



FOR IMMEDIATE RELEASE  
March 27, 2020

CWV: TSX.V

## **Crown Point Provides Operations Update**

CALGARY, Alberta, March 27, 2020 -- (TSX-V:CWV): Crown Point Energy Inc. ("Crown Point" or the "Company") today provided an update regarding its operations at Tierra del Fuego ("TDF").

### **Tierra del Fuego – La Angostura Concession (WI 34.74%)**

As previously reported, the main San Martin oil well producer, SM x-1001 began to produce some water in late January, 2020 and the water cut subsequently increased in early February to approximately 50% of the total fluid production from this well, which had averaged 1,470 (net 511) bopd from the upper Tobífera reservoir in December 2019. The well was shut in on February 18, 2020, pending a workover to evaluate the underlying middle Tobífera section (oil bearing in the SM a-1003 oil well located approximately 1 km to the NNW of SM x-1001), followed by a test and evaluation of the uppermost Tobífera section.

The production testing and evaluation of both the middle and upper Tobífera sections was completed on March 17, 2020. The production tests of the middle Tobífera section recovered formation water and the zones (1987-95 m and 2013-20 m) were abandoned. The test of the uppermost Tobífera section (1871-76 m), located 34 m above the original producing upper Tobífera zone, flowed at an average rate of 1,576 barrels of oil per day with no reported water (0.3% BS&W) over a 24 hour period through a 25 mm choke at a flowing well head pressure of 232 psi. The well was placed back on production on March 18 at an average restricted rate of 716 bopd (net 249 bopd) over the ensuing 7 days with negligible water cut at a flowing well head pressure of 582 psi through an 8 mm choke, and during which the well produced a total of 5,012 barrels of oil.

San Martin oil production is trucked and sold to the Chilean State Oil Company (Enap) terminal located at San Gregorio, Magallanes Province, Chile. On March 23, Enap announced the suspension until further notice of all deliveries, due to an outbreak of Covid-19 at the terminal. As a consequence of limited oil storage field capacity, the San Martin field was shut in on March 24 and will remain so until the restrictions on deliveries are lifted. The alternative option to evacuate oil from TDF, the Cruz del Sur storage and offshore loading facility operated by YPF, remains closed pending completion of ongoing repairs and maintenance. The facilities are expected to be re-opened during Q3, 2020. The Company's local gas sales and its gas exports through the San Martin sales gas pipeline, which crosses the Straits of Magellan and connects TDF to mainland industrial and residential markets, remain uninterrupted.

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### **About Crown Point**

Crown Point is an international oil and gas exploration and development company incorporated in Alberta, Canada, trading on the TSX Venture Exchange and with operations in Argentina. Crown Point's exploration and development activities are focused in two of the largest producing basins in Argentina, the Austral basin in the province of Tierra del Fuego and the Neuquén basin in the province of Mendoza. Crown Point has a strategy that focuses on establishing a portfolio of producing properties, plus production enhancement and exploration opportunities to provide a basis for future growth.



**Abbreviations:** "WI" means working interest. "bopd" means barrels of oil per day. "km" means kilometer. "m" means meters. "BS&W" means basic sediment and water. "psi" means pounds per square inch. "mm" means millimeters. "Q3" means the three month period ended September 30. "YPF" means Yacimientos Petroliferos Fiscales S.A.

**Initial Production or Test Rates:** Any references in this news release to initial production or production test rates are useful in confirming the presence of hydrocarbons, however, such rates are not determinative of the rates at which such wells will continue production and decline thereafter. Additionally, such rates may also include recovered "load oil" fluids used in well completion stimulation. While encouraging, readers are cautioned not to place reliance on such rates in calculating the aggregate production for the Company. Initial production rates may be estimated based on other third party estimates or limited data available at this 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 news release initial production or test results are not necessarily indicative of long-term performance of the relevant well or fields or of ultimate recovery of hydrocarbons.

**Forward-looking Information:** This document 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 may constitute 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. Crown Point believes that the expectations reflected in this forward-looking information are reasonable; however, undue reliance should not be placed on this forward-looking information, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. This press release contains forward-looking information concerning, among other things, the following: our plans for the SM x-1001 oil well and the San Martin field, including our intention to shut in the field until delivery restrictions are lifted; and the Company's business strategies. 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 document 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 document including, but not limited to, the following: the risks that COVID-19 poses to the oil and gas industry generally and our business in particular, including the risk that the demand for, and therefore the price of, hydrocarbons will remain depressed for a significant period of time, the risk that our staff and/or the staff of third parties on whom we rely to carry out our operations are unable to perform their duties such that we are unable to continue our operations in part or in whole, the risk that we are unable to obtain supplies and other equipment that we need for our operations due to delays or failures in supply chains, and the risk that the infrastructure on which we rely to produce, transport and sell the hydrocarbons we produce suffer intermittent outages or cease to operate at all, all of which could adversely impact our ability to operate profitably or at all; the risk that our plans for the SM x-1001 well, or the San Martin field, change; the risk that the Company determines that the SM x-1001 well is uneconomic; the risk that the San Martin field remains shut in for an extended period of time; the risk that the Company changes its business strategies; risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, including the risk that the infrastructure on which we rely to produce, transport and sell our products breaks down and requires parts that are not readily available or repairs that cannot be made on a timely basis, and which impair our ability to operate and/or sell our products; and the risks and other factors described under "Risk Factors" in the Company's most recently filed Annual Information Form, which is available for viewing on SEDAR at [www.sedar.com](http://www.sedar.com). With respect to forward-looking information contained in this document, the Company has made assumptions regarding, among other things: the impact that COVID-19 will have on our operations and the length of time that such impact will persist; that the SM x-1001 well will continue to be an economic oil well based on initial test and production results from the uppermost Tobifera sections; 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 natural gas liquids prices; the timely receipt of any required regulatory approvals; the ability of the Company to obtain qualified staff, equipment and services in a timely and cost efficient manner; the timing and costs of pipeline, storage, transportation and facility repair, construction and expansion and the ability of the Company to secure adequate product transportation; and the ability of the Company to obtain financing on acceptable terms when and if needed to finance its operations. Management of Crown Point has included the above summary of assumptions and risks related to forward-looking information 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 document are expressly qualified by this cautionary statement. The forward-looking information contained herein is made as of the date of this document 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.

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