CROWN POINT ENERGY INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("**MD&A**") of the consolidated financial results of Crown Point Energy Inc. ("**Crown Point**" or the "**Company**") is at and for the three and six months ended June 30, 2017.

This MD&A is dated as of August 17, 2017 and should be read in conjunction with the Company's unaudited June 30, 2017 condensed interim consolidated financial statements and the audited December 31, 2016 consolidated financial statements. The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("**IFRS**").

The functional currency of the Company's two subsidiaries is the United States dollar ("**USD**"); the functional currency of the Company is the Canadian dollar ("**CAD**"). The Company's presentation currency is the USD. In this MD&A, unless otherwise noted, all dollar amounts are expressed in USD. References to "**ARS**" are to Argentina Pesos.

This MD&A contains non-IFRS measures, abbreviations and forward-looking information relating to future events and the Company's future performance. Please refer to "Non-IFRS Measures", "Abbreviations and BOE Presentation" and "Advisories" sections at the end of this MD&A for further information.

Additional information relating to Crown Point, including Crown Point's unaudited June 30, 2017 condensed interim consolidated financial statements and audited December 31, 2016 consolidated financial statements and other filings are available on SEDAR at www.sedar.com.

In the following discussion, the three and the six months ended June 30, 2017 may be referred to as "Q2 2017" and "the June 2017 period", respectively, the comparative three and six months ended June 30, 2016 referred to as "Q2 2016" and "the June 2016 period", respectively, and the previous three months ended March 31, 2017 referred to as "Q1 2017".

CORPORATE OVERVIEW AND STRATEGY

Crown Point (TSX-V:CWV) is a Calgary-based junior international oil and gas company with producing assets and an opportunity base in two of the largest producing basins in Argentina, the Austral basin in the Province of Tierra del Fuego ("**TDF**") and the Neuquén basin, in the Province of Mendoza.

The Company's strategy is designed to deliver low-risk growth and capitalize on large potential exploration upside. Specifically, Crown Point is focused on increasing its production base in TDF through exploration and development drilling supplemented by recompletion and fracture stimulation of selected older producing wells. At Cerro de Los Leones, the Company is developing additional drilling plans contingent on successful results from the proposed fracture stimulation and production testing of the Vega del Sol x-1 well and is designing a 3-D seismic program to be shot over the northern part of the concession.

Currently, the Company's production is derived entirely from its 25.78% interest in three exploitation concessions in TDF where an active development and exploration program is in place to expand the Company's reserves and production. Crown Point's production is weighted to natural gas and is levered to benefit from expected increasing natural gas prices in Argentina.

Crown Point is conducting an exploration program in the 100% interest Cerro de Los Leones exploration concession in the Province of Mendoza, an area surrounded by several large conventional oil pools.

OPERATIONAL UPDATE

Tierra del Fuego Concession

Rio Cullen and La Angostura Concessions

Studies on both the Rio Cullen and La Angostura concessions were completed in late July 2016. The Rio Cullen study identified nine gas prospects. The La Angostura study identified seven oil prospects. The

Company high-graded the prospects on both concessions and selected one drilling location on each. The Company and its partners commenced preparation of the two drilling sites (RC x-1002 in Rio Cullen and SM x-1001 in La Angostura) in late December 2016.

SM x-1001 was drilled to a total depth of 2,123 m in Q1 2017 and cased with potential pay in the Tobífera and Springhill formations. The well will be completed and tested during the second half of 2017.

RC x-1002 was drilled to a final depth of 1,740 m in early April 2017 and cased as a potential gas well. Completion operations were carried out during May and June 2017. Two lower intervals in the Tobífera section tested formation water with only traces of gas. The overlying Springhill formation was then perforated, fracture stimulated and flow tested. Two extended flow tests were performed; the first was conducted over seven days, during which the well flowed gas at rates between 1.4 MMcf per day (40,000 m3 per day) and 3.6 MMcf per day (104,000 m3 per day) (while averaging 2.1 MMcf per day or 61,340 m3 per day) with between 145 bbls per day (23 m3 per day) to 530 bbls per day (84 m3 per day) of associated formation water. Flowing well head pressure averaged between 1058 psi and 1147 psi (72 kg/cm^2 and 78 kg/cm^2). Choke sizes during this test period were 8, 10 and 12 mm. The second test was conducted over five days on 6, 8 and 10 mm choke sizes. The well flowed gas at rates between 24,000 m3 per day and 65,000 m3 per day (while averaging 1.2 MMcf per day or 35,400 m3 per day) with between 290 bbls per day (46 m3 per day) and 844 bbls per day (134 m3 per day) of formation water. Flowing well head pressures during the second test period ranged between 676 psi and 1000 psi (46 kg/cm^2 and 68 kg/cm^2). Total gross production for the two test periods was 15.1 MMcf (431,800 m3) of gas and 1,985 bbls (315 m3) of formation water. The well was subsequently tied into company-owned Rio Cullen gas gathering facilities and placed on production on July 19, 2017.

The Company has fulfilled the Rio Cullen and La Angostura concession expenditure commitments and exercised the option to extend the term of each concession to August 2026 by making the minimum cash payment to the Province of TDF. For each concession, 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). The investment commitment for exploration and development work will be determined on a sliding scale based on a proved plus probable reserves range discovered during the initial exploration period of between zero and greater than 18 million BOE. The total cash payment and investment commitment have not yet been determined by the Province of TDF and the Company has not yet received formal approval of the concession extensions.

<u>Las Violetas Concession</u>

During 2014 and 2015, Crown Point and its partners drilled 13 new wells, of which eight wells are on production, three wells have been suspended pending further study, one well was reentered for a remedial completion workover, and one well was cased and is slated for completion and testing in late 2017.

During 2016, the Company identified a number of older producing and non-producing wells on the Las Violetas concession as candidates for fracture stimulation and carried out fracture stimulations on four older wells of which two wells were successfully fracture stimulated and placed back on production, one well was chemically treated in Q1 2017 to remove wellbore emulsion buildup and improve inflow and one well is suspended.

Prospect identification and evaluation to develop additional exploitation, step out and appraisal locations on the Las Violetas concession is ongoing.

<u>Cerro de Los Leones Concession</u>

The Company has a 100% working interest in the 100,907 acre area covered by the Cerro de Los Leones ("**CLL**") Concession Permit (the "**Permit**"), which is located in the northern portion of the Neuquén Basin in the Province of Mendoza, Argentina.

During 2015, the Company undertook an evaluation of the potential of two older wells, Vega del Sol x-1 (VdS x-1) and Vega del Sol x-3 (VdS x-3), previously drilled in the Vega del Sol structure which had been abandoned by YPF when it relinquished the acreage. The wells were re-entered and tested during the latter part of 2015 and much of 2016. VdS x-3 was suspended as a potential oil and gas producer. A decision as to whether the Company will place this well on long-term test by pipelining the production through the VdS x-1 facilities has been delayed until production testing of the VdS x-1 well has been completed. VdS x-1 was shut in on October 27, 2016. Crown Point has designed a fracture stimulation program at an estimated cost of $0.5 million to improve production rates at VdS x-1. The Company is planning to perform the fracture stimulation on VdS x-1 in Q3 or Q4 2017, subject to equipment availability.

During 2016, the Company recognized $2,527,270 of exploration expense in relation to expenditures on VdS x-1 and VdS x-3 as these wells are not expected to be proven commercially viable or technically feasible without further significant capital investment which is not currently planned or budgeted.

In Q4 2016, the Company applied for an extension to the Period 2 exploration period which was to expire on May 21, 2017. The extension was requested to allow the Company time to acquire 234km^2 of 3-D seismic and drill one exploration well. In March 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.

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.

The Company is seeking a partner in the CLL concession to share future capital costs and provide capital cost recovery opportunities on existing and previous capital projects.

OUTLOOK

Capital Spending

Crown Point estimates a total of $8.2 million of capital expenditures for 2017 comprised of $3.7 million of expenditures on the TDF concessions and $4.5 million of expenditures on the CLL concession (which will be reduced if the Company obtains a partner at CLL). Crown Point expects to meet these obligations, along with its other anticipated expenses, using funds flow from operations, cash proceeds received from the disposition of Petróleo Plus bonds (see Petróleo Plus Proceeds under the Liquidity and Capital Resources section of this MD&A), as well as proceeds received under the New Gas Incentive Program and additional debt (see the Subsequent Events section of this MD&A) and/or equity financings and potential joint venture arrangements.

The Company anticipates the following activities to occur during Q3 2017 and Q4 2017 at a total estimated cost of $6.1 million:

- Acquisition of 234km^2 of 3-D seismic on the CLL concession to fulfill the work commitment for the second exploration period.
- Fracture stimulation of VdS x-1 on the CLL concession.
- Completion of geological and seismic work to build a drilling inventory on the Rio Chico and Los Flamencos eastern extensions, Puesto Quince and the south flank of the Las Violetas gas pool.
- Recomplete and stimulate one shut-in well in the Las Violetas gas pool and two shut-in wells in the San Luis gas pool.
- Completion and testing of the SM x-1001 well on the La Angostura concession in TDF.

Argentina – Economic Summary

The Argentine economy has undergone a period of stabilization since the 2015 presidential election which resulted in an increase in interest rates by the Central Bank of Argentina to control inflation; a decrease in Argentina's inflation rate, although it still remains high; and a stabilization of the ARS/USD exchange rate.

Argentina's primary legislative elections were held on August 13, 2017 and the national legislative elections will take place on October 22, 2017. The Company expects the results of the legislative elections to further improve Argentina's political and financial conditions.

Commodity Prices

Oil

Domestic oil pricing policy has been influenced by the worldwide collapse in international oil prices. The stated intent of the Government is to allow domestic oil pricing to be coupled with international benchmarks during 2017.

In January 2017, at the request of the Government, an agreement to converge the Medanito and Escalante oil prices with international Brent pricing over the coming months (the “Pricing Agreement”) was signed by a majority of producers and refiners in Argentina. Under the terms of the Pricing Agreement, local refiners will pay $59.40 per bbl for Medanito crude oil and $48.30 per bbl for Escalante crude oil in January 2017 and the prices will be gradually decreased every month until they reach $55 per bbl and $47 per bbl, respectively, in July 2017. Prices in effect in July 2017 will then be applicable until December 31, 2017, when the terms of the Pricing Agreement are set to expire. The Pricing Agreement will remain in place until December 31, 2017 unless (1) the Brent price falls below $45 per bbl for ten consecutive days or (2) the Argentinian peso depreciates more than 20%, in which case the Pricing Agreement will be renegotiated. Further, the Pricing Agreement outlines that should Brent remain higher than $1.00 above the monthly Medanito floor price for ten consecutive days, the Pricing Agreement will be suspended and the Brent price will be adopted.

Oil from Crown Point’s TDF concessions is sold at a discount to the Medanito crude oil price. Under the terms of the Pricing Agreement and taking the discount into account, the Company expects to receive an average of $47.85 per bbl for its TDF oil in 2017.

Natural gas

Crown Point sells its gas production to both industrial and residential consumers. Residential demand for natural gas in Argentina is higher during the colder months of April through October, reducing the average natural gas prices during this period as sales to the residential market earn a government-imposed lower price than sales to the industrial market. Seasonal reductions in average natural gas prices earned during the winter months are typically offset by increased sales to the much higher-priced industrial market during November through March.

On October 6, 2016, the Ministry of Energy and Mines issued Resolution N°212/2016 which specified that new prices for residential users would commence on October 7, 2016 with a 300% to 400% increase limit to prices set in the comparative period of the previous year, depending on the type of residential user, and a 500% increase limit for small and medium-sized companies. Resolution N°212/2016 supersedes resolutions issued in March, June and July of 2016 which had mandated higher price increases that were subsequently blocked by class action suits initiated by residential consumers and small business.

As a result, the Company adjusted its previous estimates of prices for residential gas sales to reflect the prices that were in effect before the aforementioned superseded resolutions were issued, and has based its estimates for future gas prices based on Resolution N°212/2016. The Company expects to receive an average of $3.94 per Mcf for its TDF gas in 2017.

FINANCIAL INFORMATION

SUMMARY OF FINANCIAL INFORMATION

(expressed in $, except shares outstanding)	June 30 2017	December 31 2016
Working capital	(498,095)	194,679
Exploration and evaluation assets	8,419,688	6,336,658
Property and equipment	23,220,427	26,442,251
Total assets	37,653,657	39,023,203
Non-current financial liabilities (1)	119,234	427,761
Share capital	116,003,355	116,003,355
Total common shares outstanding	164,515,222	164,515,222

(expressed in $, except shares outstanding)	Three months ended June 30		Six months ended June 30	
	2017	2016	2017	2016
Oil and gas revenue	4,009,250	3,778,045	6,782,424	7,454,394
Net loss	(1,038,338)	(1,829,347)	(1,605,795)	(3,173,125)
Net loss per share [(2)]	(0.01)	(0.01)	(0.01)	(0.02)
Cash flow from (used by) operations	199,073	653,110	833,197	1,445,972
Cash flow per share – operations [(2)]	0.01	0.00	0.01	(0.01)
Funds flow from operations [(3)]	876,216	910,252	1,247,247	1,741,487
Funds flow per share –operations [(2)(3)]	0.01	0.00	0.01	0.01
Weighted average number of shares	164,515,222	164,515,222	164,515,222	164,515,222

(1) Non-current financial liabilities are comprised of bank debt. The total amount outstanding at June 30, 2017 is $2,736,214 of which $2,616,980 is classified as current and $119,214 is long-term (December 31, 2016 – $2,376,639; $1,948,878 current and $427,761 long-term).

(2) All per share figures are based on the basic weighted average number of shares outstanding in the period. The effect of options is anti-dilutive in loss periods. Per share amounts may not add due to rounding.

(3) "Funds flow from operations" and "Funds flow per share" are non-IFRS measures. See "Non-IFRS Measures" for a reconciliation of these measures to the nearest comparable IFRS measure.

RESULTS OF OPERATIONS

Results of Operations – TDF

Operating Netback

	Three months ended June 30		Six months ended June 30	
Per BOE	2017	2016	2017	2016
Oil and gas revenue ($)	31.81	28.86	28.98	28.24
Royalties ($)	(5.70)	(5.07)	(5.25)	(5.10)
Operating costs ($)	(11.86)	(9.74)	(11.58)	(10.11)
Operating netback ($)	14.25	14.05	12.15	13.03

Variances in the TDF operating netback for the 2017 periods as compared to the 2016 periods is explained by changes in sales volumes and revenues, royalties and operating costs as detailed below.

Sales Volumes and Revenues

	Three months ended June 30		Six months ended June 30	
	2017	2016	2017	2016
Light oil (bbls)	32,548	22,120	40,992	46,302
NGL (bbls)	1,535	2,960	4,750	4,010
Natural gas (Mcf)	551,749	634,987	1,129,787	1,281,739
Total BOE	126,042	130,911	234,039	263,935
Light oil bbls per day	358	243	226	254
NGL bbls per day	17	33	26	22
Natural gas Mcf per day	6,063	6,978	6,242	7,043
BOE per day	1,385	1,439	1,293	1,450

	Three months ended June 30		Six months ended June 30	
	2017	2016	2017	2016
Light oil revenue ($)	1,556,127	1,328,092	1,980,010	2,805,633
NGL revenue ($)	25,425	49,535	82,768	56,694
Natural gas revenue ($)	2,427,698	2,400,418	4,719,646	4,592,067
Total revenue	4,009,250	3,778,045	6,782,424	7,454,394
Light oil revenue per bbl ($)	47.81	60.04	48.30	60.59
NGL revenue per bbl ($)	16.56	16.73	17.43	14.14
Natural gas revenue per Mcf ($)	4.40	3.78	4.18	3.58
Revenue per BOE ($)	31.81	28.86	28.98	28.24

TDF Sales and Production Volumes

During Q2 2017, the Company's average daily sales volumes were 1,385 BOE per day, up 15% from 1,200 BOE per day in Q1 2017 due to higher sales of inventoried volumes of oil and down 4% from 1,439 BOE per day in Q2 2016 due to lower sales of gas volumes in Q2 2017.

TDF average daily production volumes for Q2 2017 averaged 1,211 BOE per day, down 7% from 1,298 BOE per day in Q1 2017 and down 14% from 1,406 BOE per day in Q2 2016. The decrease in Q2 2017 daily production volumes is due to restricted production from some existing wells due to scheduled maintenance of the San Luis gas plant in late April and early May 2017 combined with the natural decline of wells.

TDF sales volumes were weighted as follows:

	Three months ended June 30		Six months ended June 30	
	2017	2016	2017	2016
Light oil	26%	17%	17%	18%
NGL	1%	2%	2%	1%
Natural gas	73%	81%	81%	81%
Total	100%	100%	100%	100%

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

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

For the six months ended June 30	Oil				NGL			
	2017		2016		2017		2016	
	bbls	bbls per day	bbls	bbls per day	bbls	bbls per day	bbls	bbls per day
Inventory, January 1	9,292		16,498		1,483		1,692	
Production	34,007	188	39,860	219	4,741	26	3,812	21
Sales	(40,992)	(226)	(46,302)	(254)	(4,750)	(26)	(4,010)	(22)
Inventory, June 30	2,307		10,056		1,474		1,494	

TDF Revenues and Pricing

TDF revenue per BOE for Q2 2017 was approximately $31.81 per BOE, higher than TDF revenue per BOE of $25.68 and $28.86 achieved in Q1 2017 and Q2 2016, respectively, due to higher oil sales volumes at a lower price combined with a larger portion of gas sales to the higher-price industrial market.

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

The price earned by the Company on TDF natural gas sales in Q2 2017 averaged $4.40 per Mcf, as compared to $3.78 per Mcf in Q2 2016 due mainly to a greater portion of gas sales to the industrial market caused by the shut- in of the San Luis gas plant for maintenance purposes for several days during April and May 2017 combined with a higher price received in Q2 2017 for natural gas sold to the industrial market. The average natural gas price for the industrial market was $4.71 per Mcf in Q2 2017 compared to $4.46 per Mcf in Q2 2016. The average natural gas price for the residential market was $1.89 per Mcf in Q2 2017 compared to $2.00 per Mcf accrued in Q2 2016.

Q2 2016 natural gas revenues were derived using estimates of residential gas prices that were based on Resolutions issued as of July 12, 2016, which indicated that prices would include increases related to prices set in the comparative period limited to 400% for residential users and 500% for small and medium-sized companies. However, Resolution N°212/2016 issued in October 2016 specified that such increases would not commence until October 7, 2016. As a result, the Company was required to reduce the amount previously accrued for Q2 2016 residential gas sales, the effect of which was recognized in Q3 2016 revenues. Reflecting the adjustment in Q2 2016 would have reduced the reported average price earned by the Company on Q2 2016 TDF natural gas sales from $3.78 per Mcf to $3.14 per Mcf.

The price earned by the Company on TDF natural gas sales in the June 2017 period averaged $4.18 per Mcf as compared to $3.58 per Mcf in the June 2016 period as a result of a higher portion of gas sales to the higher-price industrial market in 2017.

Oil from Crown Point's TDF concessions was sold at $47.81 per bbl in Q2 2017, down 5% from $50.20 per bbl in Q1 2017 and down 20% from $60.04 per bbl in Q2 2016.

The price earned by the Company on TDF NGL sales was $16.56 per bbl in Q2 2017, which is comparable to $16.73 per bbl received in Q2 2016.

See also the Outlook – Commodity Prices section of this MD&A.

Royalties

	Three months ended June 30		**Six months ended June 30**	
	2017	**2016**	**2017**	**2016**
Provincial royalties ($)	717,877	663,882	1,228,486	1,346,503
Royalties as a % of Revenue	17.9%	17.6%	18.1%	18.1%
Royalties per BOE ($)	5.70	5.07	5.25	5.10

The base royalty rate for revenue from the TDF concessions is 15% plus other royalties at an average rate of 2% on revenues for which the base royalty is paid in cash rather than in-kind. Variances in TDF royalties are also impacted by commodity prices over certain thresholds which may increase the base rate by 0.5% increments and by the level of export sales volumes which bear an additional royalty of 2% compared to mainland Argentina sales which carry a 1% royalty.

Operating Costs

	Three months ended June 30		Six months ended June 30	
	2017	2016	2017	2016
Production and processing ($)	1,260,613	1,158,701	2,405,915	2,425,188
Transportation and hauling ($)	234,163	116,210	305,204	243,550
Total operating costs ($)	1,494,776	1,274,911	2,711,119	2,668,738
Production and processing per BOE ($)	10.00	8.85	10.28	9.19
Transportation and hauling per BOE ($)	1.86	0.89	1.30	0.92
Operating costs per BOE ($)	11.86	9.74	11.58	10.11

Operating costs are higher in Q2 2017 and the June 2017 period as compared to Q2 2016 and in the June 2016 period due mainly to increased contract operator costs caused by increased operating activity, as well as higher costs related to company labor and supervision and access rights.

Transportation and hauling costs per BOE consist of contracted services hired to perform vacuum truck and transportation activities for crude oil.

G&A Expenses

	Three months ended June 30		Six months ended June 30	
	2017	2016	2017	2016
Salaries and benefits ($)	464,767	599,875	860,384	1,069,790
Professional fees ($)	172,912	113,814	292,805	216,514
Office and general ($)	79,000	258,092	211,300	452,752
Travel and promotion ($)	11,209	20,307	28,109	40,900
Capitalized G&A expenses ($)	–	(133,759)	–	(244,636)
	727,888	858,329	1,392,598	1,535,320

Salaries and benefits are lower in Q2 2017 and in the June 2017 period than in the 2016 comparative periods due to an overall reduction in staffing levels combined with the devaluation of ARS against the USD which resulted in lower salary costs for Argentine employees.

Professional fees include reserve reports fees, consulting fees for financial reporting and investor relations services and legal and consulting fees related to assistance with the preparation of various documents for regulatory compliance. Professional fees are higher in Q2 2017 and the June 2017 period than in the 2016 comparative periods due mainly to costs associated with the evaluation of various business opportunities.

Office and general expenses are lower in Q2 2017 and the June 2017 period than in the 2016 comparative periods due to the closing of the Calgary office and efficiencies and cost-savings achieved in the Argentina office.

Travel and promotion expenses include the cost of management's investor relations activities and travel between Argentina and Canada. Travel and promotion expenses are lower in Q2 2017 and the June 2017 period than in the comparative periods as there were fewer but more extended trips by management to Argentina which reduced airfare costs.

Capitalized G&A relates to direct costs associated with the Company's capital programs. The Company did not capitalize any G&A in Q2 2017 and in the June 2017 period as the capital program consisted of drilling of one exploration well on each of the Rio Cullen and La Angostura concessions in TDF for which the planning took place at the end of 2016. Capitalized G&A in Q2 2016 and the June 2016 period related to time and resources being directly attributed to the planning and evaluation of drilling operations on the Cerro de Los Leones concession and the TDF drilling program.

Depletion and Depreciation

	Three months ended June 30		Six months ended June 30	
	2017	2016	2017	2016
TDF depletion ($)	1,540,093	1,656,975	2,857,844	3,332,068
Depreciation ($)	19,418	92,164	37,030	138,024
	1,559,511	1,749,139	2,894,874	3,470,092
TDF depletion rate per BOE ($)	12.22	12.66	12.21	12.62

Depletion rates reflect the all-in combined charge of drilling operations, various asset acquisitions and investments in facilities and gathering systems. Office furniture, equipment and other assets are recorded at cost less accumulated depreciation. Depreciation is provided over the estimated useful lives of the assets using a straight line basis over 3 to 10 years for Argentina office furniture and equipment and a straight line basis over the term of the lease for all leasehold improvements.

The TDF depletion rate is lower in the 2017 periods compared to the 2016 periods due mainly to a reduction in future development capital offset by a reduction in the proved plus probable reserves estimated in the externally prepared December 31, 2016 reserve report as compared to the 2015 report from 4,917,500 BOE to 3,922,200 BOE. The decrease in proved plus probable reserves in the 2016 reserve report is due to 2016 production of 506,100 BOE and downward revisions of probable reserves with a corresponding decrease in future development capital from $32.4 million in the 2015 reserve report to $22.6 million in the 2016 reserve report.

Share-based Payments

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

The Company recognized the following SBP in the periods noted below:

	Three months ended June 30		Six months ended June 30	
	2017	2016	2017	2016
Expensed ($)	–	17,707	–	30,226
Capitalized ($)	–	1,173	–	2,127
	–	18,880	–	32,353

As at June 30, 2017, there is no remaining unvested balance of SBP.

Foreign Exchange Gain (Loss)

During Q2 2017 and the June 2017 period, the Company recognized a foreign exchange loss of $9,548 and $14,161, respectively, compared to foreign exchange loss of $2,116 and a foreign exchange gain of $122,618, respectively, during Q2 2016 and the June 2016 period.

The functional currency of Crown Point is the CAD. The functional currency of each of Crown Point's wholly owned subsidiaries, CanAmericas (Argentina) Energy Ltd. and Crown Point Energía S.A. (previously Antrim Argentina S.A.), is the USD. The presentation currency of Crown Point is the USD.

Foreign exchange gains (losses) reported in the consolidated statement of loss and comprehensive loss occur as a result of translation of foreign denominated monetary assets and liabilities to the functional currency of the respective entity and the related currency fluctuations between the CAD and the USD and the USD and the ARS.

Exchange rates as at:	June 30 2017 [(1)]	December 31 2016 [(2)]
CAD to USD	0.7698	0.7448
ARS to USD	0.0602	0.0636
USD to ARS	16.5989	15.7311

(1) Source Canadian Forex Exchange

(2) Source Bank of Canada

In Crown Point, the translation of USD denominated foreign currency to CAD during the June 2017 period resulted in a foreign exchange loss of approximately $7,100 (June 2016 period – $133,000 foreign exchange loss).

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

In the Argentine subsidiary, the translation of ARS denominated net monetary liabilities during the June 2017 period resulted in a foreign exchange loss of approximately $7,100 (June 2016 period – $255,000 foreign exchange gain).

Currency appreciation and devaluation in Argentina affects 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 June 2017 period, the devaluation of ARS resulted in lower TDF operating costs and general and administrative expenses incurred in Argentina by approximately 3% (June 2016 period devaluation of ARS; lower by 6%).

During the June 2017 period, the devaluation of ARS resulted in a reduction in the USD equivalent of ARS denominated foreign currency denominated financial instruments, excluding bank debt, by approximately $16,000 (June 2016 period – devaluation of ARS; reduction by approximately $56,000).

The HSBC Argentina and Banco Columbia bank debt, as described under Liquidity and Capital Resources, are denominated in ARS and translated to USD at each reporting date.

The effects of currency devaluation on the ARS denominated bank debt during the June 2017 period are shown in the following table:

		June 30 2017
June 2015 Loan facility (ARS 7,520,883)	$	478,087
Repayment of June 2015 Loan facility (ARS 2,375,000)		(152,051)
October 2015 Loan facility (ARS 8,708,333)		553,574
Repayment of October 2015 Loan facility (ARS 2,375,000)		(150,367)
February 2016 Loan facility (ARS 7,000,000)		444,978
April 2017 Banco Columbia Loan facility (ARS 12,000,000)		778,336
Effect of change in exchange rates		(116,343)
	$	1,836,214

Net Finance Expense

During Q2 2017 and the June 2017 period, the Company earned $5,550 and 17,409, respectively, of interest income on short-term deposits compared to $10,600 and $21,240 respectively, in Q2 2016 and the June 2016 period. The decrease in interest income is consistent with the decrease in the balance of short-term deposits.

During Q2 2017 and the June 2017 period, the Company incurred $76,078 and $152,289 of financing fees and bank charges compared to $71,038 and $150,192 respectively, in Q2 2016 and the June 2016 period. Financing fees and bank charges result primarily from bank taxes charged in Argentina on cash transfers.

During Q2 2017 and the June 2017 period, the Company incurred $128,274 and $223,042 of interest expense on bank debt compared to $148,405 and $273,767, respectively, in Q2 2016 and the June 2016 period. Interest expense is lower in Q2 2017 than in Q2 2016 due to the repayment of loans as scheduled and described under the Liquidity and Capital Resources – Argentina Loans section of this MD&A.

Other Income and Expenses

Oil Incentive Bonus Payments

On February 3, 2015, the Government of Argentina announced a new oil incentive program (the "**Oil Incentive Program**") under the Resolution N°14/2015 which replaces the Petróleo Plus Program. Under the Oil Incentive Program, companies that increase or maintain production at 95% of Q4 2014 volumes are eligible for a $3.00 per bbl bonus payment on a formula-derived quantity of production. The Oil Incentive Program was in effect from January 1, 2015 to December 31, 2015.

In January 2017, the Company collected ARS 884,603 ($55,413) of Oil Incentive bonus payments in respect of Q3 2015 and Q4 2015 production volumes.

Gain on Disposition of Property and Equipment

During the June 2017 period, 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.

Recovery of Impaired Receivable

During Q2 2016 and the June 2016 period, the Company recognized $ nil and $38,776, respectively, of other income for the partial recovery of a receivable due from an Argentine operator that was previously provided for due to collectability concerns.

Deferred Tax

As at June 30, 2017, the Company's deferred tax liability was $1,592,000 (December 31, 2016 – $1,784,000) following the recognition of a $192,000 deferred tax recovery during the six months ended June 30, 2017 (six months ended June 30, 2016 – $1,299,000 deferred tax expense) in the consolidated statement of loss and comprehensive loss. The deferred tax recovery is related to an increase in the Company's ARS denominated tax pools which was partially offset by the effect of the devaluation of the ARS during the six months ended June 30, 2017 on the translation of ARS denominated tax pools to USD.

CAPITAL EXPENDITURES

The Company recognized the following additions in exploration and evaluation ("**E&E**") assets during the June 2017 period, primarily related to CLL seismic processing and the drilling of SM x-1001 and RC x-1002 in the Rio Cullen and La Angostura concessions and during the June 2016 period, primarily related to the completion of VdS x-1 and VdS x-3:

	Six months ended June 30	
	2017	**2016**
Cerro de Los Leones	$ 127,894	$ 494,464
Rio Cullen and La Angostura	1,568,513	–
Capitalized G&A	–	128,731
Capitalized VAT	346,177	86,848
Cash expenditures	2,042,584	710,043
Decommissioning revisions	40,446	3,942
Capitalized SBP	–	1,379
	$ 2,083,030	$ 715,364

The Company also recognized the following additions (recoveries) to property and equipment assets during the June 2017 and June 2016 periods:

	Six months ended June 30	
	2017	**2016**
Drilling and completion	$ 323,050	$ 600,400
(Recovery of) capitalized VAT	(780,054)	(930,350)
Capitalized G&A	–	115,905
Corporate assets	49,696	50,017
Cash expenditures	(407,308)	(164,028)
Corporate asset disposition proceeds	(19,734)	–
Decommissioning revisions	5,018	256,981
Capitalized SBP	–	748
	$ 422,024	$ 93,701

	Six months ended June 30	
Allocation of cash expenditures (recoveries):	**2017**	**2016**
TDF	$ (457,004)	$ (214,045)
Corporate	49,696	50,017
	$ (407,308)	$ (164,028)

During the June 2017 period, the Company incurred $323,050 of expenditures in the TDF area primarily related to the improvement of facilities.

During the June 2016 period, the Company incurred $600,400 of expenditures in the TDF area and capitalized $115,905 of G&A primarily related to tangible costs for lease construction and completion and evaluation of the currently non-productive wells from the 2014/2015 TDF drilling program as described under the Operational Update section of this MD&A.

VALUE ADDED TAX

	June 30 2017	December 31 2016
Included in prepaid expenses	$ 60,361	$ 64,303
Included in E&E assets	1,863,581	1,517,404
Included in property and equipment	696,054	1,476,108
	$ 2,619,996	$ 3,057,815

Value Added Tax (“VAT”) on purchases is applied against VAT on sales to reduce the amount paid to the Argentine government. VAT is included in prepaid expenses when amounts are expected to be offset with VAT on current sales. VAT is included in E&E assets and property and equipment when related sales have not yet commenced (E&E assets) or sales are lower than capital expenditures (property and equipment) and VAT amounts are not expected to be offset with VAT on sales within the next 12 months. VAT does not expire and may be carried forward indefinitely.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity risk is the risk that the Company will not meet its financial obligations as they become due. The Company manages its liquidity risk through management of its capital structure and annual budgeting of its revenues, expenditures and cash flows.

During the June 2017 period, the Company incurred a net loss of $1,605,795. As at June 30, 2017, the Company has significant future capital commitments to develop its properties and a $498,095 working capital deficit (December 31, 2016 – $194,679 working capital surplus) which is net of $371,754 of cash held in bank accounts.

The Company's unaudited June 30, 2017 condensed interim 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. 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 therefrom 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. The Company's unaudited June 30, 2017 condensed interim 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.

The Company anticipates using funds flow from operations, proceeds from the sale of Petróleo Plus bonds and proceeds from the New Gas Incentive Program (as described below under Petróleo Plus Proceeds and New Gas Incentive Program) as well as additional debt and/or equity financings and potential joint venture arrangements to fund the Company's capital expenditure program through 2017. For details of the Company's capital expenditure program for 2017, see the Outlook section of this MD&A. However, as new opportunities arise or planned expenditures are revised, the Company is committed to raising the necessary funds required for operations and capital expenditures through equity financing, joint venture agreements, and debt. If more of the Company's properties become economic and productive, the additional cash flow generated will assist in funding the Company's future activities.

Argentina Loans

As at June 30, 2017, the Company had the following loans outstanding:

		Total		Current portion		Long-term portion
HSBC Argentina loan facility (a)	$	691,560	$	572,326	$	119,234
HSBC Argentina loan facility (b)		421,715		421,715		–
Banco Industrial loan facility (c)		900,000		900,000		–
Banco Columbia loan facility (d)		722,939		722,939		–
	$	2,736,214	$	2,616,980	$	119,234

(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. ARS 9,500,000 of principal is repayable in 24 monthly installments commencing August 17, 2016 and ARS 9,500,000 of principal is repayable in 24 monthly installments commencing November 23, 2016. The loan facility is secured by $450,000 of USD denominated GICs on deposit with a major Canadian financial institution.

    As at June 30, 2017, the balance owing under this loan facility was ARS 11,479,166 ($691,560). In July 2017, $105,000 of the USD denominated letters of credit was released to the Company.

(b) The Company has an ARS 7,000,000 short-term loan facility with HSBC Argentina which bears interest at 26%, calculated and paid monthly commencing on June 6, 2017 and repayable in one installment on August 4, 2017. The loan is secured by a $480,000 USD denominated letter of credit held as a GIC with a major Canadian financial institution.

    As at June 30, 2017, the balance owing under this loan facility was ARS 7,000,000 ($421,715). On July 20, 2017, the Company repaid the loan facility and in August 2017, the $480,000 USD denominated letter of credit was released to the Company.

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

As at June 30, 2017, the balance owing under this loan facility was $900,000.

(d) On April 28, 2017, the Company obtained an ARS 12,000,000 ($778,336) 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 at maturity.

As at June 30, 2017, the balance owing under this loan facility was ARS 12,000,000 ($722,939).

Petróleo Plus Proceeds

The Government of Argentina implemented the Petróleo Plus Program in 2008 to reward producers who materially increased oil reserves and production through drilling and development by issuing export tax credits ("Petróleo Plus Credits") that could be used to offset taxes on oil sold off shore at market price. Petróleo Plus Credits were transferrable and could be sold to other domestic oil exporters. The Company recognized income from the sale of Petróleo Plus Credits when proceeds were received. The Petróleo Plus Program was cancelled in late 2014.

In July 2015, the Government of Argentina issued decree N°1330/2015 under which it began offering bonds to qualifying companies with outstanding certificates under the cancelled Petróleo Plus Program. The Company made a submission for approximately $2.2 million of bonds with respect to its outstanding Petróleo Plus certificates and, in September 2015, the Company recognized $287,263 of proceeds for bonds received for the same amount of Petróleo Plus certificates.

On November 29, 2016, the Government of Argentina issued decree N°1204/2016 under which it offered bonds to the companies with outstanding certificates under the cancelled Petróleo Plus Program that were not compensated under decree N°1330/2015. On December 2, 2016, the Company made a submission to receive $1.6 million of Bonar 2020 8% coupon rate ("**BONAR 2020**") bonds, denominated and settled in USD and maturing in October 2020, for the remainder of the Company's outstanding Petróleo Plus certificates.

Of the original submission for $2.2 million of outstanding Petróleo Plus certificates, the Company received an aggregate total of $1.9 million in bonds ($0.3 million in September 2015 and $1.6 million in July 2017).

On July 11, 2017, the Company received $1,646,156 of BONAR 2020 bonds. On July 13, 2017, the Company sold $550,000 of BONAR 2020 bonds for net proceeds of $624,800.

New Gas Incentive Program

On November 29, 2013, Resolution N°60/2013 was issued by the Commission for Strategic Planning and Coordination of the National Hydrocarbon Investment Plan (the "Commission") which launched a new injection stimulation program for companies with a low natural gas injection. Only companies with a natural gas average injection lower than 3,500,000 m3 per day during the six months prior to the issuance of Resolution N°60/2013 could apply. This program set a range of guaranteed prices which depends on the natural gas injection performance of the producers. The New Gas Incentive Program is in effect until the end of 2017.

On August 9, 2014 Crown Point received formal notification of its inclusion in the New Gas Incentive Program.

On May 23, 2016, the Government of Argentina issued decree N°704/2016 under which it offered publicly-traded government bonds to companies with outstanding New Gas Incentive Program applications for periods up to and including December 31, 2015. On June 22, 2016, the Company made a submission to receive $0.6 million of BONAR 2020 bonds in relation to ARS 8,645,200 of the Company's New Gas Incentive Program applications for the period from August 9, 2014 to December 31, 2015. As of the date hereof, the Company has not received any BONAR 2020 bonds for the New Gas Incentive Program, and can offer no assurances that the Company will receive such bonds. The Company will recognize New Gas Incentive income if and when government-issued bonds are received due to uncertainty of the timing of collection.

During June 2017, the Company was notified of Resolutions N°2017/95, N°2017/112 and N°2017/119 issued by the Ministry of Energy and Mining pursuant to which the Company received approval for the payment of New Gas Incentive Program applications for the period from January 1 to September 30, 2016 for an aggregate amount of ARS 18,425,000 ($1.1 million). The Company has also submitted New Gas Incentive Program applications for the period from October 1, 2016 to March 31, 2017 for an aggregate amount of ARS 4,706,800 ($0.3 million), however, approval for these applications has not yet been recevied. Payments for applications for periods commencing January 1, 2016 are made in cash. The Company recognizes New Gas Incentive Program income if and when cash proceeds are received due to uncertainty of the timing of collection.

On August 10, 2017, the Company received ARS 15,768,465 ($889,341) of cash proceeds under the New Gas Incentive Program related to applications for the period from January 1 to June 30, 2016.

RELATED PARTY TRANSACTIONS

Energía y Soluciones S.A., 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 until August 2017, owns a 1.46% overriding royalty on revenue earned from the CLL Permit. As of June 30, 2017, and the date of this MD&A, no revenue has been earned from the CLL Permit.

During Q2 2017 and the June 2017 period, the TDF UTE (of which the Company is a member) sold a portion of natural gas volumes to Energía y Soluciones S.A. for which the Company recognized $82,106 (ARS 1,885,475) and $199,973 (ARS 3,719,760) respectively, (Q2 2016 – $38,560 (ARS 554,749) and the June 2016 period $163,680 (ARS 1,055,209)) of oil and gas revenue for its working interest share. Included in trade and other receivables as at June 30, 2017 is $46,768 (ARS 773,107) (December 31, 2016 – $96,419 (ARS 1,516,737)) in respect of this revenue.

There were no other transactions between the Company and related parties of the Company during the June 2017 period or all of 2016.

SUBSEQUENT EVENTS

In July 2017, $105,000 of the USD denominated letters of credit held as security for the HSBC Argentina loans was released to the Company and the funds were received on August 4, 2017.

On July 4, 2017, the Company obtained an ARS 6,000,000 ($0.4 million) unsecured loan facility with Trend Capital S.A. at an interest rate of 35% per annum. The loan was repaid on August 1, 2017. The Company paid ARS 180,118 ($10,794) of fees and taxes in connection with the loan facility.

On July 11, 2017, the Company received $1,646,156 of publicly-traded BONAR 2020 bonds as proceeds for outstanding certificates under the cancelled Petróleo Plus Program.

On July 13, 2017, the Company sold $550,000 of BONAR 2020 bonds for net proceeds of $624,800 to Banco de Servicios y Transacciones S.A. (“BST”). The Company and BST share a common director, Pablo Peralta, who also controls significant shareholdings in both companies.

On July 20, 2017, the Company repaid the ARS 7,000,000 loan facility with HSBC Argentina. The related $480,000 USD denominated letter of credit held as loan security was released to the Company in July 2017 and the funds were received on August 4, 2017.

On August 10, 2017, the Company received ARS 15,768,465 ($889,341) of cash proceeds under the New Gas Incentive Program related to applications for the period from January 1 to June 30, 2016.

SHARE CAPITAL

Issued and outstanding	Common Shares	Stock Options
December 31, 2016	164,515,222	3,645,000
Expired	–	(1,917,500)
June 30, 2017	164,515,222	1,727,500
Expired	–	(50,000)

Issued and outstanding	Common Shares	Stock Options
August 17, 2017	164,515,222	1,677,500

DIVIDENDS

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

COMMITMENTS AND CONTINGENCIES

The Company's commitments are disclosed in Note 22 to the Company's December 31, 2016 audited consolidated financial statements as well as in the December 31, 2016 MD&A.

The following is a summary of expenditure commitments related to the Company's concessions:

(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 [2] gross wells with a minimum of $12.1 million of exploration and development investment. As of June 30, 2017, the Company had drilled 15 [2] gross wells and fulfilled the minimum $12.1 million investment.
Rio Cullen	Until December 31, 2016 [1]	A minimum of $0.85 million of exploration investment including seismic and drilling, all of which has been spent.
La Angostura	Until December 31, 2016 [1]	A minimum of $0.98 million of exploration investment including seismic and drilling, all of which has been spent.

(1) The Company has fulfilled the Rio Cullen and La Angostura concession expenditure commitments and exercised the option to extend the term of each concession to August 2026 by making the minimum cash payment to the Province of TDF. For each concession, 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). The investment commitment for exploration and development work will be determined on a sliding scale based on a proved plus probable reserves range discovered during the initial exploration period of between zero and greater than 18 million BOE. The total cash payment and investment commitment have not yet been determined by the Province of TDF and the Company has not yet received formal approval of the concession extensions.

(2) The 18 gross well drilling commitment is an aggregate commitment for all three concessions. As at June 30, 2017, the Company had drilled a total of 15 gross wells comprised of 13 gross wells on the Las Violetas concession, 1 gross well on the Rio Cullen concession and 1 gross well on the La Angostura concession.

(b) Cerro de Los Leones Concession

The CLL 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.

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 [2][3]	Extended to January 22, 2018	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 June 30, 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 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

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off balance sheet arrangements.

FINANCIAL INSTRUMENTS

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

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

BUSINESS RISKS AND UNCERTAINTIES

Crown Point's production and exploration activities are concentrated in Argentina, where activity is highly competitive and includes a variety of different sized companies ranging from smaller junior producers to the much larger integrated petroleum companies. Crown Point is subject to various types of business risks and uncertainties, which may materially affect the Company's future financial and operating performance, including without limitation the following:

- risks associated with operations in emerging markets, including changes in energy policies or personnel administering them, nationalization of the Company's assets, the development and/or persistence of hyper-inflationary conditions, currency fluctuations between the USD, the CDN and the ARS and/or devaluations of the ARS, monetary and currency exchange controls, export controls and changes in royalty and tax rates;
- the risks of the oil and gas industry both domestically and internationally, such as operational risks in exploring for, developing and producing crude oil and natural gas and market demand;
- general economic conditions in Canada, Argentina and globally;
- the ability of management to execute its business plan;
- reliance on third party operators and joint venture partners to satisfy their commitments under existing agreements and arrangements and to carry out operations in a safe, efficient and effective manner;
- the risks of disputes with third party operators and joint venture partners and the effect that such disputes can have on the Company's operations and results;
- uncertainties inherent in estimating quantities of oil and natural gas reserves and cash flows to be derived therefrom and the risk that the value of such reserves may be impaired in future periods;
- fluctuations in the price of oil and natural gas, interest rates and exchange rates;
- the risk that the Company will not be able to reduce its operating costs and thereby improve the return on its investments;
- lack of diversification of the Company's interests;
- the risk that the value of the BONAR 2020 bonds held by the Company declines;
- collection of cash payable to the Company, and collection of and value of bonds issuable to the Company, in each case in consideration of amounts owing under the New Gas Incentive Program;
- the impact of work disruption and labour unrest on the Company's operations;
- actions taken by governmental authorities, including increases in taxes and changes in government regulations and incentive programs;
- geological, technical, drilling and processing problems;
- risks and uncertainties involving geology of oil and gas deposits;
- risks inherent in marketing operations, including credit risk;
- the ability to enter into, renew and/or extend leases and/or concessions;
- constraints on foreign subsidiaries to make payments to the Company;
- the uncertainty of estimates and projections relating to production, costs and expenses;
- potential delays or changes in plans with respect to exploration or development projects or capital expenditures including delays arising as a result of the Company's inability to obtain the necessary oilfield services required, including drilling and fracture stimulation equipment and related personnel;
- the insufficiency of cash flow to fund operations;
- uncertainty of finding reserves and developing and marketing those reserves;
- unanticipated operating events, which could reduce production or cause production to be shut in or delayed;
- the ability of management to identify and complete potential acquisitions;
- if completed, the failure to realize the anticipated benefits of acquisitions;
- incorrect assessments of the value of acquisitions;
- ability to locate satisfactory properties for acquisition or participation;
- shut-ins of connected wells resulting from extreme weather conditions;
- insufficient storage or transportation or processing capacity for the Company's production;
- hazards such as fire, explosion, blowouts, cratering and spills, each of which could result in substantial damage to wells, production facilities, other property and the environment or in personal injury;
- encountering unexpected formations or pressures, premature decline of reservoirs and the invasion of water into producing formations;
- the failure to satisfy work commitments by the applicable deadline and the resulting loss of exploration and exploitation rights and, in the case of CLL, the resulting obligation to pay the value of such unsatisfied work commitments to the provincial government;

- the enforcement of civil liability in Argentina;
- risks associated with conflicting interests with partners;
- income tax reassessments and other taxes payable by the Company;
- the ability to add production and reserves through development and exploration activities;
- governmental regulation of the oil and gas industry, including the possibility that government policies or laws, including laws and regulations related to the environment, may change in a manner that is adverse to the Company, or that governmental approvals may be delayed or withheld;
- failure to obtain industry partner and other third party consents and approvals, as and when required;
- risks associated with having a control person owning approximately 36.5% of the Company's shares and two representatives on the board of directors, including the potential that the control person may exert a significant amount of influence over the Company's affairs;
- stock market volatility and market valuations;
- competition for, among other things, capital, acquisition of reserves, undeveloped land and skilled personnel; and
- the availability of capital on acceptable terms to fund the Company's capital programs, including the ability of the Company to obtain new credit facilities, renegotiate the terms of its existing credit facilities and/or repay the principal and interest owing under its existing credit facilities.

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

LEGAL, ENVIRONMENTAL, REMEDIATION AND OTHER CONTINGENT MATTERS

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

SELECTED CONSOLIDATED QUARTERLY INFORMATION

The following table sets forth selected consolidated financial information of the Company for the periods presented.

Unaudited Three months ended:	June 30 2017	March 31 2017	December 31 2016	September 30 2016	June 30 2016	March 31 2016	December 31 2015	September 30 2015
Working capital ($)	(498,095)	(711,630)	194,679	1,093,716	1,538,735	1,499,486	642,828	1,798,499
Oil and gas revenue ($)	4,009,250	2,773,174	3,567,107	2,993,957	3,778,045	3,676,349	3,765,903	3,447,010
Petróleo Plus Proceeds ($)	–	–	–	–	–	–	–	287,623
Oil Incentive Bonus Payments ($)	–	55,413	–	–	–	–	–	70,451
E&E expense ($)	–	–	2,527,270	–	–	–	9,401,452	–
Net loss ($)	(1,038,338)	(567,457)	(5,204,658)	(1,364,868)	(1,829,347)	(1,343,778)	(11,032,823)	(1,623,146)
Basic and diluted net loss per share [(1)] ($)	(0.01)	(0.00)	(0.03)	(0.01)	(0.01)	(0.01)	(0.07)	(0.01)
Cash flow from (used by) operating activities ($)	199,073	634,124	47,770	(326,872)	653,110	792,862	1,227,370	241,054
Expenditures on property and equipment and E&E assets ($)	448,875	1,186,401	205,503	562,671	541,127	4,888	2,115,804	975,889
Total assets ($)	37,653,657	38,946,401	39,023,203	42,755,626	44,378,558	45,422,188	47,197,795	56,831,790
Bank debt ($)	2,736,214	2,258,382	2,376,639	1,783,350	2,330,695	2,595,470	2,416,186	2,677,975

(1) The sum of quarterly per share amounts may not add to annual figures due to rounding.

- Net loss in Q2 2017 is higher than in Q1 2017 due primarily to higher G&A in Q2 2017 and the recovery of deferred tax in Q1 2017 which was offset by a deferred tax provision in Q2 2017.
- Working capital deficit decreased in Q2 2017 due to the payment of trade and other payables.
- Net loss in Q1 2017 is lower than Q4 2016 due primarily to lower G&A and depletion and depreciation expense and the recovery of deferred tax in Q1 2017 and E&E expense incurred in Q4 2016.
- Working capital decreased in Q1 2017 due to an increase in trade payables related to the drilling of one exploration well in each concession of Rio Cullen and La Angostura.
- Net loss in Q4 2016 is higher than Q3 2016 due primarily to E&E expense, retirement allowance and office lease termination costs incurred in Q4 2016.
- Working capital decreased in Q4 2016 due primarily to an increase in the current portion of bank debt.
- Net loss in Q3 2016 is lower than Q2 2016 due primarily to a decrease in net finance expense in connection with a decrease in bank debt, a decrease in depletion expense due to lower sales volumes and recognition of a recovery of deferred tax.
- Working capital decreased in Q3 2016 due to repayment of trade and other payables and current portion of long-term debt with proceeds from the collection of trade and other receivables and proceeds from the return of deposits.
- Net loss in Q2 2016 is higher than Q1 2016 due primarily to an increase in G&A expense and the recognition of an additional $0.8 million deferred tax expense.
- Net loss in Q1 2016 is lower than Q4 2015 due primarily to $9.4 million of E&E expense incurred in Q4 2015 combined with decreases in Q1 2016 in operating and G&A expenses offset by an increase in depletion and depreciation expense and recognition of $0.5 million deferred tax expense.
- Working capital increased in Q1 2016 due to lower expenditures on property and equipment.
- Net loss in Q4 2015 is higher than the previous quarter due primarily to $9.4 million of E&E expense and an increase in depletion expense offset by a decrease in other expenses.
- Working capital decreased in Q4 2015 due to the repayment of bank debt and expenditures on property and equipment offset by the loan facility proceeds drawn in October 2015.

NON-IFRS MEASURES

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

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

	Three months ended June 30		**Six months ended June 30**	
	2017	**2016**	**2017**	**2016**
Cash flows from (used by) operations ($)	199,073	653,110	833,197	1,445,972
Changes in non-cash working capital ($)	677,143	257,142	414,050	295,515
Funds flow from operations ($)	876,216	910,252	1,247,247	1,741,487

	Three months ended June 30		Six months ended June 30	
	2017	2016	2017	2016
Weighted average number of shares	164,515,222	164,515,222	164,515,222	164,515,222
Funds flow per share	0.01	0.01	0.01	0.00

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

ABBREVIATIONS AND BOE PRESENTATION

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

3-D	-	three dimensional
bbls	-	barrels
BOE	-	barrels of oil equivalent
cm^2	-	square centimeters
kg	-	kilograms
km^2	-	square kilometres
m	-	metres
mm	-	millimetres
m3	-	cubic metres
Mcf	-	thousand cubic feet
MMcf	-	million cubic feet
NGL	-	natural gas liquids
psi	-	pounds per square inch
YPF	-	Yacimientos Petrolíferos Fiscales S.A.

All BOE conversions in this MD&A are derived by converting natural gas to oil in the ratio of six Mcf of gas to one bbl of oil. BOE may be misleading, particularly if used in isolation. A BOE conversion ratio of six thousand Mcf to one bbl of oil (6 Mcf: 1 bbl) is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas in Argentina is significantly different from the energy equivalency conversion ratio of 6:1, utilizing a conversion on a 6:1 basis is misleading as an indication of value.

ADVISORIES

Forward-Looking Information

This MD&A contains forward-looking information. This information relates to future events and the Company's future performance. All information and statements contained herein that are not clearly historical in nature constitute forward-looking information, and the words "may", "will", "should", "could", "expect", "plan", "intend", "anticipate", "believe", "estimate", "propose", "predict", "potential", "continue", "aim", or the negative of these terms or other comparable terminology are generally intended to identify forward-looking information. Such information represents the Company's internal projections, estimates, expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. This information involves known or unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. In addition, this MD&A may contain forward-looking information attributed to third party industry sources. Crown Point believes that the expectations reflected in this forward-looking information are reasonable; however, undue reliance should not be placed on this forward-looking information, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur.

This MD&A contains forward-looking information concerning, among other things, the following: under "Corporate Overview and Strategy", all elements of the Company's business strategy in the TDF and Cerro de Los Leones concessions, the Company's assessment on its leverage to increased natural gas prices (and its expectation of increased natural gas prices) and certain intended and planned future operations; under "Operational Update – Tierra del Fuego Concession", the operations that the Company intends to conduct on certain of its TDF assets and the planned timing thereof and the benefits that the Company expects to derive therefrom and the amount of the investment commitment for exploration and development work in TDF; under "Operational Update – Cerro de Los Leones Concession", the operations that the Company intends to conduct on certain of its CLL assets and the expected timing thereof and the benefits that the Company expects to derive therefrom and the budget for certain expenditures and its ability to obtain a partner in the CLL concession to share future capital costs and provide capital cost recovery opportunities; under "Outlook – Capital Spending", our estimated capital expenditures for fiscal 2017 and Q3 2017 and Q4 2017 and the allocation of expenditures between our TDF and CLL concessions, the elements of our capital program for these periods, our estimates of the costs to complete the elements of the program and the timing thereof, and our expectations for how we will fund our capital programs; under "Outlook – Economic Summary", our expectation that the government will implement gradual increases in natural gas and electricity rates and the Company's expectation of the effect of the legislative elections on Argentina's political and financial condition; under "Outlook – Commodity Prices", our expectations regarding the impact that the Argentine government's evolving energy policies and reforms may have on commodity prices in Argentina, including the Company's estimates with respect to its realized commodity prices for 2017; under "Liquidity and Capital Resources", our strategies for managing our liquidity risks and our expectations for how we will fund our capital expenditure program through 2017; and under "Liquidity and Capital Resources – New Gas Incentive Program" and elsewhere in this MD&A, our expectation that the Company will receive $0.6 million in bonds under the New Gas Incentive Program and the receipt and timing of receipt of New Gas Incentive Program application approvals; and under "Commitments and Contingencies" the Company's plans to not develop the Laguna de Piedra concession. The reader is cautioned that such information, although considered reasonable by the Company, may prove to be incorrect. Actual results achieved during the forecast period will vary from the information provided in this MD&A as a result of numerous known and unknown risks and uncertainties and other factors.

A number of risks and other factors could cause actual results to differ materially from those expressed in the forward-looking information contained in this MD&A including, but not limited to, the following: the risks and other factors described under "Business Risks and Uncertainties" in this MD&A and under "Risk Factors" in the Company's most recently filed Annual Information Form, which is available for viewing on SEDAR at www.sedar.com.

In addition, note that information relating to reserves and resources is deemed to be forward-looking information, as it involves the implied assessment, based on certain estimates and assumptions that the reserves and resources described can be economically produced in the future.

With respect to forward-looking information contained in this MD&A, the Company has made assumptions regarding, among other things: the impact that the new federal government will have on the oil and gas industry in Argentina generally and the Company in particular; the impact of increasing competition; the general stability of the economic and political environment in which the Company operates, including operating under a consistent regulatory and legal framework in Argentina; future oil, natural gas and NGL prices (including the effects of governmental incentive programs thereon); the timely receipt of any required regulatory approvals; the ability of the Company to continue as a going concern without the loss of any assets; the ability of the Company to obtain qualified staff, equipment and services in a timely and cost efficient manner; drilling results; the costs of obtaining equipment and personnel to complete the Company's capital expenditure program; the ability of the operator of the projects which the Company has an interest in to operate the field in a safe, efficient and effective manner; that the Company will be able to collect and/or realize the full value of cash and/or bonds payable, issued and/or issuable to the Company in consideration of all amounts owing from the cancelled Petróleo Plus Program and under the New Gas Incentive Program; the ability of the Company to obtain financing on acceptable terms when and if needed;

the ability of the Company to service its debt repayments when required; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development and exploration activities; the timing and costs of pipeline, storage and facility construction and expansion and the ability of the Company to secure adequate product transportation; currency, exchange and interest rates; the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which the Company operates; and the ability of the Company to successfully market its oil and natural gas products. Management of Crown Point has included the above summary of assumptions and risks related to forward-looking information included in this MD&A in order to provide investors with a more complete perspective on the Company's future operations. Readers are cautioned that this information may not be appropriate for other purposes.

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

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

Analogous Information

Certain information contained herein is considered "analogous information" as defined in NI 51-101. In particular, this document describes certain information with respect to the existence of several large conventional oil pools surrounding the Company's 100% interest Cerro de Los Leones exploration concession in Mendoza province. Such analogous information has not been prepared in accordance with NI 51-101 and the Canadian Oil and Gas Evaluation Handbook and Crown Point is unable to confirm whether such information has been prepared by a qualified reserves evaluator. Such information is not intended to be a projection of future results. Such information is based on independent public data and public information received from other producers and Crown Point has no way of verifying the accuracy of such information. Such information has been presented to help demonstrate the basis for Crown Point's business plans and strategies. There is no certainty that such results will be achieved by Crown Point and such information should not be construed as an estimate of future reserves or resources or future production levels.

Well-Flow Test Results and Initial Production Rates

Any references in this document to well-flow test results, swab test rates and/or initial production rates are useful in confirming the presence of hydrocarbons, however, such test results and rates are not determinative of the rates at which such wells will continue production and decline thereafter. While encouraging, readers are cautioned not to place reliance on such test results and rates in calculating the aggregate production for the Company. Well-flow test results, swab test rates and initial production rates may be estimated based on other third party estimates or limited data available at the time. Well-flow test result data should be considered to be preliminary until a pressure transient analysis and/or well-test interpretation has been carried out. In all cases in this document, well-flow test results and initial production results are not necessarily indicative of long-term performance of the relevant well or fields or of ultimate recovery of hydrocarbons.

ADDITIONAL INFORMATION

Additional information regarding the Company, including the Company's most recently filed Annual Information Form, and its business and operations is available on the Company's profile at www.sedar.com. Copies of the information can also be obtained by contacting the Company at Crown Point Energy Inc., PO Box 1526 Station M, Calgary, Alberta, T2P 3B9, or by phone at (403) 232-1150, by email at info@crownpointenergy.com or on the Company's website at www.crownpointenergy.com.