CROWN POINT ENERGY INC.
Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2017
(Unaudited)

CROWN POINT ENERGY INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited)
(United States Dollars)

As at		March 31 2017		December 31 2016
Assets				
Current assets:				
Cash and cash equivalents	$	546,066	$	521,185
Trade and other receivables (Note 4)		1,947,366		2,434,057
Inventory		614,840		305,028
Prepaid expenses		967,694		779,018
Deposits (Note 9)		730,000		595,000
		4,805,966		4,634,288
Exploration and evaluation assets (Note 5)		7,911,447		6,336,658
Property and equipment (Note 6)		24,640,947		26,442,251
Other non-current assets (Note 7)		1,138,041		910,006
Deposits (Note 9)		450,000		700,000
	$	38,946,401	$	39,023,203
Liabilities and Shareholders' Equity				
Current liabilities:				
Trade and other payables	$	3,360,248	$	2,308,536
Current portion of bank debt (Note 9)		1,974,764		1,948,878
Current portion of decommissioning provision (Note 10)		182,584		182,195
		5,517,596		4,439,609
Bank debt (Note 9)		283,618		427,761
Decommissioning provision (Note 10)		3,880,762		3,818,155
Deferred tax liability (Note 14)		1,276,000		1,784,000
		10,957,976		10,469,525
Shareholders' equity:				
Share capital		116,003,355		116,003,355
Contributed surplus		6,887,166		6,887,166
Accumulated other comprehensive loss		(18,026,402)		(18,028,606)
Deficit		(76,875,694)		(76,308,237)
		27,988,425		28,553,678
	$	38,946,401	$	39,023,203

Reporting entity and going concern (Note 1)
Commitments (Note 19)
Subsequent events (Note 20)

See accompanying notes to condensed interim consolidated financial statements.

CROWN POINT ENERGY INC.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Unaudited)

(United States Dollars)

For the three months ended March 31		2017		2016
Revenue				
Oil and gas	$	2,773,174	$	3,676,349
Royalties		(510,609)		(682,621)
		2,262,565		2,993,728
Expenses				
Operating		1,216,343		1,393,827
General and administrative		664,710		676,991
Depletion and depreciation		1,335,363		1,720,953
Share-based payments		-		12,519
Foreign exchange gain		4,613		(124,734)
		3,221,029		3,679,556
Results from operating activities		(958,464)		(685,828)
Net finance expense (Note 12)		(181,670)		(213,726)
Other income (Note 13)		64,677		38,776
Loss before taxes		(1,075,457)		(860,778)
Deferred tax recovery (expense) (Note 14)		508,000		(483,000)
Net loss		(567,457)		(1,343,778)
Exchange differences on translation of the Canadian parent company		2,204		124,952
Comprehensive loss	$	(565,253)	$	(1,218,826)
Net loss per share	$	(0.00)	$	(0.01)
Weighted average shares outstanding - basic and diluted (Note 15)		164,515,222		164,515,222

See accompanying notes to condensed interim consolidated financial statements.

CROWN POINT ENERGY INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Unaudited)
(United States Dollars)

For the three months ended March 31		2017		2016
Share capital				
Balance, January 1 and March 31	$	116,003,355	$	116,003,355
Contributed surplus				
Balance, January 1		6,887,166		6,854,813
Share-based payments		-		13,473
Balance, March 31		6,887,166		6,868,286
Accumulated other comprehensive loss				
Balance, January 1		(18,028,606)		(18,122,491)
Exchange differences on translation of Canadian parent company		2,204		124,952
Balance, March 31		(18,026,402)		(17,997,539)
Deficit				
Balance, January 1		(76,308,237)		(66,565,586)
Net loss		(567,457)		(1,343,778)
Balance, March 31		(76,875,694)		(67,909,364)
Total shareholders' equity	$	27,988,425	$	36,964,738

See accompanying notes to condensed interim consolidated financial statements.

CROWN POINT ENERGY INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN CASH FLOWS
(Unaudited)
(United States Dollars)

For the three months ended March 31		2017		2016
Operating:				
Net loss	$	(567,457)	$	(1,343,778)
Items not affecting cash:				
Depletion and depreciation		1,335,363		1,720,953
Share-based payments		-		12,519
Unrealized foreign exchange (gain) loss		3,071		(147,895)
Interest expense		94,768		125,362
Accretion of decommissioning provision		22,550		16,379
Fair value adjustment on short-term bonds		-		3,471
Other income		(9,264)		(38,776)
Deferred tax (recovery) expense		(508,000)		483,000
		371,031		831,235
Change in non-cash working capital (Note 16)		263,093		(38,373)
Operating cash flows		634,124		792,862
Financing:				
Bank debt proceeds		-		709,300
Bank debt repayment		(151,530)		(231,611)
Proceeds from return of deposits		115,000		-
Interest expense		(94,768)		(125,362)
Financing cash flows		(131,298)		352,327
Investing:				
Proceeds from the sale of short-term bonds		-		304,201
Exploration and evaluation - expenditures		(1,534,343)		(82,090)
Property and equipment - expenditures		(54,293)		(319,112)
Property and equipment - VAT recoveries		402,235		396,314
Property and equipment - proceeds from disposition		19,734		-
Change in other non-current assets		(205,875)		(216,264)
Change in non-cash working capital (Note 16)		881,279		(1,389,767)
Investing cash flows		(491,263)		(1,306,718)
Change in cash and cash equivalents		11,563		(161,529)
Foreign exchange effect on cash held in foreign currencies		13,318		71,359
Cash and cash equivalents, January 1		521,185		1,053,847
Cash and cash equivalents, March 31	$	546,066	$	963,677
Cash and cash equivalents are comprised of:				
Cash in bank	$	546,066	$	954,984
Short-term investments		-		8,693
	$	546,066	$	963,677

See accompanying notes to condensed interim consolidated financial statements.

(United States dollars)

1. REPORTING ENTITY AND GOING CONCERN:

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

The Company's registered office is Suite 2400, 525 – 8th Avenue SW, Calgary, Alberta, T2P 1G1.

These consolidated financial statements have been prepared on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. During the three months ended March 31, 2017, the Company incurred a net loss of approximately $0.6 million. As at March 31, 2017, the Company has working capital deficit of approximately $0.7 million and significant future capital commitments (Note 19) to develop its properties.

The ability of the Company to continue as a going concern and the recoverability of its assets is dependent upon the existence of economically recoverable reserves and upon the Company's ability to obtain additional financing to continue the development of the Company's properties and generate funds there from and to meet current and future obligations. The need to obtain capital to fund the existing and ongoing operations creates a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. These consolidated financial statements do not reflect adjustments in the carrying values of the assets and liabilities, expenses and the statements of financial position classifications that would be necessary if the going concern assumption were not appropriate. Such adjustments could be material.

2. BASIS OF PRESENTATION:

The consolidated financial statements of the Company and its subsidiaries have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board, including International Accounting Standard 34 – Interim Financial Reporting.

The Company has consistently applied the same accounting policies throughout all periods presented (see Note 3). These unaudited condensed interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended December 31, 2016.

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

These unaudited condensed interim consolidated financial statements were authorized for issue by the Board of Directors on May 23, 2017.

3. CHANGES IN ACCOUNTING STANDARDS:

On January 1, 2017, the Company adopted amendments to *IAS 7 Statement of Cash Flows*. The adoption of these amendments had no impact on the amounts recorded in the condensed interim consolidated financial statements for the three months ended March 31, 2017.

4. TRADE AND OTHER RECEIVABLES:

The Company's trade and other receivables consist of:

		March 31 2017		December 31 2016
Due from Argentine companies	$	2,158,963	$	2,627,711
Other receivables		38,207		56,150
Impairment		(249,804)		(249,804)
Total trade and other receivables	$	1,947,366	$	2,434,057

(United States dollars)

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

	March 31 2017	December 31 2016
Not past due (less than 90 days)	$ 1,902,190	$ 2,385,514
Past due (more than 90 days)	45,176	48,543
Total trade and other receivables	$ 1,947,366	$ 2,434,057

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

Carrying amount, December 31, 2016	$ 6,336,658
Additions	1,534,343
Decommissioning additions (Note 10)	40,446
Carrying amount, March 31, 2017	$ 7,911,447

Capitalized amounts:

The amounts capitalized as exploration and evaluation assets in Argentina during the three months ended March 31, 2017 include $nil of general and administrative costs and $nil of share-based compensation (three months ended March 31, 2016 – $61,067 and $642, respectively).

6. PROPERTY AND EQUIPMENT:

	Argentina		Canada	
	Development and Production Assets	Other Assets	Other Assets	Total
Cost:	$	$	$	$
Balance at December 31, 2016	50,283,118	661,656	261,518	51,206,292
Additions	10,611	43,682	–	54,293
VAT recoveries	(402,235)	–	–	(402,235)
Disposition (Note 13(b))	–	(298,135)	–	(298,135)
Effect of change in exchange rates	–	–	2,492	2,492
Balance at March 31, 2017	49,891,494	407,203	264,010	50,562,707
Accumulated depletion and depreciation:				
Balance at December 31, 2016	23,972,120	537,428	254,493	24,764,041
Depletion and depreciation	1,425,350	17,056	556	1,442,962
Disposition (Note 13(b))	–	(287,665)	–	(287,665)
Effect of change in exchange rates	–	–	2,422	2,422
Balance at March 31, 2017	25,397,470	266,819	257,471	25,921,760
Net carrying amount:				
At December 31, 2016	26,310,998	124,228	7,025	26,442,251
At March 31, 2017	24,494,024	140,384	6,539	24,640,947

Capitalized amounts:

The amounts capitalized as D&P assets in Argentina during the three months ended March 31, 2017 include $nil of general and administrative costs and $nil of share-based compensation (three months ended March 31, 2016 – $49,810 and $312, respectively).

(United States dollars)

Future development costs:

The March 31, 2017 depletion expense calculation included $22.6 million (December 31, 2016 – $22.6 million) for estimated future development costs associated with proved and probable reserves in Argentina.

7. OTHER NON-CURRENT ASSETS:

		March 31 2017		December 31 2016
Interest-bearing bonds	$	54,097	$	72,522
Long-term receivables		1,116,054		881,397
		1,170,151		953,919
Current portion of interest-bearing bonds included in trade and other receivables		(32,110)		(43,913)
Total non-current assets	$	1,138,041	$	910,006

8. VAT:

		March 31 2017		December 31 2016
Included in prepaid expenses	$	79,137	$	64,303
Included in E&E assets (Note 5)		1,779,497		1,517,404
Included in property and equipment (Note 6)		1,073,873		1,476,108
	$	2,932,507	$	3,057,815

9. BANK DEBT:

		March 31 2017		December 31 2016
Loan facility (a)	$	902,422	$	1,031,661
Loan facility (b)		455,960		444,978
Loan facility (c)		900,000		900,000
		2,258,382		2,376,639
Current portion of bank debt		(1,974,764)		(1,948,878)
Long-term portion of bank debt	$	283,618	$	427,761

(a) The Company has an ARS denominated loan facility with HSBC Argentina which bears interest at 19%, calculated and paid monthly commencing on the date the amounts are drawn.

On July 17, 2015, the Company drew ARS 9,500,000 ($1,038,512) of proceeds under the loan facility obtained with HSBC Argentina on June 30, 2015, at which time the Company provided the lender security in the form of a $350,000 (December 31, 2016 – $350,000) US denominated letter of credit held as a GIC with a major Canadian financial institution. The loan principal is repayable in 24 monthly installments commencing August 17, 2016.

On October 23, 2015, the Company drew an additional ARS 9,500,000 ($997,941) of proceeds under this loan facility, at which time the Company provided the lender security in the form of a USD denominated $350,000 (December 31, 2016 – $350,000) letter of credit held as a GIC with a major Canadian financial institution. The ARS 9,500,000 loan principal is repayable in 24 monthly installments commencing November 23, 2016.

As at March 31, 2017, the balance owing under this loan facility was ARS 13,854,166 ($902,422) (December 31, 2016 – ARS 16,229,167 ($1,031,661)).

In April 2017, $250,000 of the USD denominated letters of credit was released to the Company (Note 19(a)).

(b) As at December 31, 2016, the Company had an ARS 7,000,000 ($444,978) loan facility with HSBC Argentina secured by a $480,000 USD denominated letter of credit held as a GIC with a major Canadian financial institution, at an interest rate of 25.5% per annum, calculated and paid monthly commencing on December 5, 2016 and repayable in one installment on March 5, 2017. On March 6, 2017, the Company renewed the loan facility at an interest rate of 25% per annum, calculated and paid monthly commencing on March 6, 2017 and repayable in one installment on June 6, 2017.

As at March 31, 2017, the balance owing under this loan facility was ARS 7,000,000 ($455,960).

(c) On December 26, 2016, the Company obtained a $900,000 loan facility with Banco Industrial. The loan is denominated in USD, unsecured, bears interest at 9.5%, calculated and paid monthly commencing on January 26, 2017 and is repayable in one installment on December 26, 2017.

10. DECOMMISSIONING PROVISION:

A reconciliation of the decommissioning provision is provided below:

Balance, December 31, 2016	$	4,000,350
Accretion		22,550
Additions		40,446
Balance, March 31, 2017	$	4,063,346
Current portion of decommissioning provision		(182,584)
Long-term portion of decommissioning provision	$	3,880,762

11. SHARE-BASED PAYMENTS:

Stock option activity for the three months ended March 31, 2017 is summarized as follows:

	Number of options	Weighted average exercise price (CAD)
Balance, December 31, 2016	3,645,000	$ 0.61
Expired	(1,087,500)	(0.65)
Balance, March 31, 2017	2,557,500	$ 0.59
Balance exercisable, March 31, 2017	2,557,500	$ 0.59

(United States dollars)

Stock options outstanding and exercisable at March 31, 2017 are as follows:

Expiry date	Weighted Average Exercise Price (CAD)	Outstanding	Exercisable
May 1, 2017	$ 0.78	465,000	465,000
May 31, 2017	0.78	150,000	150,000
June 15, 2017	0.58	150,000	150,000
June 29, 2017	0.50	65,000	65,000
July 29, 2017	0.87	50,000	50,000
August 1, 2017	0.40	45,000	45,000
January 31, 2018	0.37	1,020,000	1,020,000
May 1, 2018	0.26	100,000	100,000
May 9, 2019	0.87	512,500	512,500
	$ 0.59	2,557,500	2,557,500

12. NET FINANCE EXPENSE:

For the three months ended March 31	2017	2016
Interest income	$ 11,859	$ 10,640
Fair value adjustment on short-term bonds	–	(3,471)
Financing fees and bank charges	(76,211)	(79,154)
Interest on bank debt (Note 9)	(94,768)	(125,362)
Accretion of decommissioning provision	(22,550)	(16,379)
	$ (181,670)	$ (213,726)

13. OTHER INCOME:

For the three months ended March 31	2017	2016
Oil Incentive Program (a)	$ 55,413	$ –
Gain on disposition of property and equipment (b)	9,264	–
Recovery of impaired receivable	–	38,776
	$ 64,677	$ 38,776

(a) In February 2015, the Government of Argentina announced a new oil incentive program (the “Oil Incentive Program”) under Resolution 14/2015 which replaces the Petróleo Plus Program. Under the Oil Incentive Program, companies that increase or maintain production at 95% of fourth quarter 2014 volumes are eligible for a $3.00 per barrel bonus payment on a formula-derived quantity of production. The Oil Incentive Program was in effect from January 1, 2015 to December 31, 2015. The Company recognizes Oil Incentive Program income when proceeds are received due to uncertainty of the timing of collection.

During the three months ended March 31, 2017, the Company collected $55,413 of Oil Incentive bonus payments in respect of third and fourth quarter 2015 production volumes.

(b) During the three months ended March 31, 2017, the Company sold property and equipment with a net carrying amount of $10,470 for proceeds of $19,734 and recognized a $9,264 gain on disposition.

(United States dollars)

14. DEFERRED TAX

As at March 31, 2017, the Company's deferred tax liability was $1,276,000 (December 31, 2016 – $1,784,000) following the recognition of a $508,000 deferred tax recovery during the three months ended March 31, 2017 (three months ended March 31, 2016 – $483,000 deferred tax expense) in the consolidated statement of loss and comprehensive loss. The deferred tax recovery is related to the translation of Antrim's ARS denominated tax pools to USD for which the USD equivalent amount increased during the three months ended March 31, 2017 due to the appreciation of the ARS (Note 18(b)).

15. PER SHARE AMOUNTS:

For the three months ended March 31		2017		2016
Net loss	$	(567,457)	$	(1,343,778)
Opening number of shares		164,515,222		164,515,222
Effect of shares issued		–		–
Basic weighted average number of shares		164,515,222		164,515,222
Basic and diluted net loss per share	$	(0.00)	$	(0.01)

For the three months ended March 31, 2017 and 2016, all stock options were excluded from the diluted per share amounts as their effect was anti-dilutive.

16. SUPPLEMENTAL CASH FLOW INFORMATION:

(a) Change in non-cash working capital items:

For the three months ended March 31		2017		2016
Trade and other receivables	$	486,691	$	(253,952)
Inventory		(202,213)		225,055
Prepaid expenses		(188,676)		(139,280)
Trade and other payables		1,051,712		(1,248,917)
Effect of change in exchange rates		(3,142)		(11,046)
	$	1,144,372	$	(1,428,140)
Attributable to:				
Operating activities	$	263,093	$	(38,373)
Investing activities		881,279		(1,389,767)
	$	1,144,372	$	(1,428,140)

(b) During the three months ended March 31, 2017, the Company paid $94,768 (three months ended March 31, 2016 – $125,362) of interest expense on bank debt (Note 9).

17. RELATED PARTY TRANSACTION:

During the three months ended March 31, 2017, the Tierra del Fuego ("TDF") UTE (of which the Company is a member) sold a portion of natural gas production to Energía y Soluciones SA, a company controlled by Gabriel Obrador, who is a director of the Company and the majority shareholder of GORC S.A., a shareholder of the Company, for which the Company recognized $117,867 (ARS 1,834,284) (three months ended March 31, 2016 – $125,120 (ARS 1,830,320)) of oil and gas revenue for its working interest share. Included in trade and other receivables as at March 31, 2017 is $101,981 (ARS 1,558,175) (December 31, 2016 – $96,419 (ARS 1,516,737)) in respect of this revenue.

Transactions with related parties are conducted and recorded at the exchange amount.

18. FOREIGN CURRENCY EXCHANGE RATE RISK:

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

(a) Foreign currency denominated financial instruments held by the Company:

As at March 31, 2017	Balance denominated in CAD	Balance denominated in ARS	Total USD equivalents
Cash and cash equivalents	$ 3,844	$ 7,934,109	$ 519,761
Trade and other receivables	$ 11,830	$ 12,370,186	$ 814,655
Interest-bearing bonds	$ –	$ 337,556	$ 21,987
Trade and other payables	$ (553,209)	$ (29,031,040)	$ (2,306,960)
Bank debt	$ –	$ (20,854,166)	$ (1,358,382)

As at December 31, 2016	Balance denominated in CAD	Balance denominated in ARS	Total USD equivalents
Cash and cash equivalents	$ 27,053	$ 7,557,193	$ 500,612
Trade and other receivables	$ 18,314	$ 14,065,412	$ 907,756
Interest-bearing bonds	$ –	$ 450,074	$ 28,609
Trade and other payables	$ (460,795)	$ (24,596,982)	$ (1,906,789)
Bank debt	$ –	$ (23,229,167)	$ (1,476,639)

(b) Currency appreciation and devaluation:

Exchange rates [(1)] as at:	March 31 2017	December 31 2016
CAD to USD	0.7519	0.7448
ARS to USD	0.0651	0.0636
USD to ARS	15.3522	15.7311

[(1)] Source Bank of Canada

Currency appreciation and devaluation in Argentina impacts the cost of ARS denominated items which are translated to the USD functional currency of the Argentine subsidiaries. A portion of TDF operating costs and general and administrative expenses incurred in Argentina are denominated in ARS. During the three months ended March 31, 2017, the appreciation of ARS resulted in higher TDF operating costs and general and administrative expenses incurred in Argentina by approximately 1% (three months ended March 31, 2016 – devaluation of ARS; lower by approximately 6%).

During the three months ended March 31, 2017, the appreciation of ARS since the previous year end date resulted in an increase in the USD equivalent of ARS denominated foreign currency denominated financial instruments, excluding bank debt, by approximately $8,000 (three months ended March 31, 2016 – devaluation of ARS; reduction by approximately $95,000).

During the three months ended March 31, 2017, the appreciation of ARS since the previous year end date resulted in an increase in the USD equivalent of ARS denominated bank debt by $33,273 (three months ended March 31, 2016 – devaluation of ARS; reduction by approximately $298,405) (Note 9).

(United States dollars)

(c) Sensitivity analysis:

The following table presents an estimate of the impact on net loss for the market risk factors discussed above and is calculated based on the noted change in exchange rates applied to balances as at March 31, 2017:

Market risk	Change in exchange rates		Three months ended March 31 2017
Foreign exchange - effect of strengthening USD:			
CAD denominated financial assets and liabilities	5%	$	20,210
ARS denominated financial assets and liabilities	5%	$	95,190

19. COMMITMENTS:

(a) TDF Concessions

The Company has a 25.78% working interest in the TDF area of Argentina covering approximately 489,000 acres (126,000 net acres) in the Austral Basin and includes the Las Violetas, La Angostura and Rio Cullen Exploitation Concessions. The Company's share of expenditure commitments with respect to the concessions are as follows:

Concession	**Term of Expenditure Period**	**Required Expenditure Commitment**
Las Violetas	Over the remaining life of the concession which expires in August 2026	18 gross wells with a minimum of $12.1 million of exploration and development investment. As of March 31, 2017, the Company had drilled 13 gross wells and fulfilled the minimum $12.1 million investment.
Rio Cullen	Until December 31, 2016	A minimum of $0.85 million of exploration investment [1] including seismic and drilling, all of which has been spent as of March 31, 2017.
La Angostura	Until December 31, 2016	A minimum of $0.98 million of exploration investment [1] including seismic and drilling, of which $0.87 million has been spent as of March 31, 2017.

[1] The Company requested a two year extension of the December 31, 2016 commitment dates for the drilling of both wells. Approval of the extension was received from both the Secretary of Energy and Governor of the Province, however the extension was not formally ratified prior to the recess of the Provincial Legislature on December 15, 2016. The Company fulfilled the Rio Cullen concession expenditure commitment during the three months ended March 31, 2017 and expects to fulfill the La Angostura concession expenditure commitment by June 30, 2017. After fulfillment of the exploration commitments, the Company has the option to extend the concession by making a cash payment plus an investment commitment for exploration and development work, both of which are on a sliding scale based on proved plus probable reserves range discovered during the initial exploration period of between zero and greater than 18 million BOE. The cash payment is a minimum of $32,500 to a maximum of $1.29 million (net to the Company's interest) and the investment commitment is a minimum of $0.46 million to a maximum of $9.28 million (net to the Company's interest).

(b) Cerro De Los Leones Concession

The Cerro de Los Leones Concession Permit (the "Permit") confers upon its holders the exclusive right to explore for hydrocarbons during three successive exploration periods lasting three, two and one year(s), respectively. Fifty percent of the acreage of the Permit shall be relinquished at the end of each of the first two exploration periods or converted into an exploitation concession or evaluation block.

(United States dollars)

The following provides details of the work commitments required to be completed during each of the exploration periods as recently amended:

Period	Term of Exploration Period	Required Work Commitment (1)
Period 1	Expired	Transferred to Period 2
Period 2	Extended to January 22, 2018 (2) (3)	A minimum of approximately $4.6 million in expenditures plus a minimum of 1 exploration well at an estimated cost of $2.5 million, none of which has been spent as of March 31, 2017
Period 3	1 year commencing upon expiry of Period 2	1 exploration well at an estimated cost of $2.5 million

(1) The required work commitments are expressed as work units in the Permit. Each work unit has an approximate dollar value of $5,000, however, other factors may be considered when determining whether work units have been satisfied.

(2) On March 21, 2017, the Company received formal approval to extend the Period 2 exploration period which was to expire on May 21, 2017. The Mendoza provincial government formally agreed to extend the deadline to acquire seismic until January 22, 2018 and informally agreed to extend the commitment to drill one exploration well for an unspecified period following the acquisition of seismic.

(3) Should the Company fail to complete its work commitments within the specified time period, it must surrender the concession exploration lands and will be obligated to make a payment equal to the value of the Company's outstanding Period 2 work commitments.

(c) Laguna de Piedra Concession

Although the Company has no current plans to develop its 100% interest in the Laguna de Piedra Concession, the Company will have the following work commitments in the event that the necessary environmental work permits are received:

Term of Exploration Period	Required Work Commitment
(1) 2 years commencing the upon the receipt of environmental permits	A minimum of approximately $2.85 million in expenditures including 1 exploration well
(2) 1 year commencing upon expiry of preceding term	A minimum of approximately $1.75 million in expenditures including 1 exploration well

20. SUBSEQUENT EVENTS:

(a) In April 2017, $250,000 of the USD denominated letters of credit held as security for the HSBC Argentina loans described in Note 9(a) was released to the Company.

(b) On April 28, 2017, the Company obtained an ARS 12,000,000 ($778,800) unsecured loan facility with Banco Columbia repayable in one installment on October 25, 2017. The loan bears an annual interest rate of 31.5%, calculated and paid monthly commencing on May 28, 2017.