be granted and the number of Crown Point Shares to be optioned to each, provided that the number of Common Shares to be optioned will not exceed the limitations set out below:

- (a) the total number of Common Shares reserved for issuance on exercise of Options issued under the New Option Plan at any given time shall not exceed 10% of the aggregate of the issued and outstanding Common Shares at such time;
- (b) unless the approval of the disinterested shareholders of Crown Point is obtained, the aggregate number of Common Shares reserved for issuance to any one optionee in a 12 month period shall not exceed 5% of the number of outstanding Common Shares (determined at the time an Option is granted);
- (c) the aggregate number of Common Shares reserved for issuance to any one consultant in a 12 month period shall not exceed 2% of the number of outstanding Common Shares (determined at the time an Option is granted);
- (d) the aggregate number of Common Shares reserved for issuance to all persons conducting investor relations activities in a 12 month period shall not exceed 2% of the number of outstanding Common Shares (determined at the time an Option is granted); and
- (e) unless the approval of the disinterested shareholders of Crown Point is obtained, the maximum number of Options which may be granted to insiders of Crown Point within a 12 month period may not exceed 10% of the number of outstanding Common Shares.

Any increase in the issued and outstanding Common Shares (whether as a result of the exercise of Options or otherwise) will result in an increase in the number of Common Shares that may be issued on exercise of Options outstanding at any time and any increase in the number of Options granted will, upon exercise, make new grants available under the New Option Plan. Options that are cancelled, terminated or expire prior to the exercise of all or a portion thereof will result in the Common Shares that were reserved for issuance thereunder being available for a subsequent grant of Options pursuant to the New Option Plan.

The Committee may, in its sole discretion, determine: (i) the time during which Options will vest; (ii) the method of vesting; or (iii) that no vesting restriction shall exist. The Committee may, at its sole discretion at any time, or in the option agreement in respect of any Options granted, accelerate or provide for the acceleration of vesting of Options previously granted. The exercise price of Options will be fixed by the Committee when Options are granted, provided that the exercise price of Options may not be less than the Discounted Market Price of the Common Shares at the time an Option is granted (or such other minimum price as may be required by the stock exchange on which the Common Shares are listed at the time of grant). "**Discounted Market Price**" means the last closing trading price per Common Share on the TSXV (or if the Common Shares are not listed on the TSXV, on such exchange as the Common Shares are then traded) before the date of grant of the Option or the date Crown Point issues a news release to fix the price of such Option, less the applicable discount as prescribed by the TSXV. The period during which an Option is exercisable shall, subject to the provisions of the New Option Plan requiring or permitting acceleration of rights of exercise or the extension of the exercise period, be such period, not in excess of five years, as may be determined by the Committee at the time of grant. Options will not be assignable or transferable by the optionee either in whole or in part.

In addition, each Option shall provide that:

1. upon the death of an optionee, the Option shall terminate on the date determined by the Committee which shall not be more than twelve (12) months from the date of death and, in the absence of any determination to the contrary, will be twelve (12) months from the date of death;

2. if an optionee shall no longer be a Service Provider (other than by reason of death or termination for cause), the Option shall terminate on the expiry of the period not in excess of ninety (90) days as prescribed by the Committee at the time of grant, following the date that such optionee ceases to be a Service Provider and, in the absence of any determination to the contrary, will terminate ninety (90) days following the date that such optionee ceases to be a Service Provider;
3. if an optionee shall no longer be a Service Provider by reason of termination for cause, the Option shall terminate immediately on such termination for cause (whether notice of such termination occurs verbally or in writing);

provided that the number of Common Shares that an optionee (or his or her heirs or successors) shall be entitled to purchase until such date of termination: (i) shall in the case of death of such optionee, be all of the Common Shares that may be acquired on exercise of the Options held by such optionee (or his or her heirs or successors) whether or not previously vested, and the vesting of all such Options shall be accelerated on the date of death for such purpose; and (ii) in any case other than death or termination for cause, shall be the number of Common Shares which such optionee was entitled to purchase on the date such optionee ceased to be a Service Provider.

If the expiry date of any Options falls within any Black Out Period or within ten business days following the end of any Black-Out Period (the "**Restricted Options**"), then the expiry date of all Restricted Options will be extended to the date that is ten business days following the end of the Black-Out Period (or such longer period as permitted by the TSXV and approved by the Committee). The foregoing extension applies to all Options whatever the date of grant and shall not be considered to be an extension of the term of the Options. "**Black Out Period**" means the period of time when, pursuant to any policies of Crown Point and/or applicable securities laws, any securities of Crown Point may not be traded by certain persons as designated by Crown Point and/or such applicable securities laws, including any holder of an Option.

In the event: (i) of any change in the Common Shares through subdivision, consolidation, reclassification, amalgamation, merger or otherwise; or (ii) that, as a result of any recapitalization, merger, consolidation or other transaction, the Common Shares are converted into or exchangeable for any other securities or property; then the Board may make such adjustments to the New Option Plan and to any Options, and may make such amendments to any option agreements, as the Board may, in its sole discretion, consider appropriate in the circumstances to prevent dilution or enlargement of the rights granted to optionees and/or to provide for the optionees to receive and accept such other securities or property in lieu of Common Shares, and the optionees will be bound by any such determination. If Crown Point fixes a record date for a distribution to all or substantially all of the holders of the Common Shares of cash or other assets (other than a dividend in the ordinary course of business), the Board may, in its sole discretion, but will not be required to, make an adjustment to the exercise price of any Options outstanding on the record date for such distribution and make such amendments to any option agreements to give effect thereto, as the Board may, in its sole discretion, consider appropriate in the circumstances.

Except in the case of a transaction that is a Change of Control (as defined in the New Option Plan), if Crown Point enters into any transaction or series of transactions whereby Crown Point or all or substantially all of the assets of Crown Point and its subsidiaries (on a consolidated basis) would become the property of any other trust, body corporate, partnership or other person (a "**Successor**"), whether by way of takeover bid, acquisition, reorganization, consolidation, amalgamation, arrangement, merger, transfer, sale or otherwise, prior to or contemporaneously with the consummation of such transaction the Corporation and the Successor will execute such instruments and do such things as the Committee may determine are necessary to establish that upon the consummation of such transaction the Successor will assume the covenants and obligations of the Corporation under the New Option Plan and any option agreements outstanding on consummation of such transaction. Any such Successor shall succeed to, and be substituted for, and may exercise every right and power of the Corporation under the New Option Plan and option agreements with the same effect as though the Successor had been named as the Corporation therein and thereafter, the Corporation shall be relieved of all obligations and covenants under the New Option Plan and such option agreements and the obligation of the Corporation to the optionees in respect of the Options shall terminate and be at an end and the optionees shall cease to have any further rights in respect thereof including, without limitation, any right to acquire Common Shares upon vesting of the Options.

If there takes place a Change of Control (as such term is defined in the New Option Plan), all issued and outstanding Options will be exercisable (whether or not then vested) immediately prior to the time such Change of Control takes place and shall terminate on the 90th day after the occurrence of such Change of Control, or at such earlier time as may be established by the Board, in its absolute discretion, prior to the time such Change of Control takes place.

The New Option Plan allows the Board to amend or discontinue the plan at any time, provided that no such amendment may, without the consent of an optionee, alter or impair any Option previously granted to an optionee under the New Option Plan, and provided further that any amendment to the plan is subject to prior approval of the TSXV, if required, and approval of the holders of Common Shares, if required by the TSXV.

TSXV Approval Requirements

The TSXV has accepted notice of filing of the New Option Plan, subject to certain conditions being satisfied including, among other things, that the New Option Plan be approved by shareholders of the Corporation in the manner described below. The policies of the TSXV require that the New Option Plan be approved every year by shareholders of Crown Point.

Shareholder Approval Requirements

At the Meeting, shareholders will be asked to consider and, if deemed advisable, approve the following ordinary resolution to approve the adoption by Crown Point of the New Option Plan:

"BE IT RESOLVED THAT:

1. the stock option plan (the "**New Option Plan**") of Crown Point Ventures Ltd. ("**Crown Point**"), in a form substantially as set forth in Schedule "B" to the management information circular and proxy statement of Crown Point dated June 27, 2012, including the approval of the reserve and issuances of up to a maximum of 10% of the number of issued and outstanding common shares of Crown Point from time to time to be issued thereunder, be and the same is hereby authorized and approved;
2. the exchange of all currently outstanding options ("**Existing Options**") to purchase common shares of Crown Point under Crown Point's current option plan for options to purchase common shares of Crown Point that are issued under and subject to (or such other transaction whereby such Existing Options become subject to) the New Option Plan be and the same is hereby authorized and approved;
3. the Board of Directors of Crown Point may revoke this resolution before it is acted upon, without further approval of the shareholders of the Corporation; and
4. any one or more directors or officers of Crown Point are hereby authorized to execute and deliver, whether under corporate seal or otherwise, all such agreements, instruments, notices, consents, acknowledgements, certificates and other documents (including any documents required under applicable laws or regulatory policies), and to perform and do all such other acts and things, as any such director or officer in his or her discretion may consider to be necessary or advisable from time to time in order to give effect to this resolution."

In order for the foregoing resolution to be passed, it must be approved by a simple majority of the votes cast by shareholders of the Corporation who vote in person or by proxy at the Meeting. Unless otherwise directed, it is the intention of management to vote proxies in favour of the ordinary resolution approving the New Option Plan.

Approval of Continuation of the Corporation from British Columbia to Alberta

The head office of the Corporation is located in Calgary, Alberta and many of the Corporation's officers and service providers reside in Alberta. This being the case, management has determined that it is both practical and cost-effective to continue the Corporation into the Province of Alberta (the "**Continuance**").

The proposed Continuance can only proceed if the Corporation meets a number of requirements set out under the *Business Corporations Act* (British Columbia) (the "**BCBCA**") and under the *Business Corporations Act* (Alberta) (the "**ABCA**").

The text of the proposed resolution approving the Continuance (the "**Continuance Resolution**") is set forth below. The Board considers the Continuance to be in the best interests of the Corporation and its shareholders and recommends that shareholders vote in favour of the Continuance.

In conjunction with the Continuance the Corporation intends to change its name to "Crown Point Energy Inc." The Continuance Resolution also approves the change of the name of the Corporation to Crown Point Energy Inc.

Timing of the Continuance

The Continuance will not become effective until Articles of Continuance have been sent to the Registrar under the ABCA and a Certificate of Continuance has been issued in accordance with the ABCA. If the Continuance Resolution is passed, management of the Corporation intends to file the necessary documents to effect the Continuance as soon as practical following the approval of the Continuance Resolution. Notwithstanding the approval of the Continuance Resolution, the directors of the Corporation may abandon such application without further approval of the shareholders of Crown Point at any time prior to the issuance of the Certificate of Continuance under the ABCA, including in the event that the Corporation anticipates substantial cost to it as a result of the exercise of dissent rights.

Comparison of Provisions of the Business Corporations Act (Alberta) to the Business Corporations Act (British Columbia)

This Information Circular summarizes some of the differences that could materially affect the rights and obligations of shareholders after giving effect to the Continuance. In exercising their vote, shareholders should consider the distinctions between the BCBCA and the ABCA, only some of which are outlined below. Notwithstanding the alteration of shareholders' rights and obligations under the BCBCA and the proposed Continuance, the Corporation will continue to be bound by the rules and policies of the TSXV and the British Columbia and Alberta Securities Commissions, as well as any other applicable securities legislation.

The following is a summary only of certain differences between the BCBCA, the statute that currently governs the corporate affairs of the Corporation and the ABCA, the statute which will govern the corporate affairs of the Corporation upon the Continuance. The following summary should not be construed as legal advice to any particular shareholder, all of whom are advised to consult their own legal advisors respecting all of the implications of the Continuance.

Charter Documents

Under the ABCA, the company has "articles of incorporation", which set forth the name of the company, the amount, type and terms of authorized capital and certain other provisions, and "bylaws" which govern the management of the company. The articles are filed with the ABCA Registrar and the bylaws are filed only with the company's registered and records office.

Under the BCBCA, the charter documents consist of a "Notice of Articles", which sets forth the name of the Corporation and the amount and type of authorized capital, and "Articles" which govern the management of the company and provide the terms relating to the authorized capital. The Notice of Articles is filed with the BCBCA Registrar of Companies and the Articles are filed only with the company's registered and records office.

If shareholders approve the Continuance under the ABCA, the Corporation will continue to have authorized capital consisting of an unlimited number of Common Shares and an unlimited number of Class A Preferred Shares which is the same as it has under the BCBCA; however, the Class A Preferred Shares of the Corporation, which have a par value of \$1.00 per share, will be deemed to be shares without par value under the ABCA as the ABCA requires that shares of a company not have par value. In addition, the rights, privileges, restrictions and conditions attaching to the Common Shares and the Class A Preferred Shares will be amended, as necessary, such that following the Continuance the Common Shares and the Class A Preferred Shares will have the rights, privileges, restrictions and conditions as set out in the Articles of Continuance in the form attached as Schedule "C" hereto. The Continuance to Alberta will not result in any substantive changes to the constitution, powers or management of the Corporation except as previously described.

Amendments to the Charter Documents of the Corporation

The ABCA requires a two-thirds majority vote of the shareholders of the company to make substantive changes to a company's constating documents. Any substantive change to the constating documents of a company under the BCBCA requires a special resolution passed by:

- (a) the majority of votes that the Articles of the company specify is required for the company to pass a special resolution at a general meeting, if that specified majority is at least two-thirds and not more than three-quarters of the votes cast on the resolution; or
- (b) if the Articles do not contain such a provision, a special resolution passed by at least two-thirds of the votes cast on the resolution.

The BCBCA does allow some limited capital alterations to be approved by a simple majority vote or by the directors if the articles so provide. The Corporation has not incorporated any such provisions into its articles.

Under both the ABCA and the BCBCA, other fundamental changes, such as an alteration of the special rights and restrictions attached to issued shares or a proposed amalgamation or continuation of a company out of the jurisdiction, require a similar special resolution passed by the holders of shares of each class entitled to vote at a general meeting of a company and the holders of all classes of shares adversely affected by an alteration of special rights and restrictions.

Sale of Corporation's Undertaking

Under the ABCA, the approval of the shareholders of a company represented at a duly called meeting to which are attached not less than two-thirds of the votes entitled to vote upon a sale, lease or exchange or all or substantially all of the property of a company, and, where the class or series is affected by the sale, lease or exchange in a manner different from another class or series, the holders of shares of that class or series are entitled to vote separately as a class or series. Each share of a company carries the right to vote in respect of the sale, lease or exchange whether or not it otherwise carries the right to vote. Under the BCBCA, a company may sell, lease or otherwise dispose of all or substantially all of the undertaking of a company only if it does so in the ordinary course of its business or if it has been authorized to do so by a special resolution passed by the majority of votes that the Articles of the company specify is required for the company to pass a special resolution at a general meeting, if that specified majority is at least two-thirds and not more than three quarters of the votes cast on the resolution or, if the Articles do not contain such a provision, a special resolution passed by at least two-thirds of the votes cast on the resolution.

Rights of Dissent and Appraisal

The BCBCA provides that shareholders who dissent to certain actions being taken by a company may exercise a right of dissent and require the company to purchase the shares held by such shareholder at the fair value of such shares. The dissent right is applicable where a corporation proposes:

- (a) a resolution to alter the articles, to alter restrictions on the powers of the company or on the business it is permitted to carry on;

- (b) a resolution to adopt an amalgamation agreement;
- (c) a resolution to approve an amalgamation into a foreign jurisdiction;
- (d) a resolution to approve an arrangement, the terms of which arrangement permit dissent;
- (e) a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;
- (f) a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;
- (g) any other resolution, if dissent is authorized by the resolution; or
- (h) any action for which a court order permits dissent.

The ABCA provides that shareholders who dissent to certain actions being taken by a company may exercise a right of dissent and require the company to purchase the shares held by shareholders at the fair value of such shares. The dissent right is applicable where the company proposes to:

- (a) amend its articles to add, change or remove any provisions restricting or constraining the issue or transfer of shares of a particular class or to add, change or remove any restriction on the business that the company may carry on or to add or remove an express statement establishing the unlimited liability of shareholders;
- (b) amalgamate with another corporation except with a wholly-owned subsidiary of the company or if a wholly-owned subsidiary amalgamates with another wholly-owned subsidiary of the same holding body corporate;
- (c) continue under the laws of another jurisdiction;
- (d) sell, lease or exchange all or substantially all of its property; and
- (e) pursuant to a plan of arrangement under Section 193 of the ABCA if the court permits dissent.

Oppression Remedies

Under the BCBCA, a shareholder of a company has the right to apply to court on the grounds that: (a) the affairs of the company are being or have been conducted, or that the powers of the directors are being or have been exercised, in a manner oppressive to one or more of the shareholders, including the applicant, or (b) some act of the company has been done or is threatened, or that some resolution of the shareholders or of the shareholders holding shares of a class or series of shares has been passed or is proposed, that is unfairly prejudicial to one or more of the shareholders, including the applicant. On such an application, the court may make such order as it sees fit including an order to prohibit any act proposed by the company.

The ABCA contains rights that are substantially broader in that they are available to a larger class of complainants. Under the ABCA, a shareholder, former shareholder, director, former director, officer, former officer of a company or any of its affiliates, or any other person who, in the discretion of a court, is a proper person to seek an oppression remedy may apply to a court for an order to rectify the matters complained of where, in respect of a company or any of its affiliates, any act or omission of the company or its affiliates effects a result, or the business or affairs of the company or its affiliates are or have been exercised in a manner, or the powers of the directors of the company or any of its affiliates are or have been exercised in a manner that is oppressive or unfairly prejudicial to, or that unfairly disregards the interest of, any security holder, creditor, director or officer.

Shareholder Derivative Actions

Under the BCBCA, a shareholder or director of a company may, with leave of the court, prosecute a legal proceeding in the name and on behalf of the company to enforce a right, duty or obligation owed to the company that could be enforced by the company itself or to obtain damages for any breach of such a right, duty or obligation.

A broader right to bring a derivative action is contained in the ABCA, and this right extends to officers, former shareholders, former directors and former officers of a company or its affiliates, and any person who, in the discretion of the court, is a proper person to make an application to court to bring a derivative action. In addition, the ABCA permits derivative actions to be commenced in the name and on behalf of a company or any of its subsidiaries.

Requisition of Meetings

The BCBCA provides that one or more shareholders of a company holding at least 5% of the issued voting shares of a company may give notice to the directors requiring them to call and hold a general meeting. The ABCA also provides this right.

Indemnification

The ABCA allows a company to indemnify a director or former director or officer or former officer of a company or its affiliates against all liability and expenses reasonably incurred by him or her in a proceeding to which he or she is made party by reason of being or having been a director or officer if he or she acted honestly and in good faith with a view to the best interests of the company. Additionally, in such cases where the director or officer was substantially successful on the merits of his or her defence of the action or proceeding against him or her the ABCA requires the company to indemnify the director or officer. The BCBCA also provides these rights.

Dividends

The ABCA limits the circumstances under which a company may declare dividends only where there are reasonable grounds for believing that the company is, or would after the payment be, unable to pay its liabilities as they become due, or the realizable value of the company's assets would thereby be less than the aggregate of its liabilities and stated capital of all classes. The BCBCA provides a similar limitation on the declaration of dividends.

Place of Meetings

The ABCA provides that meetings of shareholders may be held outside Alberta where the company's articles so provide.

Under the BCBCA, general meetings of shareholders are to be held in British Columbia or may be held at a location outside of British Columbia if:

- (a) the location is provided for in the articles;
- (b) the articles do not restrict the company from approving a location outside of British Columbia and the location is approved by the resolution required by the articles for that purpose, or if no resolution is specified then approved by ordinary resolution; or
- (c) the location is approved in writing by the BCBCA Registrar of Companies before the meeting is held.

Dissent Rights to the Continuance Resolution

The following is a summary of the operation of the provisions of the BCBCA relating to the dissent and appraisal rights of a registered shareholder of the Corporation in respect of the Continuance. **Such summary is not a**

comprehensive statement of the procedures to be followed by a shareholder of the Corporation who seeks such dissent and appraisal rights and is qualified in its entirety by reference to the full text of Part 8, Division II of the BCBCA which is attached to this Information Circular as Schedule "E". Any registered shareholder of the Corporation considering the exercise of the right of dissent should seek legal advice, since failure to comply strictly with the provisions of the BCBCA may prejudice such registered shareholder's right of dissent.

A dissenting shareholder of the Corporation (a "**Dissenting Shareholder**") must within 2 days prior to the Meeting send by registered mail to the Corporation c/o the Corporation's registered office, c/o Tupper Jonsson & Yeadon, Suite 1710, 1177 West Hastings Street, Vancouver, BC, V6E 2L3 Attention: Glenn Yeadon a written notice of dissent pursuant to Section 242 of the BCBCA with respect to the Continuance Resolution. After the Continuance Resolution is approved by the shareholders of the Corporation and if the Corporation notifies the Dissenting Shareholder of its intention to act upon the Continuance Resolution, the Dissenting Shareholder is then required within 14 days after the Corporation gives such notice, to send to the Corporation a written notice that such holder requires it to purchase all of the shares in respect of which such holder has given notice of dissent, together with the share certificate or certificates representing those shares, whereupon the Dissenting Shareholder is bound to sell and the Corporation is bound to purchase those shares.

A Dissenting Shareholder who has complied with the aforementioned provisions of Section 242, or the Corporation, may apply to the court for an order requiring such holder's shares to be purchased, fixing the price and terms of the purchase and sale or ordering that they may be determined by arbitration, and the court may make such order and such consequential orders or directions as the court considers appropriate. There is no obligation on the Corporation to make application to the court. The Dissenting Shareholder will be entitled to receive the payout value of the Common Shares held by such holder as of the day before the Meeting or such later date on which the Continuance Resolution is passed.

Shareholder Approval of Continuance

The Continuance requires the approval of two-thirds of the votes cast by the holders of the Common Shares, present in person or by proxy at the Meeting, voting thereon. The Continuance is also subject to the approval of the Registrar under the ABCA and to other regulatory approvals. A copy of the proposed Articles of Continuance under the ABCA are set out as Schedule "C" to this Information Circular. The Articles of Continuance in the form attached as Schedule "C" and the By-Laws in the form attached as Schedule "D" to be approved as set out in the text of the Continuance Resolution will replace the Corporation's current Articles and Notice of Articles upon the Continuance becoming effective. If the Continuance is approved, the name of the Corporation will be changed to Crown Point Energy Inc.

At the Meeting, shareholders shall be asked to consider and, if deemed advisable, approve the following special resolution authorizing the Continuance:

"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. Crown Point Ventures Ltd. (the "**Corporation**") is hereby authorized to make application to the Registrar appointed under the *Business Corporations Act* (British Columbia) for authorization to continue the Corporation to Alberta and to make an application to the Registrar appointed under the *Business Corporations Act* (Alberta) (the "**Act**") for a Certificate of Continuance continuing the Corporation under the Act;
2. The change of name of the Corporation from "Crown Point Ventures Ltd." to "Crown Point Energy Inc." be and is hereby approved.
3. the Articles of Continuance in the form attached as Schedule "C" to the management information circular – proxy statement of the Corporation dated June 27, 2012 (the "**Information Circular**") (or in such other form as the

Registrar under the Act may accept) be and are hereby approved in the form so attached with such amendments thereto as any one director or officer or the solicitors of the Corporation executing the same may approve, such approval to be conclusively evidenced by his signature thereto;

4. the By-Laws of the Corporation in the form attached as Schedule "D" to the Information Circular are hereby approved and confirmed, effective upon continuance of the Corporation under the Act with such amendments thereto as the director or officer executing the same may approve, such approval to be conclusively evidenced by his signature thereto;

5. all amendments to the existing Articles and all other constating documents of the Corporation reflected in the Articles of Continuance and the By-Laws referred to herein are hereby approved;

6. any one director or officer of the Corporation be and is hereby authorized to make such applications, execute such documents, and to do such further and other acts and things as may be necessary or advisable in connection with the foregoing; and

7. the directors of the Corporation may abandon such application without further approval of the shareholders at any time prior to the issuance of the Certificate of Continuance under the Act."

As discussed above, in order for the Continuance to be approved, the above resolution must be passed at the Meeting by not less than two-thirds of the votes cast by the holders of Common Shares present in person or by proxy at the Meeting. Holders of Common Shares have the right to dissent to the Continuance under Part 8, Division II of the BCBCA. However, if the Corporation anticipates any substantial cost to it as a result of the exercise of dissent rights, it may not proceed with the Continuance.

Unless otherwise directed, it is the intention of management to vote proxies in favour of the Continuance Resolution.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Governance

Compensation Committee Mandate

The Board has adopted a mandate for the compensation committee of the Board (the "**Compensation Committee**"), which provides that it is the Compensation Committee's responsibility to assist the Board of Crown Point in fulfilling its responsibility by reviewing matters relating to the human resource policies and compensation of the directors, officers and employees of the Corporation and its subsidiaries in the context of the budget and business plan of the Corporation. Without limiting the generality of the foregoing, the duties of the Compensation Committee may include any of the following as determined appropriate by the Compensation Committee or as requested by the Board, from time to time:

1. to review the compensation philosophy and remuneration policy for employees of the Corporation and to recommend to the Board changes to improve the Corporation's ability to recruit, retain and motivate employees;
2. to consider the implications and the risks associated with the Corporation's compensation policies and practices;
3. to review and recommend to the Board the retainer and fees to be paid to members of the Board, members of committees of the Board, and chairs of the various committees of the Board;

4. to review and approve corporate goals and objectives relevant to the compensation of the Chief Executive Officer of the Corporation (the "**CEO**"), evaluate the CEO's performance in light of those corporate goals and objectives, and determine (or make recommendations to the Board with respect to) the CEO's compensation level based on such evaluation;
5. to recommend to the Board with respect to non-CEO officer compensation including to review management's recommendations for proposed stock option and other incentive compensation plans and equity based plans for non-CEO officer compensation and make recommendations in respect thereof to the Board;
6. to administer the stock option plan and other incentive plans (collectively, the "**Incentive Plans**") approved by the Board in accordance with its terms including recommending to the Board (and if delegated authority thereunder, approve) the grant of Options or other incentives under the Incentive Plans in accordance with the terms thereof;
7. to determine and recommend for approval of the Board bonuses to be paid to officers and employees of the Corporation and its subsidiaries, as applicable, and to establish targets or criteria for the payment of such bonuses, if appropriate; and
8. review the disclosure as to compensation matters included in the information circular and proxy statement of the Corporation as mandated by applicable securities laws including, without limitation, the Compensation Discussion and Analysis included therein, prior to the Corporation publicly disclosing the same.

The Compensation Committee is required to be comprised of at least three directors, or such lesser or greater number as the Board may determine from time to time and a majority of the members are required to be independent, as such term is defined for purposes of National Policy 58-201 – *Corporate Governance Guidelines*.

Composition of the Compensation Committee

The Compensation Committee is comprised of Denny Deren (Chairman), Gordon Kettleon and Keith Turnbull, all of whom are independent directors. The following is a description of the education and experience of each member of the Compensation Committee.

Name and Place of Residence	Relevant Education and Experience
Denny Deren Alberta, Canada	Denny Deren is a Certified Engineering Technologist with over 31 years of international oil and gas experience. Mr. Deren has been the President of Excalibur Foxx Ltd. since 1987. In addition, he has been the President of Foxxhole Escape Systems Inc. since 2006.
Gordon R. Kettleon British Columbia, Canada	Gordon R. Kettleon has been Chief Executive Officer of Interwest Enterprises Ltd., a family holding company involved as a producer of petroleum and natural gas products since September 2001, and its Assistant Manager from November 1999 to September 2001. Prior to that he was a sales and marketing manager. Mr. Kettleon was formerly the President and/or Chief Executive Officer of Crown Point for various periods between March 2007 and May 2009 and prior thereto served as the Corporation's Chief Financial Officer.

**Name and Place
of Residence**

Relevant Education and Experience

Keith Turnbull
Alberta, Canada

Keith Turnbull is a Chartered Accountant and has been a business consultant since his retirement as a Partner from KPMG on December 31, 2009, after nearly 30 years of service. Mr. Turnbull has extensive experience in all aspects of public company accounting, finance and management matters, including serving as Office Managing Partner at KPMG's Calgary office, where he was responsible for the strategic direction and growth of the Calgary practice, as well its audit, tax and advisory business. Mr. Turnbull is a member of the Alberta and Canadian Institute of Chartered Accountants and the ICD.

As described above, each of Messrs. Deren, Kettleston and Turnbull have held senior executive management in various entities and in such roles have been involved in human resources and compensation issues. In addition, Mr. Turnbull has acted and continues to act as a director of numerous public and private companies and has therefore been involved in compensation issues for such companies. The skills and experience possessed by members of the Compensation Committee acquired as a result of their lengthy and extensive business and professional careers and experience as described above will assist and enable them to make decisions on the suitability of the Corporation's compensation policies and practice.

Compensation Consultant or Advisor

In 2012, Hugessen Consulting Inc. ("**Hugessen**") was retained by the Compensation Committee to provide advice on the competitiveness and effectiveness of compensation programs for the Corporation's employees and directors. This advice included, but was not necessarily limited to, base salaries, short and long-term incentives, pensions, benefits, perquisites, employment and change of control provisions, and analysis of performance factors used to determine incentive awards and payouts, and pay for performance analysis. In fulfilling this mandate, Hugessen reviewed the Corporation's compensation policies (including choice of comparator companies, pay and performance positioning, performance metrics, etc.), plan designs and pay levels versus the market, and provided observations and advice as to changes for consideration by the Corporation. As a result of Hugessen's advice, the Compensation Committee recommended and the Board approved certain changes to the salaries of, and the number of Options awarded to, the Named Executive Officers (as defined below), which will be reflected in the executive compensation for such Named Executive Officers for the year ended August 31, 2012. Prior to retaining Hugessen in 2012, no advisors were retained and no fees were paid to compensation advisers during the two most recently completed fiscal years.

Compensation Discussion and Analysis

The Board and the Compensation Committee established that the Corporation's employee compensation, including executive officer compensation, is comprised of three elements: base salary, short-term incentive compensation (cash bonuses) and long-term incentive compensation (Options). The Compensation Committee reviews all three components in assessing the compensation of individual executive officers and of the Corporation as a whole. Salaries and bonuses are intended to provide current compensation and a short-term incentive for employees, including executive officers, to meet the Corporation's goals, as well as to remain competitive with the industry. Options are granted as a long-term incentive and to encourage commitment to the Corporation.

Together, these components support the Corporation's long-term growth strategy and the following objectives:

- to align executive officers and other employees compensation with shareholders' interests;
- to attract and retain highly qualified management;
- to focus performance by linking incentive compensation to the achievement of business objectives and financial results; and
- to encourage retention of key executives for leadership succession.

The compensation philosophy includes a "pay-for-performance" element. Employees, including executive officers, are rewarded for the achievement of annual operating and financial goals, if any, progress in executing the Corporation's long-term growth strategy and delivering strong total shareholder return performance. The Compensation Committee also recognizes that the executive compensation program must be sufficiently flexible in order to adapt to unexpected developments in the oil and gas industry and the impact of internal and market related occurrences from time to time.

As at August 31, 2011, the named executive officers (as defined in Form 51-102F6 as prescribed by NI 51-102) of the Corporation are Murray D. McCartney, President and CEO, Arthur J.G. Madden, Vice President Finance and Chief Financial Officer, and Mateo Turic, President Crown Point Oil & Gas S.A. (the wholly-owned Argentina subsidiary of the Corporation) (each a "**Named Executive Officer**"). No other employees of the Corporation including any of its subsidiaries satisfy the criteria of named executive officers as at August 31, 2011. In June 2012, Dr. Brian J. Moss was appointed as the Executive Vice-President and Chief Operating Officer. Upon Dr. Moss' appointment Crown Point agreed to pay Dr. Moss an annual salary of \$235,000 and to grant 150,000 Options to Dr. Moss.

When making recommendations with respect to salaries (and other compensation elements) for the executive officers and for compensation of members of the Board for the current year, the Compensation Committee reviewed the recommendations of Hugessen, management, including the President and CEO. The Compensation Committee also reviewed compensation information available in the public domain or through private conversations obtained by Hugessen, management and the Compensation Committee from comparable issuers. Additional information in respect to certain positions is also obtained through and during the competitive hiring process of employees and is compared with those of comparable sized oil and gas exploration companies with similar interests as the Corporation. In selecting companies for comparison purposes, management and the Compensation Committee and the Board considered the entities with which the Corporation competes for talent and, from that group, selects companies based on stage of development and number of employees. Currently, the companies used for comparison purposes include Americas Petrogas Inc., Antrim Energy Inc., ArPetrol Ltd., Bengal Energy Ltd., Iona Energy Inc., Madelana Ventures Inc., Petroamerica Oil Corp., Petrodorado Energy Ltd., PetroMagdalena Energy Corp., Serfling Resources Ltd., Suroico Energy Inc., and TAG Oil Ltd.

Base salaries for our executive officers, including the President and CEO, are intended to be competitive with salaries paid to executive officers by the companies in the Corporation's peer group. In determining salaries, the Compensation Committee and Board reviewed the proposed salaries in the context of the total compensation packages for the executive officers. Generally the Compensation Committee targets base salaries at levels approximating those for similar positions in companies in the industry that may be of similar size, scope and complexity and hopes to achieve superior total compensation levels through the fixed and variable components.

The Corporation's total compensation mix places a significant portion of the executive's compensation at risk. The design takes into account individual and corporate performance. Compensation practices, including the mix of base salary, short-term incentives and long-term incentives, are regularly assessed to ensure they are competitive, take into account external market trends, and support the Corporation's long-term growth strategies. Base salary is compensation for discharging job duties and responsibilities and reflects the level of skills and capabilities demonstrated by the executive. Annual salary adjustments take into account the market value of the role and the executive's demonstrated capability during the year.

Annual incentives, in the form of cash payments, are designed to add a variable component of compensation based on overall corporate performance and the executive's individual performance. No formal corporate performance objectives form part of the discretionary bonus plan. In assessing the bonuses to be paid, the Compensation Committee and the Board review all elements of compensation paid to the executive officer in light of the performance of the Corporation relative to the performance of the companies in the Corporation's peer group. Although no cash bonuses have been awarded to the Named Executive Officers in the three most recently completed financial years (other than a bonus of \$26,421 that was awarded to Mateo Turic, President and Chief Executive Officer of Crown Point Oil & Gas S.A., in the year ended August 31, 2010), the Compensation Committee and the Board anticipate that cash bonuses may be part of the future compensation of the Named Executive Officers depending on corporate performance and the individual performance of such Named Executive Officers.

Options are granted to provide an incentive to the directors, officers, employees and consultants of the Corporation to achieve the longer-term objectives of the Corporation; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation; and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Corporation. Previous grants of incentive Options are taken into account when considering new grants. As discussed under the heading "Matters to be Acted Upon at the Meeting – Approval of New Stock Option Plan", the Board has approved the New Option Plan and at the Meeting the shareholders of the Corporation will be asked to consider and, if deemed advisable approve the New Option Plan.

The Compensation Committee and the Board have considered the implications of the risks associated with the Corporation's compensation policies and practices and have determined that there are no significant areas of risk due to the discretionary nature of such policies and practices. The ability of the Compensation Committee and the Board to consider factors such as personal contributions to corporate performance and non-financial, non-production or non-reserves based elements of corporate performance allows the Compensation Committee and the Board to consider whether executive officers have attempted to bolster short-term results at the expense of the long term success of the Corporation in determining executive compensation. In addition, as the compensation program consists of fixed (base salary) and variable (annual cash bonuses and long term incentive plan grants) components, the incentive for short-term risk taking is balanced with the incentive to focus on generating long-term sustainable value for shareholders. There are no compensation policies and practices that are structured significantly different for any Named Executive Officers. The Compensation Committee and the Board will continue to monitor compensation risk assessment practices on an ongoing basis to ensure that the Corporation's compensation program is appropriately structured.

The Insider Trading Policy of the Corporation provides that directors, officers, employees and consultants of the Corporation may not: (a) engage in "short sales" of securities of the Corporation, or (b) buy or sell puts, calls or other derivatives in respect of securities of the Corporation.

Summary Compensation Table

The following table sets forth for the years ended August 31, 2011, 2010 and 2009, as applicable, information concerning the compensation paid to the Named Executive Officers.

Name and principal position	Year	Salary (\$)	Share-based awards (\$) ⁽⁴⁾	Option-based awards (\$) ⁽⁵⁾	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other Compensation (\$) ⁽⁶⁾	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Murray D. McCartney ⁽¹⁾ President and Chief Executive Officer	August 31, 2011	199,583	Nil	241,150	Nil	Nil	Nil	Nil	440,733
	August 31, 2010	150,000	Nil	86,464	Nil	Nil	Nil	Nil	236,464
	August 31, 2009	62,500	Nil	21,668	Nil	Nil	Nil	Nil	84,168
Arthur J.G. Madden ⁽²⁾ Vice President, Finance and Chief Financial Officer	August 31, 2011	151,458	Nil	192,920	Nil	Nil	Nil	Nil	344,378
	August 31, 2010	64,375	Nil	117,542	Nil	Nil	Nil	Nil	181,917
	August 31, 2009	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mateo Turic ⁽³⁾ President and Chief Executive Officer of Crown Point Oil & Gas S.A.	August 31, 2011	170,015	Nil	192,920	Nil	Nil	Nil	Nil	362,935
	August 31, 2010	126,325	Nil	129,696	26,421	Nil	Nil	Nil	282,442
	August 31, 2009	133,283	Nil	Nil	Nil	Nil	Nil	Nil	133,283

Notes:

- (1) Murray D. McCartney was appointed the Corporation's President and CEO on May 1, 2009.
- (2) Arthur J. G. Madden was appointed the Corporation's Vice-President, Finance and Chief Financial Officer on October 6, 2009.
- (3) 50% of Mateo Turic's salary is paid in Canadian dollars and 50% is paid in Argentine pesos. For the purpose of the above table, the portion of Mr. Turic's salary that is paid in Argentine pesos has been converted to Canadian dollars at the exchange rate in effect as of August 31, 2011, 2010 and 2009, which was 0.2377, 0.267601 and 0.328502, respectively, of a Canadian dollar for every one Argentine peso.

- (4) The Corporation has not issued any share-based awards to its Named Executive Officers in the three most recently completed financial years.
- (5) The value of the Options granted during the financial years ended August 31, 2011, 2010 and 2009 were \$1.61, \$0.79 and \$0.14, respectively, per Option. The Corporation calculated the compensation cost by using the Black-Scholes option pricing model as follows: for Options granted during the financial year ended August 31, 2011 by assuming a risk-free interest rate of 2.36%, a dividend yield of nil, the expected annual volatility of the Corporation's share price of 117% and an expected life of the Options of five years; for Options granted during the financial year ended August 31, 2010 by assuming a risk-free interest rate of 2.29%, a dividend yield of nil, the expected annual volatility of the Corporation's share price of 124% and an expected life of the Options of five years; and for Options granted during the financial year ended August 31, 2009 by assuming a risk-free interest rate of 1.63%, a dividend yield of nil, the expected annual volatility of the Corporation's share price of 136% and an expected life of the Options of five years.
- (6) Mr. McCartney and Mr. Madden receive certain health and wellness benefits, which are not included in the above table because the value of all perquisites received did not in the aggregate exceed 10% of the total salary for either Mr. McCartney or Mr. Madden.

Outstanding Option-Based Awards and Share-Based Awards

The following table sets forth for each of the Named Executive Officers all option-based awards and share-based awards outstanding at the end of the year ended August 31, 2011.

Name	Option-based Awards				Share-based Awards ⁽²⁾	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Murray D. McCartney	100,000	1.22	June 9, 2015	42,000	N/A	N/A
	150,000	1.96	March 18, 2016	Nil		
Arthur J.G. Madden	150,000	0.70	October 7, 2014	141,000	N/A	N/A
	25,000	1.22	June 9, 2015	10,500		
	120,000	1.96	March 18, 2016	Nil		
Mateo Turic	150,000	1.22	June 9, 2015	63,000	N/A	N/A
	120,000	1.96	March 18, 2016	Nil		

Notes:

- (1) Calculated based on the difference between the closing price of the Common Shares on the TSXV on August 31, 2011 and the exercise price of the Options.
- (2) The Corporation does not have any share-based awards and no non-equity incentive plan awards were awarded in the most recently completed financial year.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth for each of the Named Executive Officers, the value of option-based awards and share-based awards which vested during the year ended August 31, 2011 and the value of non-equity incentive plan compensation earned during the year ended August 31, 2011.

Name	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year ⁽²⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year ⁽²⁾ (\$)
Murray D. McCartney	25,333	N/A	N/A
Arthur J.G. Madden	6,333	N/A	N/A
Mateo Turic	38,000	N/A	N/A

Notes:

- (1) Calculated based on the difference between the closing price of the Common Shares on the TSXV on the vesting date and the exercise price of the Options on the vesting date.
- (2) The Corporation does not have any share-based awards and no non-equity incentive plan awards were earned in the most recently completed financial year.

Employment Contracts, Termination and Change of Control Benefits

There are no contracts, agreements, compensatory plans or arrangements between the Corporation and any Named Executive Officer that provide a payment to any Named Executive Officer on the resignation, retirement or other termination of employment of any Named Executive Officer, a change of control of the Corporation or a change in the Named Executive Officer's responsibilities following a change of control of the Corporation.

Pension Plans and Retiring Allowances

The Corporation does not currently provide its Named Executive Officers with pension plan benefits or retiring allowances.

Director Compensation

Directors' Summary Compensation Table

Prior to March 1, 2011, the Corporation did not pay any cash compensation to non-management directors, nor were such directors paid for attendance at Board or committee meetings. In 2011, the Board approved the payment of an annual retainer fee to be paid quarterly to non-management directors commencing March 1, 2011. Each of the non-management directors other than the Chairman of the Board and the Chairman of the audit committee of Board (the "Audit Committee") are entitled to an annual retainer of \$12,000. The Chairman of the Board and the Chairman of the Audit Committee are entitled to annual retainers of \$25,000 and \$20,000, respectively. The non-management directors also receive option-based awards. The following table sets forth for each non-management director all amounts of compensation provided to the same for the year ended August 31, 2011:

Name	Fees Earned (\$)	Share-based awards (\$) ⁽¹⁾	Option based awards (\$) ⁽²⁾	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Gordon R. Kettleson	12,603	N/A	192,920	N/A	N/A	N/A	205,523
John Chulick	6,049	N/A	160,767	N/A	N/A	N/A	166,816
John Clark	10,082	N/A	192,920	N/A	N/A	N/A	203,002
Denny Deren	6,049	N/A	160,767	N/A	N/A	N/A	166,816
Martin J. Walter	6,049	N/A	160,767	N/A	N/A	N/A	166,816

Notes:

- (1) The Corporation does not have any share-based awards and no non-equity incentive plan compensation was awarded in the most recently completed financial year.
- (2) The value of the Options granted during the financial year ended August 31, 2011 was \$1.61 per Option. The Corporation calculated the compensation cost by using the Black-Scholes option pricing model as follows: for Options

granted during the financial year ended August 31, 2011 by assuming a risk-free interest rate of 2.36%, a dividend yield of nil, the expected annual volatility of the Corporation's share price of 117% and an expected life of the Options of five years.

Directors' Outstanding Option-Based Awards and Share-Based Awards

The following table sets forth for each of our non-management directors, all option-based awards and share-based awards outstanding at the end of the year ended August 31, 2011.

Name	Option-based Awards				Share-based Awards ⁽²⁾	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Gordon R. Kettleson	100,000	0.60	July 9, 2013	104,000	N/A	N/A
	50,000	1.22	June 9, 2015	21,000		
	120,000	1.96	March 18, 2016	Nil		
John Chulick	80,000	1.22	June 9, 2015	33,600	N/A	N/A
	100,000	1.96	March 18, 2016	Nil		
John Clark	80,000	1.22	June 9, 2015	33,600	N/A	N/A
	120,000	1.96	March 18, 2016	Nil		
Denny Deren	80,000	0.60	July 9, 2013	83,200	N/A	N/A
	50,000	1.22	June 9, 2015	21,000		
	100,000	1.96	March 18, 2016	Nil		
Martin J. Walter	100,000	0.63	August 24, 2012	101,000	N/A	N/A
	50,000	0.60	July 9, 2013	52,000		
	50,000	1.22	June 9, 2015	21,000		
	100,000	1.96	March 18, 2016	Nil		

Notes:

- (1) Calculated based on the difference between the closing price of the Common Shares on the TSXV on August 31, 2011 and the exercise price of the Options.
- (2) The Corporation does not have any share-based awards.
- (3) See Outstanding Option-Based Awards and Share- Based Awards table for Named Executive Officers.

Directors' Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth for each of our non-management directors, the value of option-based awards and share-based awards which vested during the year ended August 31, 2011 and the value of non-equity incentive plan compensation earned during the year ended August 31, 2011.

Name	Option-based awards – Value vested during the year⁽¹⁾ (\$)	Share-based awards – Value vested during the year⁽²⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year⁽²⁾ (\$)
Gordon R. Kettleson	12,667	N/A	N/A
John Chulick	20,267	N/A	N/A
John Clark	20,267	N/A	N/A
Denny Deren	12,667	N/A	N/A
Martin J. Walter	12,667	N/A	N/A

Notes:

- (1) Calculated based on the difference between the closing price of the Common Shares on the TSXV on the vesting date and the exercise price of the Options on the vesting date.
- (2) The Corporation does not have any share-based awards or non-equity incentive plan compensation for non-management directors.

Securities Authorized for Issuance Under Equity Compensation Plans

The following sets forth information in respect of securities authorized for issuance under our equity compensation plans, as at August 31, 2011.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))⁽¹⁾ (c)
Common Shares under the Option Plan	3,365,000	\$1.30	2,102,471
Equity compensation plans not approved by security holders	Nil	N/A	Nil
Total	3,365,000	\$1.30	2,102,471

Note:

- (1) Represents the maximum number of additional Common Shares issuable under the Option Plan based upon the number of Common Shares outstanding as at August 31, 2011.

CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("**NI 58-101**") requires that if management of an issuer solicits proxies from its securityholders for the purpose of electing directors that certain prescribed disclosure respecting corporate governance matters be included in its management information circular. The TSXV also requires listed companies to provide, on an annual basis, the corporate governance disclosure which is prescribed by NI 58-101.

The prescribed corporate governance disclosure for the Corporation is that contained in Form 58-101F2 which is attached to NI 58-101 ("**Form 58-101F2 Disclosure**").

Set out below is a description of our current corporate governance practices, relative to the Form 58-101F2 Disclosure (which is set out below in italics).

1. **Board of Directors**

Disclose how the Board of Directors (the Board) facilitates its exercise of independent supervision over management, including:

- (i) *the identity of directors that are independent; and*
- (ii) *the identity of directors who are not independent, and the basis for that determination.*

The Board facilitates its exercising of independent supervision over the Corporation's management through frequent meetings of the Board, both with and without members of the Corporation's management (including members of management that are also directors) being in attendance.

John Clark, Denny Deren, Gordon R. Kettleon, Carlos Olivieri and Keith Turnbull are considered "independent" directors in that they are independent and free from any interest, and any business or other relationship which could reasonably be perceived to materially interfere with the director's ability to act with the best interests of the Corporation, other than interests and relationships arising from shareholdings.

Murray D. McCartney, President and CEO of the Corporation, Dr. Brian J. Moss, Executive Vice President and Chief Operating Officer of the Corporation, and Mateo Turic, President and Chief Executive Officer of Crown Point Oil & Gas S.A. (the Corporation's wholly-owned Argentina subsidiary) are members of management and are therefore not independent.

The mandate of the Board is attached as Schedule "F" hereto.

2. **Directorships**

If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.

The following directors of the Corporation are presently directors of other issuers that are reporting issuers (or the equivalent):

<u>Name of Director</u>	<u>Name of Other Issuer</u>
John Clark	APIC Petroleum Corp. Russel Metals Inc. Vista Gold Corp. Zephyr Minerals Ltd.
Dr. Brian J. Moss	Bengal Energy Inc.
Keith Turnbull	Angle Energy Inc. CE Franklin Ltd. Renegade Petroleum Ltd.

3. **Orientation and Continuing Education**

Describe what steps, if any, the Board takes to orient new Board members, and describe any measures the Board takes to provide continuing education for directors.

Upon joining our Board, new directors are provided with a directors' information binder which includes a copy of all Board and committee mandates and corporate policies, organizational structure, the structure of

the Board and its committees and constating documents. In addition, presentations are made to the Board on an ongoing basis in relation to the business and operations of the Corporation.

Each new director brings a different skill set and professional background, and with this information, the Board is able to determine what orientation to the nature and operations of the Corporation's business will be necessary and relevant to each new director. The Corporation provides continuing education for its directors as such need arises and encourages open discussion at all meetings which is intended to encourage learning by the directors.

4. **Ethical Business Conduct**

Describe what steps, if any, the Board takes to encourage and promote a culture of ethical business conduct.

The Board expects management to operate the business of the Corporation in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Corporation's business plan and to meet performance objectives and goals.

The Corporation has adopted a Code of Business Conduct and Ethics for directors, officers and employees (the "**Code**"). A copy of the Code is available on SEDAR at www.sedar.com. All directors, officers and employees are required to abide by the Code.

In addition to the Code, the Board has also adopted a "Whistleblower Policy" wherein employees of the Corporation are provided with the mechanics by which they may raise concerns in a confidential, anonymous process.

In addition, the Board must comply with conflict of interest provisions in Canadian corporate law, including relevant securities regulatory instruments, in order to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

5. **Nomination of Directors**

Disclose what steps, if any, are taken to identify new candidates for Board nominations, including:

- (i) who identifies new candidates; and*
- (ii) the process of identifying new candidates.*

Although the Board determines new nominees to the Board, the Board has established a corporate governance committee of the Board (the "**Corporate Governance Committee**"), which has the responsibility, if requested by the Board, of, among other things, recommending the criteria governing the overall composition of the Board and governing the desirable individual characteristics for directors. The Corporate Governance Committee mandate also includes identifying and recommending qualified candidates to the Board, although the nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the President and CEO of the Corporation.

6. Compensation

Disclose what steps, if any, are taken to determine compensation for the directors and CEO, including:

- (i) *who determines compensation; and*
- (ii) *the process of determining compensation.*

For information relating to the compensation of directors and executive officers of the Corporation see "Statement of Executive Compensation" herein.

7. Other Board Committees

If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.

The Board has established a reserves committee of the Board (the "**Reserves Committee**"). The Reserves Committee is comprised of Messrs. Clark, Deren and Turnbull, all of which are independent. The mandate for the Reserves Committee includes, among other things, the responsibility for:

1. reviewing the Corporation's procedures relating to the disclosure of information with respect to oil and gas activities including reviewing its procedures for complying with its disclosure requirements and restrictions set forth under applicable securities requirements;
2. reviewing the Corporation's procedures for providing information to the independent evaluator;
3. meeting, as considered necessary, with management and the independent evaluator to determine whether any restrictions placed by management affect the ability of the evaluator to report without reservation on the Reserves Data (as defined in National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*) (the "**Reserves Data**") and to review the Reserves Data and the report of the independent evaluator thereon (if such report is provided);
4. reviewing the appointment of the independent evaluator and, in the case of any proposed change to such independent evaluator, determining the reason therefor and whether there have been any disputes with management;
5. providing a recommendation to the Board as to whether to approve the content or filing of the statement of the Reserves Data and other information that may be prescribed by applicable securities requirements including any reports of the independent engineer and of management in connection therewith;
6. reviewing the Corporation's procedures for reporting other information associated with oil and gas producing activities; and
7. generally reviewing all matters relating to the preparation and public disclosure of estimates of the Corporation's reserves.

As discussed above, the Board has established the Corporate Governance Committee. The Corporate Governance Committee is comprised of Messrs. Clark, Kettleison and Turnbull, all of which are independent. The mandate for the Corporate Governance Committee includes, among other things:

1. periodically reviewing the mandates of the Board and its committees and recommend to the Board such amendments to those mandates as the Committee believes are necessary or desirable;

2. considering and, if thought fit, approving requests from directors or committees of directors of the engagement of special advisors from time to time;
3. if requested by the Board or the CEO, preparing and recommending to the Board annually a statement of corporate governance practices to be included in the Corporation's annual report or information circular as required by the TSXV and any other regulatory authority;
4. if requested by the Board or the CEO, making recommendations to the Board as to which directors should be classified as "independent directors", "related" directors or "unrelated" directors pursuant to any such report or circular;
5. reviewing on a periodic basis the composition of the Board and ensuring that an appropriate number of independent directors sit on the Board, analyzing the needs of the Board and recommending nominees who meet such needs;
6. assessing periodically the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors (including the competencies and skills that each individual director is expected to bring to the Board), including considering the appropriate size of the Board;
7. as required, developing, for approval by the Board, an orientation and education program for new recruits to the Board
8. to act as a forum for concerns of individual directors in respect of matters that are not readily or easily discussed in a full Board meeting, including the performance of management or individual members of management or the performance of the Board or individual members of the Board;
9. developing and recommending to the Board for approval and periodically review structures and procedures designed to ensure that the Board can function effectively and independently of management;
10. making recommendations to the Board regarding appointments of corporate officers and senior management;
11. reviewing periodically the mandate of the Corporate Governance Committee;
12. reviewing and considering the engagement at the expense of the Corporation of professional and other advisors by any individual director when so requested by any such director;
13. if determined necessary or appropriate, establishing, reviewing and updating periodically the Code and ensure that management has established a system to monitor compliance with the Code; and
14. reviewing management's monitoring of the Corporation's compliance with the Code.

8. **Assessments**

Disclose what steps, if any, that the Board takes to satisfy itself that the Board, its committees, and its individual directors are performing effectively.

The Board will periodically review its own performance and effectiveness as well as review periodically the mandates of the various committees of the Board and recommend revisions to the Board as necessary. In addition, the Corporate Governance Committee may periodically assess the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors (including the competencies and skills that each individual director is expected to bring to the Board), including considering the appropriate size of the Board. Neither the Corporation nor the Board has determined formal means or methods to regularly assess the Board, its committees or the individual directors with respect to

their effectiveness and contributions. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of an individual director are informally monitored by the other Board members, having in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

The Corporation feels its corporate governance practices are appropriate and effective for the Corporation, given its relative size and stage of development. The Corporation's method of corporate governance allows for the Corporation to operate efficiently, with straightforward checks and balances that control and monitor management and corporate functions without excessive administrative burden.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors, proposed nominees for election as directors, executive officers, employees or former executive officers, directors or employees of the Corporation or its subsidiaries, or such persons is, or has been at any time since the beginning of the most recently completed financial year, indebted to us or any of our subsidiaries in respect of any indebtedness that is still outstanding, nor, at any time since the beginning of our most recently completed financial year has any indebtedness of any such person been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of our subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed below, there were no material interests, direct or indirect, of any Informed Person of the Corporation (as defined in National Instrument 51-102) or proposed director or any known associate or affiliate of such persons, in any transaction since the commencement of the Corporation's last completed financial year or in any proposed transaction that has materially affected or would materially affect the Corporation or any of the Corporation's subsidiaries.

On May 28, 2012, Crown Point completed the acquisition of Antrim Energy Inc.'s ("**Antrim**") wholly owned subsidiary, Antrim Argentina S.A., pursuant to a plan of arrangement under the *Business Corporations Act* (Alberta) (the "**Arrangement**"). Pursuant to the terms of the Arrangement, Antrim received a cash payment of approximately CDN\$9.25 million and was issued 35,761,307 common shares of Crown Point, which were subsequently distributed by Antrim to its shareholders. Dr. Brian Moss, the current Executive Vice-President, Chief Operating Officer and a director of Crown Point, was at the time the Arrangement was agreed to between Crown Point and Antrim, the Executive Vice President, Latin America and a director of Antrim. In accordance with the terms of the Arrangement, Crown Point appointed Dr. Moss as a director of Crown Point.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or executive officer at any time since the beginning of our last financial year, of any proposed nominee for election as a director, or of any associates or affiliates of any of the foregoing persons, in any matter to be acted on at the Meeting other than the election of directors and the approval of the New Option Plan.

AUDIT COMMITTEE INFORMATION

National Instrument 52-110 – *Audit Committees* ("**NI 52-110**") requires the Corporation, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor in accordance with Form 52-110F2.

Audit Committee Mandate and Terms of Reference

The Mandate of the Audit Committee is attached hereto as Schedule "G".

Composition of the Audit Committee and Relevant Education and Experience

The members of the Audit Committee are John Clark (Chair), Keith Turnbull and Denny Deren. Each of Messrs. Clark, Deren and Turnbull is considered "independent". All of the members of the Audit Committee are considered financially literate. The following is a description of the education and experience of each member of the Audit Committee.

<u>Name and Place of Residence</u>	<u>Independent</u>	<u>Financially Literate</u>	<u>Relevant Education and Experience</u>
John Clark Ontario, Canada	Yes	Yes	John Clark is a Chartered Accountant with over 20 years experience in the oil and gas industry. Mr. Clark holds a Bachelor of Commerce degree from The University of the Witwatersrand in South Africa and is a member of both the South African Institute of Chartered Accountants and The Institute of Chartered Accountants of Ontario. He is the Audit Committee Chair of Vista Gold Corp., and a member of the Audit Committee of APIC Petroleum Corp. He was formerly the Audit Committee Chair of Alberta Clipper Energy, until his resignation as a director in May 2009.
Denny Deren Alberta, Canada	Yes	Yes	Denny Deren is a Certified Engineering Technologist with over 31 years of international oil and gas experience. Mr. Deren has been the President of Excalibur Foxx Ltd. since 1987. In addition, he has been the President of Foxxhole Escape Systems Inc. since 2006.
Keith Turnbull Alberta, Canada	Yes	Yes	Keith Turnbull is a Chartered Accountant and has been a business consultant since his retirement as a Partner from KPMG on December 31, 2009, after nearly 30 years of service. Mr. Turnbull has extensive experience in all aspects of public company accounting, finance and management matters, including serving as Office Managing Partner at KPMG's Calgary office, where he was responsible for the strategic direction and growth of the Calgary practice, as well its audit, tax and advisory business. Mr. Turnbull is a member of the Alberta and Canadian Institute of Chartered Accountants and the ICD.

Audit Committee Oversight

Since the commencement of the Corporation's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

Since the effective date of NI 52-110, the Corporation has not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 permits an issuer to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

Pre-Approval of Policies and Procedures

The Audit Committee has adopted a policy to review and pre-approve any non audit services to be provided to the Corporation by the external auditors and consider the impact on the independence of such auditors. The Audit Committee may delegate to the Chair or to one or more independent members of the Audit Committee the authority to pre-approve non-audit services, provided that the member report to the Audit Committee at the next scheduled meeting such pre-approval and the member comply with such other procedures as may be established by the Audit Committee from time to time.

External Auditor Service Fees

Fees incurred with the Corporation's independent auditor for audit and non-audit services in the last two fiscal years are outlined in the following table:

Nature of Services	August 31, 2011	August 31, 2010
Audit Fees ⁽¹⁾	\$130,000 ⁽⁵⁾	\$56,330
Audit-Related Fees ⁽²⁾	\$69,400 ⁽⁶⁾	\$Nil
Tax Fees ⁽³⁾	\$16,250 ⁽⁷⁾	\$8,000
All Other Fees ⁽⁴⁾	\$Nil	\$Nil
Total	\$215,650 ⁽⁸⁾	\$64,330

Notes:

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Corporation's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services.
- (5) In 2011, \$95,000 and \$35,000 of the total Audit Fees represent fees paid to each of the Corporation's current auditor, KPMG LLP, and former auditor, Smythe Ratcliffe LLP, respectively.
- (6) In 2011, \$51,000 and \$18,400 of the total Audit Related Fees represent fees paid to each of the Corporation's current auditor, KPMG LLP, and former auditor, Smythe Ratcliffe LLP, respectively.
- (7) In 2011, \$11,750 and \$4,500 of the total Tax Fees represent fees paid to each of the Corporation's current auditor, KPMG LLP, and former auditor, Smythe Ratcliffe LLP, respectively.
- (8) In 2011, \$157,750 and \$57,900 of the Total represent fees paid to each of the Corporation's current auditor, KPMG LLP, and former auditor, Smythe Ratcliffe LLP, respectively.

Exemption

The Corporation is relying upon the exemption in section 6.1 of NI 52-110 in respect of the requirements for the composition of the Audit Committee and in respect of its reporting obligations under NI 52-110.

OTHER MATTERS

Management of the Corporation knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Annual General and Special Meeting. However, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgment of the person voting the proxy.

BOARD APPROVAL

The Board has approved the contents, and sending of, this Information Circular to the shareholders of the Corporation.

ADDITIONAL INFORMATION

Additional financial information regarding the business of the Corporation is contained in the audited financial statements and management's discussion and analysis of the Corporation for the fiscal year ended August 31, 2011.

Additional information regarding our business including the materials listed in the preceding paragraph may be found on SEDAR at www.sedar.com. Shareholders of the Corporation may contact the Corporation to request a copy of our financial statements and management's discussion and analysis at:

Crown Point Ventures Ltd.
460, 910 – 7th Avenue S.W.
Calgary, Alberta T2P 3N8

Phone: (403) 232-1150
Fax: (403) 232-1158

SCHEDULE "A"
REPORTING PACKAGE



VENTURES LTD.

910 – 7th Avenue S.W.

Suite 460

Calgary, Alberta T2P 3N8

Telephone: 403-232-1150

Fax: 403-232-1158

CHANGE OF AUDITOR NOTICE

NATIONAL INSTRUMENT 51-102

TO: B.C. Securities Commission
Alberta Securities Commission
TSX Venture Exchange

The Auditors of **Crown Point Ventures Ltd.** (the “Company”) have been the firm of Smythe Ratcliffe LLP, Chartered Accountants, of Vancouver, British Columbia.

At the request of the Company, Smythe Ratcliffe LLP, Chartered Accountants, resigned as Auditors of the Company effective September 21, 2011 and KPMG LLP, Chartered Accountants, of Calgary, Alberta, have been appointed by the Directors of the Company as successor Auditors of the Company commencing September 21, 2011.

The resignation of Smythe Ratcliffe LLP as Auditors of the Company and the appointment of KPMG LLP as the successor Auditors of the Company have been considered and approved by both the Company’s Audit Committee and its Board of Directors.

There have been no reservations in any of the Auditors’ Report on the Company’s financial statements for the fiscal year ended August 31, 2010 or for any period subsequent to the last completed fiscal year for which an audit report was issued and there have been no reportable events.

DATED at Calgary, Alberta, this 21st day of September, 2011.

BY ORDER OF THE BOARD OF DIRECTORS

“Murray D. McCartney”

Murray D. McCartney
President and Chief Executive Officer

SmytheRatcliffe

CHARTERED ACCOUNTANTS

September 21, 2011

British Columbia Securities Commission
PO Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, BC V7Y 1L2

TSX Venture Exchange
PO Box 11633
2700 – 650 West Georgia Street
Vancouver, BC V6B 4N9

Alberta Securities Commission
400 – 300 Fifth Avenue SW
Calgary, AB T2P 3C4

Dear Sirs:

**Re: Crown Point Ventures Ltd. (the “Company”)
Change of Auditor**

We are writing in accordance with Section 4.11(5)(a)(i) of National Instrument 51-102 *Continuous Disclosure Obligations*. We wish to confirm that we have read the Notice of Change of Auditor of the Company dated September 21, 2011 and that based on our current knowledge we are in agreement with the information contained in such Notice.

Yours very truly,

Smythe Ratcliffe LLP

Chartered Accountants

HLC/bq/701650



KPMG LLP
Chartered Accountants
2700-205 5 Avenue SW
Calgary AB T2P 4B9

Telephone (403) 691-8000
Telefax (403) 691-8008
Internet www.kpmg.ca

British Columbia Securities Commission
Alberta Securities Commission

September 21, 2011

Dear Sirs

Re: Crown Point Ventures Ltd. (the "Company")

As required by National Instrument 51-102 and in connection with our engagement as Auditor of the Company, we have reviewed the information contained in the Company's Change of Auditor Notice dated September 21, 2011 (the "Notice") and we agree with each statement contained therein, based upon our knowledge of the Company relating to the Notice at this time.

Yours very truly,

KPMG LLP

Chartered Accountants
Calgary, Canada

Cc: TSX Venture Exchange

SCHEDULE "B"

NEW OPTION PLAN

1. Purpose of Plan

The purpose of this plan (the "**Plan**") is to develop the interest of Directors, Employees and Consultants of Crown Point Energy Inc. (the "**Corporation**") and its subsidiaries in the growth and development of the Corporation by providing them with the opportunity through share purchase options to acquire an increased proprietary interest in the Corporation.

2. Administration

The Plan shall be administered by the Board, or if appointed, by a committee of directors appointed from time to time by the Board pursuant to rules of procedure fixed by the Board of Directors (such committee, or if no such committee is appointed, the Board, is hereinafter referred to as the "**Committee**"). During such time as the Common Shares of the Corporation ("**Shares**") are listed on the TSXV and the policies of the TSXV so require, the Committee will, through the establishment of appropriate procedures, monitor the trading in the securities of the Corporation by all Optionees performing Investor Relations Activities.

3. Granting of Options

The Committee may from time to time designate bona fide Directors, Employees and Consultants of the Corporation and its subsidiaries (collectively, the "**Optionees**") to whom options ("**Options**") to purchase Shares may be granted and the number of Shares to be optioned to each, provided that (and subject to such additional restrictions and limitations as the policies of the TSXV may impose from time to time):

- (a) the aggregate number of Shares reserved for issuance on exercise of all Options issued under the Plan at any given time shall not exceed 10% of the number of Outstanding Shares at such time, subject to the adjustment as set forth in Section 10 hereof and the other provisions hereof;
- (b) unless the approval of the disinterested shareholders of the Corporation is obtained, the aggregate number of Shares reserved for issuance to any one Optionee in a 12 month period shall not exceed 5% of the number of Outstanding Shares (determined at the date an Option is granted);
- (c) the aggregate number of Shares reserved for issuance to any one Consultant in a 12 month period shall not exceed 2% of the number of Outstanding Shares (determined at the date an Option is granted);
- (d) the aggregate number of Shares reserved for issuance to all Persons conducting Investor Relations Activities in a 12 month period shall not exceed 2% of the number of Outstanding Shares (determined at the date an Option is granted); and
- (e) unless the approval of the disinterested shareholders of the Corporation is obtained, the maximum number of Options which may be granted to Insiders within a 12 month period may not exceed 10% of the number of Outstanding Shares.

Any increase in the Outstanding Shares (whether as a result of exercise of Options or otherwise) will result in an increase in the number of Shares that may be issued on exercise of Options outstanding at any time and any increase in the number of Options granted will, upon exercise, make new grants available under this Plan. Shares that are reserved for issuance on exercise of Options granted pursuant to this Plan that are cancelled, terminated or expire in accordance with the terms of the Plan prior to the exercise of all or a portion thereof shall be available for a subsequent grant of Options.

During such time as the Shares are listed on the TSXV and the policies of the TSXV so require: (i) except in relation to Consultant Companies, Options may be granted only to an individual or to a Company that is

wholly owned by individuals eligible for an Option grant; and (ii) if an Optionee is a Company (including a Consultant Company), it must provide the TSXV with such documentation as the policies of the TSXV may require and otherwise comply with the requirements of the TSXV.

4. Vesting

- (a) The Committee may, in its sole discretion, determine the time during which Options shall vest and the method of vesting, acceleration of vesting (subject to the provisions of this Plan relating to a Change of Control), or that no vesting restriction shall exist. In the absence of any determination by the Committee as to vesting, vesting shall be as to one-third on each of the first, second and third anniversaries of the date of grant.
- (b) Notwithstanding the foregoing, unless otherwise permitted by the TSXV, Options issued to Consultants performing Investor Relations Activities must vest in stages over a period of not less than 12 months, with no more than one quarter of the Options vesting in any three month period.
- (c) During such time as the Shares are listed on the TSXV and the policies of the TSXV so require, in addition to any resale restrictions imposed by applicable securities laws, if the Exercise Price of an Option is based on the Discounted Market Price, such Option and any Shares issued on exercise of such Option prior to the expiry of the Exchange Hold Period (as defined in the policies of the TSXV) must be legended with the Exchange Hold Period commencing on the date the Option was granted.

5. Exercise Price

- (a) Subject to the policies of the TSXV, the exercise price (the "**Exercise Price**") of any Option shall be fixed by the Committee when such Option is granted, provided that such price shall not be less than the Discounted Market Price of the Shares. For this purpose, if the Corporation does not issue a news release to fix the price in accordance with the policies of the TSXV, "**Discounted Market Price**" shall mean the last closing trading price per Share on the TSXV (or if the Shares are not listed on the TSXV, on such stock exchange as the Shares are then traded) before the date of grant of the Option, less the applicable discount, or, if the Shares are not listed on any stock exchange, a price determined by the Committee.
- (b) The Corporation must obtain disinterested shareholder approval for any reduction in the Exercise Price of an Option that is held by an Insider of the Corporation at the time of the proposed amendment.

6. Option Terms

The period during which an Option is exercisable shall, subject to the provisions of the Plan requiring acceleration or extension of rights of exercise, be such period as may be determined by the Committee at the time of grant, provided that no Option may be exercised beyond five years from the date of grant (except as provided for below in respect of Restricted Options that would otherwise expire during a Black-Out Period). Each Option shall, among other things, contain provisions to the effect that the Option shall be personal to the Optionee and not assignable or transferable. In addition, each Option shall provide that:

- (a) upon the death of the Optionee, the Option shall terminate on the date determined by the Committee which shall not be more than twelve (12) months from the date of death and, in the absence of any determination to the contrary, will be twelve (12) months from the date of death;
- (b) if the Optionee shall no longer be a Service Provider (other than by reason of death or termination for cause), the Option shall terminate on the expiry of the period not in excess of ninety (90) days as prescribed by the Committee at the time of grant, following the date that the Optionee ceases to be a Service Provider and, in the absence of any determination to the contrary, will terminate ninety (90) days following the date that the Optionee ceases to be a Service Provider;

- (c) if the Optionee shall no longer be a Service Provider by reason of termination for cause, the Option shall terminate immediately on such termination for cause (whether notice of such termination occurs verbally or in writing);

provided that the number of Shares that the Optionee (or his or her heirs or successors) shall be entitled to purchase until such date of termination: (i) shall in the case of death of the Optionee, be all of the Shares that may be acquired on exercise of the Options held by such Optionee (or his or her heirs or successors) whether or not previously vested, and the vesting of all such Options shall be accelerated on the date of death for such purpose; and (ii) in any case other than death or termination for cause, shall be the number of Shares which the Optionee was entitled to purchase on the date the Optionee ceased to be a Service Provider.

If any Options may not be exercised due to any Black-Out Period at any time within the three business day period prior to the normal expiry date of such Options (the "**Restricted Options**"), the expiry date of all Restricted Options shall be extended for a period of ten business days following the end of the Black-Out Period (or such longer period as permitted by the TSXV and approved by the Committee).

7. Exercise of Option

Subject to the terms hereof, an Optionee (or his or her legal personal representative) may exercise an Option from time to time by delivery to the Corporation, at its head office in Calgary, Alberta, of a written notice of exercise ("**Exercise Notice**") specifying the number of Shares with respect to which the Option is being exercised and accompanied by payment in full of (i) the purchase price of the Shares then being purchased, and (ii) any amount required to be paid pursuant to Section 15. Upon exercise of the Option in accordance with this Plan, the Corporation will cause to be delivered to the Optionee a certificate or certificates, representing such Shares in the name of the Optionee or the Optionee's legal personal representative or otherwise as the Optionee may or they may in writing direct.

8. Mergers, Amalgamation and Sale

Except in the case of a transaction that is a Change of Control and to which Section 9 applies, if the Corporation enters into any transaction or series of transactions whereby the Corporation or all or substantially all of the assets of the Corporation would become the property of any other trust, body corporate, partnership or other person (a "**Successor**"), whether by way of takeover bid, acquisition, reorganization, consolidation, amalgamation, arrangement, merger, transfer, sale or otherwise, prior to or contemporaneously with the consummation of such transaction the Corporation and the Successor will execute such instruments and do such things as the Committee may determine are necessary to establish that upon the consummation of such transaction the Successor will assume the covenants and obligations of the Corporation under this Plan and the Option Agreements (as defined below) outstanding on consummation of such transaction. Any such Successor shall succeed to, and be substituted for, and may exercise every right and power of the Corporation under this Plan and Option Agreements with the same effect as though the Successor had been named as the Corporation herein and therein and thereafter, the Corporation shall be relieved of all obligations and covenants under this Plan and such Option Agreements and the obligation of the Corporation to the Optionees in respect of the Options shall terminate and be at an end and the Optionees shall cease to have any further rights in respect thereof including, without limitation, any right to acquire Shares upon vesting of the Options.

9. Acceleration of Vesting

Notwithstanding any other provision in this Plan or the terms of any Option Agreement, if there takes place a Change of Control, all issued and outstanding Options shall be exercisable (whether or not then vested) immediately prior to the time such Change of Control takes place and shall terminate on the 90th day after the occurrence of such Change of Control, or at such earlier time as may be established by the Board, in its absolute discretion, prior to the time such Change of Control takes place.

10. Alterations in Shares

In the event:

- (a) of any change in the Shares through subdivision, consolidation, reclassification, amalgamation, merger or otherwise; or
- (b) that any rights are granted to all or substantially all shareholders to purchase Shares at prices substantially below Fair Market Value; or
- (c) that, as a result of any recapitalization, merger, consolidation or other transaction, the Shares are converted into or exchangeable for any other securities or property;

then the Board may make such adjustments to the Plan, to any Options and to any Option Agreements outstanding under the Plan, and make such amendments to any Option Agreements outstanding under the Plan, as the Board may, in its sole discretion, consider appropriate in the circumstances to prevent dilution or enlargement of the rights granted to Optionees hereunder and/or to provide for the Optionees to receive and accept such other securities or property in lieu of Shares, and the Optionees shall be bound by any such determination.

If the Corporation fixes a date (the "**record date**") for the determination of holders of Shares entitled to receive a distribution to all or substantially all the holders of Shares of cash or other assets (other than a dividend in the ordinary course of business), the Board may, in its sole discretion, but for greater certainty shall not be required to, adjust the Exercise Price of any Options outstanding on the record date for such distribution and make such amendments to any Option Agreements outstanding under the Plan to give effect thereto as the Board may, in its sole discretion, consider appropriate in the circumstances.

11. Option Agreements

A written agreement (an "**Option Agreement**") will be entered into between the Corporation and each Optionee to whom an Option is granted hereunder, which agreement will set out the number of Shares subject to Option, the Exercise Price, provisions as to vesting and expiry and any other terms approved by the Committee, all in accordance with the provisions of this Plan. The agreement will be in such form as the Committee may from time to time approve or authorize the officers of the Corporation to enter into and may contain such terms as may be considered necessary in order that the Option will comply with this Plan, any provisions respecting Options in the income tax or other laws in force in any country or jurisdiction of which the person to whom the Option is granted may from time to time be a resident or citizen, and the rules of any regulatory body having jurisdiction over the Corporation.

12. Regulatory Authorities Approvals

The Plan shall be subject to the approval, if required, of any stock exchange on which the Shares are listed for trading. Any Options granted prior to such approval shall be conditional upon such approval being given and no such Options may be exercised unless such approval, if required, is given.

13. Amendment or Discontinuance of the Plan

The Committee may amend or discontinue the Plan at any time, provided that no such amendment may, without the consent of the Optionee (or unless otherwise permitted by this Plan), alter or impair any Option previously granted to an Optionee under the Plan; and provided further that any amendment to the Plan shall be subject to prior approval of any stock exchange on which the Shares are listed, if required by such exchange, and approval of the shareholders of the Corporation, if required by such exchange.

14. Shares Duly Issued

Shares issued upon the exercise of an Option granted hereunder will be validly issued and allotted as fully paid and non-assessable upon receipt by the Corporation of the Exercise Price therefor in accordance with the terms of the Option, and the issuance of Shares thereunder will not require a resolution or approval of the Board.

15. Tax Withholding

The Corporation shall have the power and the right to deduct or withhold, or require (as a condition of exercise) an Optionee to remit to the Corporation, the required amount to satisfy, in whole or in part, federal, provincial, and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising as a result of the Plan, including the grant or exercise of Options granted under the Plan. With respect to required withholding, the Corporation shall have the irrevocable right to (and the Optionee consents to) the Corporation setting off any amounts required to be withheld, in whole or in part, against amounts otherwise owing by the Corporation to such Optionee (whether arising pursuant to the Optionee's relationship as a Service Provider or otherwise), or may make such other arrangements satisfactory to the Optionee and the Corporation. In addition, the Corporation may elect, in its sole discretion, to satisfy the withholding requirement, in whole or in part, by withholding such number of Shares as it determines are required to be sold by the Corporation, as trustee, to satisfy the withholding obligation net of selling costs (which costs shall be the responsibility of the Optionee and which shall be and are authorized to be deducted from the proceeds of sale). The Optionee consents to such sale and grants to the Corporation an irrevocable power of attorney to effect the sale of such Shares and acknowledges and agrees that the Corporation does not accept responsibility for the price obtained on the sale of such Shares. Any reference in this Plan to the issuance of Shares or a payment of cash is expressly subject to this Section 15.

16. No Guarantees Regarding Tax Treatment.

Optionees (or their beneficiaries) shall be responsible for all taxes with respect to any Option outstanding under the Plan, whether arising as a result of the grant or exercise of Options or otherwise. The Corporation and the Committee make no guarantees to any person regarding the tax treatment of an Option or payments made under the Plan and none of the Corporation or any of its directors, officers, employees or representatives shall have any liability to an Optionee with respect thereto.

17. Applicable Law

This Plan shall be governed by and administered and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein.

18. Definitions

In this Plan, capitalized terms not otherwise defined in this Plan have the meanings set forth below. Notwithstanding the foregoing, where defined terms used herein are also defined in the policies of the TSXV and there are discrepancies between said defined terms, the defined term used in the policies of the TSXV shall prevail over the defined term used in this Plan during such period of time as the Shares are listed on the TSXV.

- (a) A Company is an "**Affiliate**" of another Company if:
 - (i) one of them is the subsidiary of the other; or
 - (ii) each of them is controlled by the same Person.
- (b) "**Black-Out Period**" means the period of time when, pursuant to any policies of the Corporation or applicable securities laws, any securities of the Corporation may not be traded by certain persons as designated by the Corporation or such applicable securities laws, including any holder of an Option;
- (c) "**Board**" means the board of directors of the Corporation as constituted from time to time;

- (d) **"business day"** means a day other than a Saturday, Sunday or other day when banks in the City of Calgary, Alberta are generally not open for business;
- (e) **"Change of Control"** means:
 - (i) a successful takeover bid; or
 - (ii) any change in the beneficial ownership or control of the outstanding securities or other interests of the Corporation which results in:
 - (A) a person or group of persons "acting jointly or in concert" (within the meaning of MI 62-104) or an affiliate or associate of such person or group of persons holding, owning or controlling, directly or indirectly, more than 50% of the outstanding voting securities or interests of the Corporation; and
 - (B) members of the Board who are members of the Board immediately prior to the earlier of such change and the first public announcement of such change cease to constitute a majority of the Board at any time within sixty days of such change; or
 - (iii) Incumbent Directors no longer constituting a majority of the Board; or
 - (iv) the winding up of the Corporation or the sale, lease or transfer of all or substantially all of the assets of the Corporation to any other person or persons (other than pursuant to an internal reorganization or in circumstances where the business of the Corporation is continued and where the shareholdings or other securityholdings, as the case may be, in the continuing entity and the constitution of the board of directors or similar body of the continuing entity is such that the transaction would not be considered a "Change of Control" if paragraph (ii) above was applicable to the transaction); or
 - (v) any determination by a majority of the Board that a Change of Control has occurred or is about to occur and any such determination shall be binding and conclusive for all purposes of the Plan;
- (f) **"Company"**, unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity, other than an individual.
- (g) **"Consultant"** means, in relation to the Corporation, an individual or Consultant Company, other than an Employee or a Director of the Corporation, that:
 - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or to an Affiliate of the Corporation, other than services provided in relation to a Distribution;
 - (ii) provides the services under a written contract between the Corporation or the Affiliate and the individual or the Consultant Company;
 - (iii) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or an Affiliate of the Corporation; and
 - (iv) has a relationship with the Corporation or an Affiliate of the Corporation that enables the individual to be knowledgeable about the business and affairs of the Corporation.
- (h) **"Consultant Company"** means, for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner.

- (i) **"Directors"** means directors, senior officers and Management Company Employees of the Corporation, or directors, senior officers and Management Company Employees of the Corporation's subsidiaries to whom Options can be granted in reliance on a prospectus exemption under applicable securities laws.
- (j) **"Distribution"** has the meaning ascribed thereto in the *Securities Act* (Alberta).
- (k) **"Employee"** means:
 - (i) an individual who is considered an employee of the Corporation or its subsidiary under the *Income Tax Act* (Canada) (i.e. for whom income tax, employment insurance and CPP deductions must be made at source);
 - (ii) an individual who works full-time for the Corporation or its subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source; or
 - (iii) an individual who works for the Corporation or its subsidiaries on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source.
- (l) **"Fair Market Value"** with respect to a Share, as at any date, means the weighted average of the prices at which the Shares traded on the TSXV (or, if the Shares are not then listed and posted for trading on the TSXV or are then listed and posted for trading on more than one stock exchange, on such stock exchange on which the majority of the trading volume and value of the Shares occurs) for the five (5) trading days on which the Shares traded on the said exchange immediately preceding such date. In the event that the Shares are not listed and posted for trading on any stock exchange, the Fair Market Value shall be the fair market value of the Shares as determined by the Board in its sole discretion, acting reasonably and in good faith;
- (m) **"Incumbent Directors"** means any member of the Board who was a member of the Board at the effective date of the Plan and any successor to an Incumbent Director who was recommended or elected or appointed to succeed any Incumbent Director by the affirmative vote of the Board, including a majority of the Incumbent Directors then on the Board, prior to the occurrence of the transaction, transactions, elections or appointments giving rise to a Change of Control;
- (n) **"Insider"**, if used in relation to the Corporation, means:
 - (i) a director or senior officer of the Corporation;
 - (ii) a director or senior officer of a Company that is an Insider or subsidiary of the Corporation;
 - (iii) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Corporation; or
 - (iv) the Corporation itself if it holds any of its own securities.
- (o) **"Investor Relations Activities"** means any activities, by or on behalf of the Corporation or a shareholder of the Corporation, that promote or reasonably could be expected to promote the purchase or sale of securities of the Corporation, but does not include:
 - (i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Corporation:

- (A) to promote the sale of products or services of the Corporation; or
 - (B) to raise public awareness of the Corporation;
- that cannot reasonably be considered to promote the purchase or sale of securities of the Corporation;
- (ii) activities or communications necessary to comply with the requirements of:
 - (A) applicable securities laws; or
 - (B) Exchange Requirements (as defined in the policies of the TSXV) or the by-laws, rules or other regulatory instruments of any other self regulatory body or exchange having jurisdiction over the Corporation;
 - (iii) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if:
 - (A) the communication is only through the newspaper, magazine or publication; and
 - (B) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
 - (iv) activities or communications that may be otherwise specified by the TSXV.
- (p) **"Management Company Employee"** means an individual employed by a Person providing management services to the Corporation, which are required for the ongoing successful operation of the business enterprise of the Corporation, but excluding a Person engaged in Investor Relations Activities.
 - (q) **"MI 62-104"** means Multilateral Instrument 62-104 – *Take-Over Bids and Issuer Bids*, as amended from time to time;
 - (r) **"Outstanding Shares"** at the time of any share issuance or grant of Options means the aggregate number of Shares that are outstanding immediately prior to the share issuance or grant of Options in question on a non-diluted basis, or such other number as may be determined under the applicable rules and regulations of all regulatory authorities to which the Corporation is subject, including, if listed thereon, the TSXV.
 - (s) **"Person"** means a Company or individual.
 - (t) **"Service Provider"** means a bona fide Director, Employee or Consultant of the Corporation.
 - (u) **"subsidiary"** has the meaning ascribed thereto in the *Securities Act* (Alberta) as from time to time amended, supplemented or re-enacted.
 - (v) **"takeover bid"** means a "take-over bid" as defined in MI 62-104, pursuant to which the "offeror" would as a result of such takeover bid, if successful, beneficially own, directly or indirectly, in excess of 50% of the outstanding Shares.
 - (w) **"TSXV"** means the TSX Venture Exchange.

19. Effective Date

This Plan shall be effective as of the 27th day of July, 2012.

SCHEDULE "C"

ARTICLES OF CONTINUANCE

ARTICLES OF CONTINUANCE

**Business Corporations Act
(Alberta)**

Section 188, 273 and 274

1. Name of Corporation: Crown Point Energy Inc.	2. Corporate Access Number:
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3. The classes of shares and any maximum number of shares that the corporation is authorized to issue:

See Schedule "A" attached hereto.

4. Restriction on Share Transfers (if there are no restrictions, enter "NONE"):

None.

5. Number or minimum and maximum number of directors:

Minimum of one (1); Maximum of eleven (11).

6. If the corporation is restricted FROM carrying on a certain business or restricted TO carrying on a certain business, specify the restrictions (if there are no restrictions, enter "NONE"):

None.

7. If a change of name is effected, indicate previous name:

Crown Point Ventures Ltd.

8. Details of Incorporation:

Crown Point Ventures Ltd. was incorporated on March 16, 1966 in the Province of British Columbia under incorporation number BC0068670 and extra-provincially registered in Alberta on December 12, 2010.

9. Other rules or provisions (if there are no rules or provisions, enter "NONE"):

See Schedule "B" attached hereto.

Name of Person Authorizing (please print)

Signature

Title (please print)

Date

This information is being collected for purposes of corporate registry records in accordance with the Business Corporations Act. Questions about the collection of this information can be directed to the Freedom of Information and Protection of Privacy Co-ordinator for Alberta Registries, Research and Program Support, 3rd Floor, Commerce Place, 10155 – 102 Street, Edmonton, Alberta T5J 4L4, (780) 422-7330.

SCHEDULE "A" TO ARTICLES OF CONTINUANCE

The authorized capital of the Corporation shall consist of an unlimited number of common shares ("**Common Shares**") and an unlimited number of class A preferred shares ("**Class A Preferred Shares**"), which classes of shares, shall have attached thereto the rights, privileges, restrictions and conditions as set forth below:

Common Shares

1. Voting Rights

The holders of Common Shares shall be entitled to notice of, to attend and to one (1) vote per share held at any meeting of the shareholders of the Corporation (other than meetings of a class or series of shares of the Corporation other than the Common Shares as such).

2. Dividends

The holders of Common Shares shall be entitled to receive dividends as and when declared by the Board of Directors of the Corporation on the Common Shares as a class, subject to prior satisfaction of all preferential rights to dividends attached to all shares of other classes of shares of the Corporation ranking in priority to the Common Shares.

3. Liquidation

The holders of Common Shares shall be entitled in the event of any liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs, and subject to prior satisfaction of all preferential rights to return of capital on dissolution attached to all shares of other classes of shares of the Corporation ranking in priority to the Common Shares in respect of return of capital on dissolution, to share rateably, together with the holders of shares of any other class of shares of the Corporation ranking equally with the Common Shares in respect of return of capital, in such assets of the Corporation as are available for distribution.

Class A Preferred Shares

1. Issuance in Series

Subject to the filing of Articles of Amendment in accordance with the *Business Corporations Act* (Alberta) (the "**Act**"), the Board of Directors may at any time and from time to time issue the Class A Preferred Shares in one or more series, each series to consist of such number of shares as may, before the issuance thereof, be determined by the Board of Directors.

Subject to the filing of Articles of Amendment in accordance with the Act, the Board of Directors may from time to time fix, before issuance, the designation, rights, privileges, restrictions and conditions attaching to each series of Class A Preferred Shares including, without limiting the generality of the foregoing, the amount, if any, specified as being payable preferentially to such series in the event of any liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs, the extent, if any, of further participation on such distribution, voting rights, if any, and dividend rights (including whether such dividends be preferential, or cumulative or non-cumulative), if any.

2. Dividends

The holders of each series of Class A Preferred Shares shall be entitled, in priority to holders of Common Shares and any other shares of the Corporation ranking junior to the Class A Preferred Shares from time to time with respect to the payment of dividends, to be paid rateably with holders of each other series of Class A Preferred Shares, the amount of accumulated dividends, if any, specified as being payable preferentially to the holders of such series.

3. Liquidation

In the event any liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs, holders of each series of Class A Preferred Shares shall be entitled, in priority to holders of Common Shares and any other shares of the Corporation ranking junior to the Class A Preferred Shares from time to time with respect to payment on a distribution, to be paid rateably with holders of each series of Class A Preferred Shares the amount, if any, specified as being payable preferentially to the holders of such series on such a distribution.

SCHEDULE "B" TO ARTICLES OF CONTINUANCE

1. The directors of the Corporation may, without authorization of the shareholders:
 - (a) borrow money on the credit of the Corporation;
 - (b) issue, reissue, sell or pledge debt obligations of the Corporation;
 - (c) subject to the *Business Corporations Act* (Alberta), give a guarantee on behalf of the Corporation to secure performance of an obligation of any person, and;
 - (d) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Corporation, owned or subsequently acquired, to secure any obligation of the Corporation.
2. The directors may, by resolution, delegate the powers referred to in Section 1 above to a director, a committee of directors or an officer.
3. The directors may, between annual general meetings, appoint one or more additional directors of the Corporation to serve until the next annual general meeting, but the number of additional directors shall not at any time exceed 1/3 of the number of directors who held office at the expiration of the last annual general meeting of the Corporation.
4. Meetings of the shareholders may be held at any place within Alberta or at any of the following cities: Vancouver, British Columbia; Victoria, British Columbia; Winnipeg, Manitoba; Toronto, Ontario; Ottawa, Ontario; Montreal, Quebec; or Halifax, Nova Scotia.

SCHEDULE "D"

BY-LAWS

BY-LAW NO. 1 RELATING GENERALLY TO THE CONDUCT OF THE AFFAIRS OF CROWN POINT ENERGY INC.

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IT IS HEREBY ENACTED as By-law No. 1 of Crown Point Energy Inc. (the "Corporation") as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In the by-laws of the Corporation, unless the context otherwise requires:

- (a) "**Act**" means the *Business Corporations Act* (Alberta), and any statute that may be substituted therefor, as from time to time amended;
- (b) "**articles**" means the articles attached to the Certificate of Continuance of the Corporation as from time to time amended or restated;
- (c) "**board**" means the board of directors of the Corporation;
- (d) "**by-laws**" means this by-law and all other by-laws of the Corporation from time to time in force and effect;
- (e) "**meeting of shareholders**" means any meeting of shareholders, including any meeting of one or more classes or series of shareholders;
- (f) "**recorded address**" means, in the case of a shareholder, the address as recorded in the securities register; in the case of joint shareholders, the address appearing in the securities register in respect of such joint holding or the first address so appearing if there are more than one; and, in the case of a director, officer, auditor or member of a committee of the board, his or her latest address as recorded in the records of the Corporation; and

- (g) **"signing officer"** means any person authorized to sign any document on behalf of the Corporation pursuant to these by-laws or by a resolution of the board.

Save as aforesaid, words and expressions defined in the Act have the same meanings when used herein; and words importing the singular number include the plural and vice versa; words importing gender include the masculine, feminine and neuter genders; and words importing persons include individuals, bodies corporate, partnerships, trusts and unincorporated organizations.

1.2 Conflict with the Act or the Articles

To the extent of any conflict between the provisions of the by-laws and the provisions of the Act or the articles, the provisions of the Act or the articles shall govern.

1.3 Headings

The headings used throughout the by-laws are inserted for convenience of reference only and are not to be used as an aid in the interpretation of the by-laws.

1.4 Invalidity of any Provision of By-laws

The invalidity or unenforceability of any provision of the by-laws shall not affect the validity or enforceability of the remaining provisions of the by-laws.

**ARTICLE 2
BUSINESS OF THE CORPORATION**

2.1 Corporate Seal

The corporate seal of the Corporation, if any, shall be in such form as the board may from time to time by resolution approve.

2.2 Financial Year

The financial year of the Corporation shall end on such date in each year as the board may from time to time by resolution determine.

2.3 Execution of Instruments

Agreements, contracts, deeds, transfers, assignments, obligations, certificates and other instruments may be signed on behalf of the Corporation by any single director or officer of the Corporation. In addition, the board may from time to time direct the manner in which and the person or persons by whom any instrument or instruments may or shall be signed. Any signing officer may affix the corporate seal to any instrument requiring the same.

2.4 Banking Arrangements

The banking business of the Corporation including, without limitation, the borrowing of money and the giving of security therefor, shall be transacted with such banks, trust companies or other bodies corporate or organizations as may from time to time be authorized by the board. Such banking business or any part thereof shall be transacted under such agreements, instructions and delegations of powers as the board may from time to time prescribe or authorize.

2.5 Voting Rights in Other Bodies Corporate

The signing officers may execute and deliver proxies and arrange for the issuance of voting certificates or other evidence of the right to exercise the voting rights attaching to any securities held by the Corporation. Such instruments, certificates or other evidence shall be in favour of such person or persons as may be determined by the persons executing such proxies or arranging for the issuance of voting certificates or such other evidence of the right to exercise such voting rights. In addition, the board or, failing the board, the signing officers may from time to time direct the manner in which and the person or persons by whom any particular voting rights or class of voting rights may or shall be exercised.

2.6 Insider Trading Reports and Other Filings

Any one officer or director of the Corporation may execute and file on behalf of the Corporation insider trading reports and other filings of any nature whatsoever required under applicable corporate or securities laws.

ARTICLE 3 DIRECTORS

3.1 Number of Directors

Subject to the limitation and requirements provided in the articles, the number of directors of the Corporation shall be determined from time to time by resolution of the shareholders or the board.

3.2 Calling and Notice of Meetings

Meetings of the board shall be called and held at such time and at such place as the board, the Chairman of the Board, the chief executive officer or any two directors may determine, and the Secretary or any other officer shall give notice of meetings when directed or authorized by such persons. Notice of each meeting of the board shall be given in the manner provided in the Act to each director not less than 24 hours before the time when the meeting is to be held, provided that, if a quorum of directors is present, the board may without notice hold a meeting immediately following an annual meeting of shareholders. Notice of a meeting of the board may be given verbally, in writing or by electronic means, telephone or any other means of communication. A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting, except where required by the Act. Notwithstanding the foregoing, the board may from time to time fix a day or days in any month or months for regular meetings of the board at a place and hour to be named, in which case, provided that a copy of any such resolution is sent to each director forthwith after being passed and forthwith after each director's appointment, no other notice shall be required for any such regular meeting except where the Act requires specification of the purpose or the business to be transacted thereat.

Notice of any meeting of directors or the time for the giving of any such notice or any irregularity in any meeting or in the notice thereof may be waived by any director verbally at a meeting of the board, in writing or by electronic means to the Corporation or in any other manner, and any such waiver may be validly given either before or after the meeting to which such waiver relates. Attendance of a director at any meeting of directors is a waiver of notice of such meeting, except when a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

3.3 Place of Meetings

Meetings of the board may be held at any place in or outside Alberta. A director who attends a meeting of directors, in person or by electronic means, telephone or other communication facilities that permit all persons participating in the meeting to hear each other, is deemed to have consented to the location of the meeting except when the director attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully held.

3.4 Meetings by Electronic Means

A director may participate in a meeting of the board or of a committee of the board by electronic means, telephone or other communication facilities that permit all persons participating in the meeting to hear each other. A director participating in such a meeting in such manner shall be considered present at the meeting and at the place of the meeting.

3.5 Quorum

The quorum for the transaction of business at any meeting of the board shall consist of a majority of directors.

3.6 Chairman

The chairman of any meeting of the board shall be Chairman of the Board. If the Chairman of the Board is not present, the directors present shall choose one of their number to be chairman.

3.7 Action by the Board

At all meetings of the board every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes the chairman of the meeting shall not be entitled to a second or casting vote. The powers of the board may be exercised by resolution passed at a meeting at which a quorum is present or by resolution in writing signed by all the directors who would be entitled to vote on that resolution at a meeting of the board. Resolutions in writing may be signed in counterparts. Resolutions in writing shall become effective on the date set forth therein.

3.8 Adjourned Meeting

Any meeting of directors may be adjourned from time to time by the chairman of the meeting, with the consent of the meeting, to a fixed time and place. The adjourned meeting shall be duly constituted if a quorum is present and if it is held in accordance with the terms of the adjournment. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment.

3.9 Remuneration and Expenses

The directors shall be paid such remuneration for their services as the board may from time to time determine. The directors shall also be entitled to be reimbursed for reasonable travelling and other expenses properly incurred by them in attending meetings of the board or any committee thereof. Nothing herein contained shall preclude any director from serving the Corporation in any other capacity and receiving remuneration therefor.

3.10 Officers

The board from time to time may appoint one or more officers of the Corporation and, without prejudice to rights under any employment contract, may remove any officer of the Corporation. The powers and duties of each officer of the Corporation shall be those determined from time to time by the board and, in the absence of such determination, shall be those usually incidental to the office held.

3.11 Agents and Attorneys

The board shall have the power from time to time to appoint agents or attorneys for the Corporation in or outside Canada with such powers of management or otherwise (including the power to sub delegate) as may be thought fit.

**ARTICLE 4
COMMITTEES**

4.1 Transaction of Business

The powers of any committee of directors may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all the members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. At all meetings of committees every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes the chairman of the meeting shall not be entitled to a second or casting vote. Resolutions in writing may be signed in counterparts. Resolutions in writing shall become effective on the date set forth therein.

4.2 Procedure

Unless otherwise determined by the board, a quorum for meetings of any committee shall be a majority of its members, each committee shall have the power to appoint its chairman and the rules for calling, holding, conducting and adjourning meetings of the committee shall be the same as those governing the board. Each member of a committee shall serve during the pleasure of the board of directors and, in any event, only so long as he or she shall be a director. The directors may fill vacancies in a committee by appointment from among their members. Provided that a quorum is maintained, the committee may continue to exercise its powers notwithstanding any vacancy among its members.

**ARTICLE 5
PROTECTION OF DIRECTORS AND OFFICERS**

5.1 Limitation of Liability

No director or officer for the time being of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other director, officer or employee, or for joining in any receipt or act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Corporation shall be placed or invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or corporation including any person, firm or corporation with whom or with which any moneys, securities or effects shall be lodged or deposited, or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets of or belonging to the Corporation or for any other loss, damage or misfortune whatsoever which may happen in the execution of the duties of his or her respective office or trust or in relation thereto unless the same shall happen by or through his or her failure to exercise the powers and to discharge the duties of his or her office honestly, in good faith and with a view to the best interests of the Corporation and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

5.2 Indemnity

The Corporation hereby indemnities, to the maximum extent permitted under the Act, each director and officer and each former director and officer, and may indemnify a person who acts or acted at the Corporation's request as a director or officer of a body corporate of which the Corporation is or was a shareholder or creditor, and their heirs and legal representatives, against all costs, charges and expenses, including any amount paid to settle an action or satisfy a judgment, reasonably incurred by him or her in respect of any civil, criminal or administrative action or proceeding to which he or she is made a party by reason of being or having been a director or officer of the Corporation or such body corporate.

5.3 Insurance

The Corporation may purchase and maintain insurance for the benefit of any person against any liability incurred by him or her:

- (a) in his or her capacity as a director or officer of the Corporation, except where the liability relates to his or her failure to act honestly and in good faith with a view to the best interests of the Corporation; or
- (b) in his or her capacity as a director or officer of another body corporate where he or she acts or acted in that capacity at the Corporation's request, except where the liability relates to his or her failure to act honestly and in good faith with a view to the best interests of the body corporate.

**ARTICLE 6
SHARES**

6.1 Non-recognition of Trusts

Subject to the provisions of the Act, the Corporation may treat as the absolute owner of any share the person in whose name the share is registered in the securities register as if that person had full legal capacity and authority to exercise all rights of ownership, irrespective of any indication to the contrary through knowledge or notice or description in the Corporation's records or on the share certificate.

6.2 Joint Shareholders

If two or more persons are registered as joint holders of any share:

- (a) the Corporation shall record only one address on its books for such joint holders; and
- (b) the address of such joint holders for all purposes with respect to the Corporation shall be their recorded address,

and any one of such persons may give effectual receipts for the certificate issued in respect thereof or for any dividend, bonus, return of capital or other money payable or warrant issuable in respect of such share.

**ARTICLE 7
DIVIDENDS**

7.1 Dividend Cheques

A dividend payable in cash shall be paid by cheque of the Corporation or of any dividend paying agent appointed by the board, to the order of each registered holder of shares of the class or series in respect of which it has been declared and mailed by prepaid ordinary mail to such registered holder at the shareholder's recorded address, unless such holder otherwise directs and the Corporation agrees to follow such direction. In the case of joint holders the cheque shall, unless such joint holders otherwise direct and the Corporation agrees to follow such direction, be made payable to the order of all of such joint holders and mailed to them at their recorded address. The mailing of such cheque as aforesaid, unless the same is not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold.

7.2 Non-receipt of Cheques

In the event of non-receipt of any dividend cheque by the person to whom it is sent as aforesaid, the Corporation shall issue to such person a replacement cheque for a like amount on such terms as to indemnity,

reimbursement of expenses and evidence of non-receipt and of title as the board may from time to time prescribe, whether generally or in any particular case.

7.3 Unclaimed Dividends

Any dividend unclaimed after the last business day prior to the third anniversary the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation and shall have been deemed to be transferred to the Corporation on such date.

ARTICLE 8 MEETINGS OF SHAREHOLDERS

8.1 Chairman, Secretary and Scrutineers

The chairman of any meeting of shareholders, who need not be a shareholder of the Corporation, shall be the first of the Chairman of the Board or an officer who is present at the meeting (in order of seniority). If no such officer is present and willing to act as chairman within fifteen minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to be chairman. The chairman shall conduct the proceedings at the meeting in all respects and Chairman's decision in any matter or thing, including, but without in any way limiting the generality of the foregoing, any question regarding the validity or invalidity of any instruments of proxy and any question as to the admission or rejection of a vote, shall be conclusive and binding upon the shareholders. The secretary of any meeting of shareholders shall be the Secretary of the Corporation, provided that, if the Corporation does not have a Secretary or if the Secretary of the Corporation is absent, the chairman shall appoint some person, who need not be a shareholder, to act as secretary of the meeting. The board may from time to time appoint in advance of any meeting of shareholders one or more persons to act as scrutineers at such meeting and, in the absence of such appointment, the chairman may appoint one or more persons to act as scrutineers at any meeting of shareholders. Scrutineers so appointed may, but need not be, shareholders, directors, officers or employees of the Corporation.

8.2 Persons Entitled to be Present

The only persons entitled to be present at a meeting of shareholders shall be:

- (a) those entitled to vote at such meeting;
- (b) the directors, officers and auditors of the Corporation;
- (c) others who, although not entitled to vote, are entitled or required under any provision of the Act, the articles or the by-laws to be present at the meeting;
- (d) legal counsel to the Corporation when invited by the Corporation to attend the meeting; and
- (e) any other person on the invitation of the chairman or with the consent of the meeting.

8.3 Quorum

A quorum for the transaction of business at any meeting of shareholders shall be at least two persons present in person, each being a shareholder entitled to vote thereat or a duly appointed proxy or representative for an absent shareholder so entitled, and representing in the aggregate not less than 5% of the outstanding shares of the Corporation carrying voting rights at the meeting, provided that, if there should be only one shareholder of the Corporation entitled to vote at any meeting of shareholders, the quorum for the transaction of business at the meeting of shareholders shall consist of the one shareholder.

8.4 Representatives

The authority of an individual to represent a body corporate or association at a meeting of shareholders of the Corporation shall be established by depositing with the Corporation a certified copy of the resolution of the directors or governing body of the body corporate or association, as the case may be, granting such authority, or in such other manner as may be satisfactory to the chairman of the meeting.

8.5 Action by Shareholders

The shareholders shall act by ordinary resolution unless otherwise required by the Act, articles or by-laws. In case of an equality of votes either upon a show of hand or upon a poll, the chairman of the meeting shall not be entitled to a second or casting vote.

8.6 Show of Hands

Upon a show of hands every persons who is present and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is required or demanded, a declaration by the chairman of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the shareholders upon the said question.

8.7 Ballots

A ballot required or demanded shall be taken in such manner as the chairman shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken each person present shall be entitled, in respect of the shares which they are entitled to vote at the meeting upon the question, to that number of votes provided by the Act or the articles, and the result of the ballot so taken shall be the decision of the shareholders upon the said question.

8.8 Meetings by Electronic Means

With the consent of the chairman of the meeting or the consent (as evidenced by a resolution) of the persons present and entitled to vote at the meeting, a shareholder or any other person entitled to attend a meeting of shareholders may participate in the meeting by electronic means, telephone or other communication facilities that permit all persons participating in the meeting to hear each other, and a person participating in such a meeting by those means shall be considered present at the meeting and at the place of the meeting.

**ARTICLE 9
NOTICES**

9.1 Omissions and Errors

The accidental omission to give any notice to any shareholder, director, officer, auditor or member of a committee of the board or the non receipt of any notice by any such person or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

9.2 Persons Entitled by Death or Operation of Law

Every person who, by operation of law, transfer, death of a shareholder or any other means whatsoever shall become entitled to any share, shall be bound by every notice in respect of such share which shall have been duly given to the shareholder from whom the shareholder derives title to such share prior to the

shareholder's name and address being entered on the securities register (whether such notice was given before or after the happening of the event upon which the shareholder became so entitled) and prior to such person furnishing to the Corporation the proof of authority or evidence of the shareholder's entitlement prescribed by the Act.

**ARTICLE 10
EFFECTIVE DATE AND REPEAL**

10.1 Effective Date

This by-law shall come into force when made by the board in accordance with the Act.

10.2 Repeal

All previous by-laws of the Corporation are repealed as of the coming into force of this by-law. Such repeal shall not affect the previous operation of any by-law so repealed or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under, or the validity of any contract or agreement made pursuant to, or the validity of any articles (as defined in the Act) or predecessor charter documents of the Corporation obtained pursuant to, any such bylaw prior to its repeal.

Made by the board the 27th day of July, 2012.

President and Chief Executive Officer

Confirmed by the shareholders in accordance with the Act the 27th day of July, 2012.

President and Chief Executive Officer

SCHEDULE "E"

DISSENT RIGHTS UNDER THE BRITISH COLUMBIA BUSINESS CORPORATIONS ACT

Part 8 - Proceedings Division 2 — Dissent Proceedings

Definitions and application

237 (1) In this Division:

"dissenter" means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

"notice shares" means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

"payout value" means,

(a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,

(b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291 (2) (c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement, or

(c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order,

excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that

(a) the court orders otherwise, or

(b) in the case of a right of dissent authorized by a resolution referred to in section 238 (1) (g), the court orders otherwise or the resolution provides otherwise.

Right to dissent

238 (1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent as follows:

(a) under section 260, in respect of a resolution to alter the articles to alter restrictions on the powers of the company or on the business it is permitted to carry on;

(b) under section 272, in respect of a resolution to adopt an amalgamation agreement;

(c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;

(d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;

(e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;

(f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;

(g) in respect of any other resolution, if dissent is authorized by the resolution;

(h) in respect of any court order that permits dissent.

(2) A shareholder wishing to dissent must

(a) prepare a separate notice of dissent under section 242 for

(i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,

(b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and

(c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.

(3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must

(a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and

(b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

Waiver of right to dissent

239 (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

(2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must

(a) provide to the company a separate waiver for

(i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and

(b) identify in each waiver the person on whose behalf the waiver is made.

(3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to

(a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and

(b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.

(4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of

that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

Notice of resolution

240 (1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.

(2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a statement advising of the right to send a notice of dissent.

(3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,

(a) a copy of the resolution,

(b) a statement advising of the right to send a notice of dissent, and

(c) if the resolution has passed, notification of that fact and the date on which it was passed.

(4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

Notice of court orders

241 If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent

(a) a copy of the entered order, and

(b) a statement advising of the right to send a notice of dissent.

Notice of dissent

242 (1) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (a), (b), (c), (d), (e) or (f) must,

(a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,

(b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or

(c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of

- (i) the date on which the shareholder learns that the resolution was passed, and
- (ii) the date on which the shareholder learns that the shareholder is entitled to dissent.

(2) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (g) must send written notice of dissent to the company

- (a) on or before the date specified by the resolution or in the statement referred to in section 240 (2) (b) or (3) (b) as the last date by which notice of dissent must be sent, or
- (b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.

(3) A shareholder intending to dissent under section 238 (1) (h) in respect of a court order that permits dissent must send written notice of dissent to the company

- (a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or
- (b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.

(4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:

(a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;

(b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and

- (i) the names of the registered owners of those other shares,
- (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
- (iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;

(c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and

- (i) the name and address of the beneficial owner, and
- (ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.

(5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

Notice of intention to proceed

243 (1) A company that receives a notice of dissent under section 242 from a dissenter must,

(a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of

- (i) the date on which the company forms the intention to proceed, and
- (ii) the date on which the notice of dissent was received, or

(b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.

(2) A notice sent under subsection (1) (a) or (b) of this section must

(a) be dated not earlier than the date on which the notice is sent,

(b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and

(c) advise the dissenter of the manner in which dissent is to be completed under section 244.

Completion of dissent

244 (1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

(a) a written statement that the dissenter requires the company to purchase all of the notice shares,

(b) the certificates, if any, representing the notice shares, and

(c) if section 242 (4) (c) applies, a written statement that complies with subsection (2) of this section.

(2) The written statement referred to in subsection (1) (c) must

(a) be signed by the beneficial owner on whose behalf dissent is being exercised, and

(b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) that dissent is being exercised in respect of all of those other shares.

(3) After the dissenter has complied with subsection (1),

(a) the dissenter is deemed to have sold to the company the notice shares, and

(b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.

(4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.

(5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.

(6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

Payment for notice shares

245 (1) A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must

(a) promptly pay that amount to the dissenter, or

(b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may

(a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,

(b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244 (1), and

(c) make consequential orders and give directions it considers appropriate.

(3) Promptly after a determination of the payout value for notice shares has been made under subsection (2) (a) of this section, the company must

(a) pay to each dissenter who has complied with section 244 (1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or

(b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(4) If a dissenter receives a notice under subsection (1) (b) or (3) (b),

(a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or

(b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.

(5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that

(a) the company is insolvent, or

(b) the payment would render the company insolvent.

Loss of right to dissent

246 The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

(a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;

(b) the resolution in respect of which the notice of dissent was sent does not pass;

(c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;

- (d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;
- (e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;
- (f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;
- (g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;
- (h) the notice of dissent is withdrawn with the written consent of the company;
- (i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

Shareholders entitled to return of shares and rights

247 If, under section 244 (4) or (5), 245 (4) (a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

- (a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244 (1)
- (b) or, if those share certificates are unavailable, replacements for those share certificates,
- (b) the dissenter regains any ability lost under section 244 (6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and
- (c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.

SCHEDULE "G"

CROWN POINT VENTURES LTD. AUDIT COMMITTEE MANDATE

Role and Objective

The Audit Committee (the "**Committee**") is a committee of the board of directors (the "**Board**") of Crown Point Ventures Ltd. ("**Crown Point**" or the "**Corporation**") to which the Board has delegated its responsibility for the oversight of the following:

1. nature and scope of the annual audit;
2. the oversight of management's reporting on internal accounting standards and practices;
3. the review of financial information, accounting systems and procedures;
4. financial reporting and financial statements,

and has charged the Committee with the responsibility of recommending, for approval of the Board, the audited financial statements, interim financial statements and other mandatory disclosure releases containing financial information.

The primary objectives of the Committee are as follows:

1. To assist directors of Crown Point ("**Directors**") in meeting their responsibilities (especially for accountability) in respect of the preparation and disclosure of the financial statements of the Corporation and related matters;
2. To provide better communication between Directors and external auditors;
3. To enhance the external auditor's independence;
4. To increase the credibility and objectivity of financial reports; and
5. To strengthen the role of the outside Directors by facilitating in depth discussions between Directors on the Committee, management of Crown Point ("**Management**") and external auditors.

Membership of Committee

1. The Committee will be comprised of at least three (3) Directors or such greater number as the Board may determine from time to time and all members of the Committee shall be "independent" (as such term is used in National Instrument 52-110 — *Audit Committees* ("**NI 52-110**") unless the Board determines that an exemption contained in NI 52-110 is available and determines to rely thereon.
2. The Board may from time to time designate one of the members of the Committee to be the Chair of the Committee.
3. All of the members of the Committee must be "financially literate" (as defined in NI 52-110) unless the Board determines that an exemption under NI 52-110 from such requirement in respect of any particular member is available and determines to rely thereon in accordance with the provisions of NI 52-110.

Mandate and Responsibilities of Committee

It is the responsibility of the Committee to:

1. Oversee the work of the external auditors, including the resolution of any disagreements between Management and the external auditors regarding financial reporting.

2. Satisfy itself on behalf of the Board with respect to Crown Point's internal control systems.
3. Review the annual and interim financial statements of the Corporation and related management's discussion and analysis ("**MD&A**") prior to their submission to the Board for approval. The process may include but shall not necessarily be limited to:
 - reviewing changes in accounting principles and policies, or in their application, which may have a material impact on the current or future years' financial statements;
 - reviewing significant accruals, reserves or other estimates such as the ceiling test calculation;
 - reviewing accounting treatment of unusual or non-recurring transactions;
 - ascertaining compliance with covenants under loan agreements;
 - reviewing disclosure requirements for commitments and contingencies;
 - reviewing adjustments raised by the external auditors, whether or not included in the financial statements;
 - reviewing unresolved differences between Management and the external auditors; and
 - obtain explanations of significant variances with comparative reporting periods.
4. Review the financial statements, prospectuses, MD&A, annual information forms ("**AIF**") and all public disclosure containing audited or unaudited financial information (including, without limitation, annual and interim press releases and any other press releases disclosing earnings or financial results) before release and prior to Board approval. The Committee must be satisfied that adequate procedures are in place for the review of Crown Point's disclosure of all other financial information and will periodically assess the accuracy of those procedures.
5. With respect to the appointment of external auditors by the Board:
 - recommend to the Board the external auditors to be nominated;
 - recommend to the Board the terms of engagement of the external auditor, including the compensation of the auditors and a confirmation that the external auditors will report directly to the Committee;
 - on an annual basis, review and discuss with the external auditors all significant relationships such auditors have with the Corporation to determine the auditors' independence;
 - when there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change; and
 - review and pre-approve any non-audit services to be provided to Crown Point or its subsidiaries by the external auditors and consider the impact on the independence of such auditors. The Committee may delegate to one or more independent members the authority to pre-approve non-audit services, provided that the member(s) report to the Committee at the next scheduled meeting such pre-approval and the member(s) comply with such other procedures as may be established by the Committee from time to time.
6. Review with external auditors (and internal auditor if one is appointed by Crown Point) their assessment of the internal controls of Crown Point (if any is performed), their written reports containing

recommendations for improvement, and Management's response and follow-up to any identified weaknesses. The Committee may also review with the external auditors their plan for their audit. The Committee will review annually upon completion of the audit, the external auditors' reports upon the financial statements of Crown Point and its subsidiaries.

7. Establish a procedure for:
 - the receipt, retention and treatment of complaints received by Crown Point regarding accounting, internal accounting controls or auditing matters; and
 - the confidential, anonymous submission by employees of Crown Point of concerns regarding questionable accounting or auditing matters.
8. Review and approve Crown Point's hiring policies regarding partners and employees and former partners and employees of the present and former external auditors of the Corporation.

The Committee has authority to communicate directly with the internal auditors (if any) and the external auditors of the Corporation. The Committee will also have the authority to investigate any financial activity of Crown Point. All employees of Crown Point are to cooperate as requested by the Committee.

The Committee may also retain persons having special expertise and/or obtain independent professional advice to assist in filling their responsibilities at such compensation as established by the Committee and at the expense of Crown Point without any further approval of the Board.

Meetings and Administrative Matters

1. At all meetings of the Committee every resolution shall be decided by a majority of the votes cast. In case of an equality of votes, the Chairman of the meeting shall be entitled to a second or casting vote.
2. The Chair will preside at all meetings of the Committee, unless the Chair is not present, in which case the members of the Committee that are present will designate from among such members the Chair for purposes of the meeting.
3. A quorum for meetings of the Committee will be a majority of its members, and the rules for calling, holding, conducting and adjourning meetings of the Committee will be the same as those governing the Board unless otherwise determined by the Committee or the Board.
4. Meetings of the Committee will generally be scheduled to take place at least four times per year. Minutes of all meetings of the Committee will be taken. The Chief Financial Officer of Crown Point will attend meetings of the Committee, unless otherwise excused from all or part of any such meeting by the Chairman.
5. The Committee will meet with the external auditor at least once per year (in connection with the preparation of the year-end financial statements) and at such other times as the external auditor and the Committee consider appropriate.
6. Agendas will be circulated to Committee members along with background information on a timely basis prior to the Committee meetings.
7. The Committee may invite such officers, directors and employees of the Corporation and its subsidiaries as it sees fit from time to time to attend at meetings of the Committee and assist in the discussion and consideration of the matters being considered by the Committee.
8. Minutes of the Committee will be recorded and maintained and may be circulated to Directors who are not members of the Committee or otherwise made available at a subsequent meeting of the Board as requested.

9. The Committee may retain persons having special expertise and may obtain independent professional advice to assist in fulfilling its responsibilities at the expense of the Corporation.
10. Any members of the Committee may be removed or replaced at any time by the Board and will cease to be a member of the Committee as soon as such member ceases to be a Director. The Board may fill vacancies on the Committee by appointment from among its members. If and whenever a vacancy exists on the Committee, the remaining members may exercise all its powers so long as a quorum remains. Subject to the foregoing, following appointment as a member of the Committee each member will hold such office until the Committee is reconstituted.
11. Any issues arising from these meetings that bear on the relationship between the Board and Management should be communicated to the Chairman of the Board by the Committee Chair.

June 27, 2012