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 months ended March 31, 2020.

This MD&A is dated as of May 28, 2020 and should be read in conjunction with the Company's unaudited March 31, 2020 condensed interim consolidated financial statements and the audited December 31, 2019 consolidated financial statements. The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("**IFRS**").

Effective January 1, 2020, the Company's wholly-owned subsidiaries Crown Point Energía S.A. and St. Patrick Oil & Gas S.A. ("**St. Patrick**") were amalgamated and continued under the name Crown Point Energía S.A. The March 31, 2020 unaudited condensed interim consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, CanAmericas (Argentina) Energy Ltd. and Crown Point Energía S.A..

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 March 31, 2020 condensed interim consolidated financial statements, audited December 31, 2019 consolidated financial statements and other filings are available on SEDAR at www.sedar.com.

In the following discussion, the three months ended March 31, 2020 may be referred to as "Q1 2020", the comparative three months ended March 31, 2019 may be referred to as "Q1 2019", and the previous three month period ended December 31, 2019 may be referred to as "Q4 2019".

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 select older producing wells. Currently, the Company's production is derived entirely from its participating interest in the Rio Cullen, Las Violetas and La Angostura exploitation concessions in TDF (the "**TDF Concessions**") where an active development and exploration program is in place to expand the Company's reserves and production.

Crown Point is also conducting an exploration program in its 100% interest in the Cerro de Los Leones ("**CLL**") exploration concession permit (the "**CLL Permit**") in the Province of Mendoza, an area surrounded by several large conventional oil pools.

COVID-19

In early March 2020, the World Health Organization declared the coronavirus outbreak ("COVID-19") to be a pandemic. Responses to the spread of COVID-19 have resulted in a significant disruption to business operations and a significant increase in economic uncertainty in Argentina and elsewhere, with more volatile commodity prices, currency exchange rates and a marked decline in long-term interest rates. These events have resulted in a volatile and challenging economic climate which has adversely affected the Company's operational results and financial position. The current economic climate is having and may continue to have significant adverse impacts on the Company, which may include, but are not limited to:

- material reductions in revenue and cash flows due to significantly reduced commodity prices;
- material reductions in revenue and cash flows and operating activities due to prolonged closure of offshore loading facilities, international borders and related delivery terminals, reduced capital programs and the shut-in of production, all of which could negatively impact the Company's ability to produce and sell oil;
- inability to access equity and/or debt financing;
- material declines in future revenue, which has resulted in impairment of property and equipment and goodwill and could result in additional impairment of property and equipment; and
- increased risk of non-performance by the Company’s customers which could materially increase collection risk of accounts receivable and the risk of customer defaults on contracts.

The current situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the Company is not known at this time. Estimates and judgements made by management in the preparation of the Company’s March 31, 2020 condensed interim consolidated financial statements are increasingly difficult and subject to a higher degree of measurement uncertainty during this volatile period.

OPERATIONAL UPDATE

TDF Concessions

La Angostura Concession

Oil production has been shut-in since March 24, 2020 due to the September 23, 2019 closure of the offshore loading facilities at Cruz del Sur for repairs and to the March 23, 2020 announcement by Enap, the Chilean state oil company, of the suspension of all oil deliveries at its terminal located at San Gregorio, Magallanes Province, Chile due to an outbreak of COVID-19. Although the Enap terminal is now operational, the Argentina-Chile border remains closed. The San Martin field will remain shut-in until the Company is able to access the Enap terminal and/or maintenance and repair work by YPF at Cruz del Sur have been completed, provided that the resumption of operations would also depend on it being economic to do so. Due to the uncertainty and volatility created by COVID-19, the Company is unable to predict when international borders will open or when the repair work at Cruz del Sur will be completed.

In late January 2020, the water cut from the SM x-1001 oil well had reached approximately 50% of the well’s total fluid production, which had averaged 1,470 (net 511) bbls per day of oil from the upper Tobífera reservoir in December 2019. The well was shut-in and a workover to perforate and test the uppermost Tobífera section approximately 35 m above the original perforated zone was performed in March 2020. During the 24 hour production test, the well flowed at an average rate of 2,010 (net 700) bbls per day of 35 API gravity oil through a 25 mm choke at a flowing well head pressure of 232 psi with no reported water. SM x-1001 was placed back on restricted production on March 18, 2020 at an average rate of 724 (net 251) bbls of oil per day through an 8 mm choke with negligible water cut and a flowing well head pressure of 587 psi. The well was shut-in again on March 24, 2020 as noted above.

See the Liquidity and Capital Resources section of this MD&A.

Las Violetas Concession

Gas production from the Las Violetas concession remained uninterrupted during Q1 2020. No drilling was carried out on the concession during Q1 2020. The workover for gas well LF-1029 is scheduled in the second half of 2020.

Rio Cullen Concession

Gas production from the Rio Cullen concession was shut-in on March 24, 2020 due to reduced commodity prices. The RCx-1002 well was producing an average of 58 mcf per day of natural gas plus 2 bbls of oil per day prior to shut-in.

CLL Permit

Extended production testing of SRM x-1001D was completed in late January 2020. Over a 7-day period, the well produced gas from the Agua de la Piedra Formation (Middle Tertiary) at an average rate of 3.5 mmcf per day at rates varying between 1.25 and 3.54 mmcf per day at flowing well head pressures ranging between 760 and 1,060 psi through choke sizes of 6 mm to 12 mm. The total volume of gas produced during the test period was 9.7 mmcf plus 150 bbls of formation water. Water production during the test period averaged 17 bbls per 1 mmcf of gas. The well remains suspended pending evaluation of commerciality.

As at March 31, 2020, the Company is committed to drilling one exploration well on the CLL Permit before February 23, 2021 under the Period 3 one-year term of the CLL Permit. Under the terms of the CLL Permit, the Company was obliged to relinquish 50% of the acreage outstanding at the end of the Period 2 term (February 23, 2020) at the request of the Province. As at the date of this MD&A, the Province had not yet made a relinquishment request and the CLL Permit area remains at 100,907 acres.

See the Commitments section of this MD&A.

OUTLOOK

Capital Spending

	Previous guidance for 2020	Updated guidance for 2020	Explanation
TDF Concessions ($)	1.4 million	0.9 million	Cancellation of San Martin plant expansion

The Company’s capital spending for fiscal 2020 is budgeted at $0.9 million in TDF based on expenditures for the following proposed activities:

- Perform five well workovers: two in the Los Flamencos field, one in the San Luis field and one in the Rio Chico field of the Las Violetas concession, and one in the La Angostura concession; and
- Other improvements to facilities in TDF.

During Q1 2020, the Company incurred $0.4 million of capital expenditures in TDF on facilities improvements and a workover on SM x-1001 which restored its water-free productivity.

Investment in TDF has been significantly reduced and investment in the CLL Permit has been postponed due to a sharp decline in capital investment in Argentina as a consequence of the impact of the COVID-19 virus on both the Argentina and the global economy.

Crown Point expects to meet these obligations, along with its other anticipated expenses, using cash held in bank accounts, cash flow from operations, new debt and/or equity financings and potential joint venture arrangements. See the Liquidity and Capital Resources section of this MD&A.

Argentina – COVID-19 and Economic Summary

In response to COVID-19, the Government has closed the country’s borders to non-residents. The mandatory quarantine period was extended to June 7, 2020 for Buenos Aires and its outskirts but has been relaxed elsewhere in the country. During this time, economic activity has slowed substantially and inflation rates remain high.

COVID-19 continues to have the potential to further disrupt the Company’s operations, projects and financial condition through, among other things, the disruption of the local or global supply chain and transportation services, or the loss of manpower resulting from quarantines that affect the Company’s labour pools in local communities or operating sites which may require the Company to temporarily reduce or shutdown its operations depending on their extent and severity.

On May 18, 2020, the Government signed a decree to set the price for 34°API Medanito light sweet crude oil at $45 per bbl, establishing a benchmark for the country's other crude grades such as heavy sweet Escalante. The $45 per bbl price will be adjusted for each type of crude oil by quality and other inputs such as loading port and local market factors. The measure, which is not retroactive and will remain in place until the end of the year, is subject to quarterly revisions as long as the Brent price does not exceed $45 per bbl for 10 straight days.

The decree also eliminates export taxes for crude oil, down from 8%, as long as the international crude oil price is at or below $45 per bbl, and mandates that refiners purchase all crude feedstock from domestic producers.

Companies that sell oil under the decree are subject to foreign exchange market restrictions. These restrictions are not expected to impact the Company until the latter part of 2020, depending on whether it is economic for the Company to sell oil and whether the Brent price has exceeded $45 per bbl or the decree price is applied.

Commodity Prices

Oil

Oil from the Company's TDF Concessions is sold at a discount to the Brent price. During Q1 2020, the Company received an average of $43.83 per bbl for its TDF oil.

Natural gas

Crown Point can sell its natural gas production to both industrial and residential consumers. During Q1 2020, the Company received an average of $2.01 per mcf for sales of its TDF natural gas, most of which was sold to the industrial market.

FINANCIAL INFORMATION

SUMMARY OF FINANCIAL INFORMATION

(expressed in $, except shares outstanding)	March 31 2020	December 31 2019	December 31 2018
Working capital (deficit)	1,692,977	1,831,197	(1,562,992)
Exploration and evaluation assets	11,148,166	10,920,359	9,032,994
Property and equipment	21,071,540	31,151,688	54,750,958
Non-current contingent consideration receivable (1)	–	1,634,740	–
Total assets	41,099,119	55,638,052	85,128,625
Non-current financial liabilities (2)	759,409	3,283,943	4,744,616
Share capital	56,456,328	56,456,328	131,745,215
Total common shares outstanding	72,903,038	72,903,038	72,903,038

(expressed in $, except shares outstanding)	Three months ended March 31	
	2020	2019
Oil and natural gas sales revenue	4,320,239	12,012,185
Impairment of property and equipment and goodwill	9,985,549	–
(Loss) income before taxes	(10,811,643)	3,317,053
Net (loss) income	(8,676,550)	2,978,175
Net (loss) income per share (3)	(0.12)	0.04
Net cash (used by) from operating activities	(478,934)	6,050,373
Net cash per share – operating activities (3)	(0.01)	0.08
Funds flow from operating activities (4)	489,957	3,735,080
Funds flow per share – operating activities (3)(4)	0.01	0.05
Weighted average number of shares	72,903,038	72,903,038

(1) The total amount of contingent consideration receivable at March 31, 2020 is $70,116 (December 31, 2019 – $2,367,389), all of which (December 31, 2019 – $732,649) is classified as current.

(2) Non-current financial liabilities are comprised of lease liabilities and the contingent consideration liability. The total amount of lease liabilities at March 31, 2020 is $925,062, of which $165,653 is classified as current (December 31, 2019 – $950,377 of which $171,202 was classified as current). The total amount of contingent consideration liability outstanding at March 31, 2020 is $164,344, all of which is classified as current (December 31, 2019 – $3,652,693, of which $1,147,925 was classified as current).

(3) 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. Per share amounts may not add due to rounding.

(4) "Funds flow from operating activities" and "Funds flow per share – operating activities" are non-IFRS measures. See "Non-IFRS Measures" for a reconciliation of these measures to the nearest comparable IFRS measures.

RESULTS OF OPERATIONS

Results of Operations – TDF

Operating Netback

Per BOE	Three months ended March 31 2020	2019
Oil and gas revenue ($)	27.70	38.46
Export tax ($)	(1.68)	(2.68)
Royalties ($)	(4.11)	(5.65)
Operating costs ($)	(16.16)	(9.37)
Operating netback [(1)] ($)	5.75	20.76

[(1)] "Operating netback" is a non-IFRS measure. See "Non-IFRS Measures".

Variances in the TDF operating netback for Q1 2020 as compared to Q1 2019 are explained by changes in sales volumes and revenues, export taxes, royalties and operating costs as detailed below.

Sales Volumes and Sales Revenues

Sales volumes	Three months ended March 31 2020	2019
Light oil (bbls)	76,763	145,116
NGL (bbls)	274	1,657
Natural gas (mcf)	473,425	993,251
Total BOE	155,942	312,314
Light oil bbls per day	844	1,612
NGL bbls per day	3	18
Natural gas mcf per day	5,202	11,036
Total BOE per day	1,714	3,470

Sales revenue	Three months ended March 31 2020	2019
Light oil ($)	3,364,390	7,968,933
NGL ($)	5,000	24,160
Natural gas ($)	950,849	4,019,092
Total sales revenue	4,320,239	12,012,185
Light oil per bbl ($)	43.83	54.91
NGL per bbl ($)	18.23	14.58
Natural gas per mcf ($)	2.01	4.05
Total sales revenue per BOE ($)	27.70	38.46

TDF Sales Volumes

During Q1 2020, the Company's average daily sales volumes were 1,714 BOE per day, lower than 1,819 BOE per day in Q4 2019 and 3,470 BOE per day in Q1 2019 mainly due to lower production from natural gas wells combined with delivery restrictions at the Cruz del Sur terminal that required the UTE to reduce production volumes from the San Martin oil wells and the shut-in of the San Martin field on March 24, 2020. Lower Q1 2020 daily sales volumes than Q1 2019 daily sales volumes is also due to the sale by the Company of a 16.83% participating interest in the TDF Concessions on April 26, 2019 (the "ROFR Sale") which decreased the Company's working interest in the TDF Concessions from 51.56% to 34.73%.

TDF sales volumes were weighted as follows:

	Three months ended March 31 2020	Three months ended March 31 2019
Light oil	49%	46%
NGL	–	1%
Natural gas	51%	53%
Total	100%	100%

TDF Production Volumes

TDF average daily production volumes for Q1 2020 were 1,673 BOE per day, lower than 1,969 BOE per day in Q4 2019 mainly due to the aforementioned delivery restrictions, and lower than 4,327 BOE per day in Q1 2019 mainly due to the decrease in the Company's working interest in the TDF Concessions and the delivery restrictions.

Production volumes	Three months ended March 31 2020	Three months ended March 31 2019
Light oil (bbls)	73,147	222,432
NGL (bbls)	182	1,537
Natural gas (mcf)	473,425	993,251
Total BOE	152,233	389,511
Light oil bbls per day	804	2,471
NGL bbls per day	2	17
Natural gas mcf per day	5,202	11,036
Total BOE per day	1,673	4,327

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 may be either (1) stored then shipped for sale to the domestic market and/or international brokers for export or (2) trucked and sold to Chile. The sale of crude oil transported by ship from TDF can be impacted by intermittent shipments due to storage levels and weather conditions and/or by delivery restrictions arising as a result of repair and maintenance activities at the shipping terminal. Oil and NGL sales volumes may include both previously inventoried volumes as well as current period production.

For the three months ended March 31	**Oil**				**NGL**			
	2020		**2019**		**2020**		**2019**	
	bbls	bbls per day	bbls	bbls per day	bbls	bbls per day	bbls	bbls per day
Inventory, January 1	40,849		–		1,884		2,884	
Production	73,147	804	222,432	2,471	182	2	1,537	17
Sales	(76,763)	(844)	(145,116)	(1,612)	(274)	(3)	(1,657)	(18)
Inventory, March 31	37,233		77,316		1,792		2,764	

TDF Revenues and Pricing

TDF revenue per BOE earned in Q1 2020 was approximately $27.70 per BOE, lower than TDF revenue per BOE of $33.57 earned in Q4 2019 and lower than $38.46 per BOE earned in Q1 2019 due to an industry-wide decrease in commodity prices.

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. Historically, sales to the residential market earned a lower price than sales to the industrial market. However, in 2019, non-conventional shale gas production by other companies increased dramatically and this increase in production, coupled with a lack of demand due to an economic recession, drove down the industrial market gas price considerably.

The price earned by the Company on TDF natural gas sales in Q1 2020 averaged $2.01 per mcf, comparable to $2.00 per mcf earned in Q4 2019 and lower than $4.05 per mcf earned in Q1 2019. The price of natural gas earned by the Company varies with the composition of sales to the residential and industrial markets and price fluctuations within each market. During Q1 2020, 93% of sales were to the industrial market at an average price of $1.98 per mcf and 7% were to the residential market at an average price of $3.04 per mcf (Q4 2019 – 92% industrial at $1.90 per mcf; 8% residential at $2.95 per mcf; Q1 2019 – 72% industrial at $3.76 per mcf; 28% residential at $3.82 per mcf).

Oil from Crown Point's TDF Concessions earned $43.83 per bbl in Q1 2020, lower than $54.62 per bbl in Q4 2019 and lower than $54.91 per bbl in Q1 2019, due to a decline in the average price of Brent resulting from a drop in global crude oil demand triggered by the impact of the COVID-19 virus on the global economy combined with the impact of the breakdown in negotiations between OPEC and non-OPEC partners regarding proposed production cuts. A subsequent tentative agreement between these countries to reduce crude oil production failed to have a positive impact on crude oil benchmark prices in Q1 2020.

The price earned by the Company on TDF NGL sales was $18.23 per bbl in Q1 2020, lower than $18.75 per bbl in Q4 2019 and higher than $14.58 per bbl received in Q1 2019.

Export Tax

	Three months ended March 31	
	2020	**2019**
Export tax ($)	261,969	836,204
Export tax as a % of oil sales revenue	8%	10%
Export tax per BOE ($)	1.68	2.68

In September 2018, the Government of Argentina imposed a 12% export tax on all goods exported from Argentina, to a maximum of 4 ARS per 1 USD of export sales revenue. In late December 2019, the maximum of 4 ARS per 1 USD of export sales revenue was lifted and the export tax rate was reduced to 8%.

The Company recognizes export taxes related to oil sales to the export market.

Export tax as a percentage of oil sales revenue is lower in Q1 2020 than in Q1 2019 due to the reduction in the export tax rate.

Royalties

	Three months ended March 31	
	2020	**2019**
Provincial royalties ($)	659,408	1,764,170
Royalties as a % of total sales revenue	14.9%	14.7%
Royalties per BOE ($)	4.11	5.65

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.

The royalty rate is higher in Q1 2020 than in Q1 2019 due to oil export sales which although exempt from turnover tax, were lower in Q1 2020 and therefore less export tax was deducted from the Q1 2020 royalty base calculation.

Operating Costs

	Three months ended March 31	
	2020	2019
Production and processing ($)	1,445,922	2,203,316
Transportation and hauling ($)	1,074,440	724,379
Total operating costs ($)	2,520,362	2,927,695
Production and processing per BOE ($)	9.27	7.05
Transportation and hauling per BOE ($)	6.89	2.32
Operating costs per BOE ($)	16.16	9.37

The Company incurs certain fixed operating costs regardless of the quantity of sales volumes. The increase in total operating costs per BOE is partly due to the decline in sales volumes in Q1 2020 as compared to Q1 2019 which results in a higher fixed portion of operating costs per BOE in Q1 2020.

Production and processing costs per BOE are higher in Q1 2020 than in Q1 2019 due mainly to the decline in sales volumes and to higher delivery expenses charged at the terminal which more than offset the lowering of costs resulting from the devaluation of the ARS against the USD. During Q1 2020, the ARS declined 8% against the USD. A portion of the Company's operating costs, including rates for field personnel and trucking, are set and settled in ARS based on the ARS to USD exchange rate at a particular point in time. Rates for field personnel and trucking may be subsequently adjusted in the event of significant changes in the ARS to USD exchange rate.

Transportation and hauling costs consist of contracted services hired to perform vacuum truck and transportation activities for crude oil. Transportation and hauling costs per BOE are higher in Q1 2020 than in Q1 2019 due to the decline in sales volumes and the need to truck oil from the Company's San Martin wells to the Company's TDF facilities for storage. In addition, all oil was trucked to Chile for sale in Q1 2020 due to delivery restrictions at the Cruz del Sur terminal, as compared to Q1 2019 for which only a portion of oil was trucked to Chile for sale.

G&A Expenses

	Three months ended March 31	
	2020	2019
Salaries and benefits ($)	283,514	432,257
Professional fees ($)	206,834	230,288
Office and general ($)	64,669	66,995
Travel and promotion ($)	17,057	43,766
	572,074	773,306

Salaries and benefits are lower in Q1 2020 than in Q1 2019 due to the devaluation of ARS against the USD which resulted in lower salary costs for Argentine employees offset by the cost of 5 new employees hired in mid-2019. In addition Q1 2019 salaries and benefits include bonuses granted to officers and employees.

Professional fees include reserve reports fees, consulting fees for financial reporting and investor relations services, legal and consulting fees related to assistance with the preparation of various documents for regulatory compliance and consulting fees related to geological and engineering assistance. Professional fees are lower in Q1 2020 than in Q1 2019 due mainly to a reduction in geological and engineering consulting fees.

Office and general expenses in Q1 2020 are comparable to Q1 2019.

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 Q1 2020 than in Q1 2019 as there were fewer trips between Argentina and Canada by management.

Depletion and Depreciation

	Three months ended March 31 2020	2019
TDF depletion ($)	2,250,073	2,880,527
Depreciation ($)	45,160	10,616
	2,295,233	2,891,143
TDF depletion rate per BOE ($)	14.43	9.22

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 leasehold improvements and right-of-use assets.

The TDF depletion rate per BOE is higher in Q1 2020 than Q1 2019 due mainly to a decrease in the proved plus probable reserves estimated in the internally prepared mechanical update of the externally prepared December 31, 2019 reserve report as compared to the externally prepared 2018 reserve report. The decrease in proved plus probable reserves in the mechanical update of the externally prepared 2019 reserve report is attributable to the ROFR Sale, a significant reduction in oil prices and domestic gas prices and the absence of a drilling campaign in 2019 to replace 2019 oil and gas production.

Depreciation expense is higher in Q1 2020 than in Q1 2019 due to additions to depreciated assets in the second quarter of 2019.

Share-based Payments

On April 3, 2019, the Company granted 2,175,000 stock options to officers and directors. The stock options are exercisable at CAD$0.75 per share until April 3, 2024 and vest one-third on the grant date and one-third on the first and second anniversaries of the grant date. The grant date fair value of the stock options was estimated to be $661,500 using the Black-Scholes pricing model and is recognized as share-based payment expense over the vesting terms of the stock options.

During Q1 2020, the Company recognized $82,273 of share-based payment expense. As at March 31, 2020, the balance of unvested share-based payments was $112,813.

Foreign Exchange Gain (Loss)

During Q1 2020, the Company recognized a foreign exchange gain of $276,443 compared to a foreign exchange gain of $577,345 during Q1 2019.

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., is the USD. The presentation currency of Crown Point is the USD.

Foreign exchange gains (losses) reported in the consolidated statement of (loss) income and comprehensive (loss) income 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 [(1)] as at:	March 31 2020	December 31 2019
CAD to USD	0.7043	0.7714
ARS to USD	0.0155	0.0167
USD to ARS	64.3841	59.8700

(1) Source OFX (previously known as Canadian Forex Exchange)

In Crown Point, the translation of USD denominated foreign net monetary assets to CAD during Q1 2020 resulted in a foreign exchange gain of approximately $97,175 (Q1 2019 – $24,078 foreign exchange gain).

Notwithstanding that the functional currency of the Company's Argentine subsidiary is the 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 to USD during Q1 2020 resulted in a foreign exchange gain of approximately $179,268 (Q1 2019 – $553,267 foreign exchange gain).

Currency devaluation in Argentina affects the cost of ARS denominated items which are translated to the USD functional currency of the Argentine subsidiary. A portion of TDF operating costs and general and administrative expenses incurred in Argentina are denominated in ARS. During Q1 2020, the devaluation of ARS resulted in lower TDF operating costs and general and administrative expenses incurred in Argentina by approximately 5% (Q1 2019 devaluation of ARS; lower by 9%).

During Q1 2020, 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 $230,000 (Q1 2019 – devaluation of ARS; reduction by approximately $733,000).

The effect of currency devaluation on ARS denominated bank debt during Q1 2020 was a $53,068 reduction in the USD equivalent amount.

Net Finance Expense

During Q1 2020, the Company earned $28,082 of interest income on interest-earning bank accounts compared to $75,172 in Q1 2019.

During Q1 2020, the Company incurred $54,198 of financing fees and bank charges compared to $135,042 in Q1 2019. Financing fees and bank charges result primarily from bank taxes charged in Argentina on cash transfers.

During Q1 2020, the Company recognized $17,785 of interest expense on lease liabilities compared to $26,867 in Q1 2019.

During Q1 2020, the Company incurred $78,982 of interest expense on $681,732 (ARS 44 million) of bank debt obtained in January 2020 compared to $3,069 in Q1 2019 on $1.7 million of bank debt which was repaid on January 10, 2019. See the Liquidity and Capital Resources – Argentina Loans section of this MD&A.

Taxes

	Three months ended March 31	
	2020	**2019**
Current tax expense ($)	–	2,385,846
Deferred tax recovery ($)	(2,135,093)	(2,046,968)
Total tax (recovery) provision ($)	(2,135,093)	338,878

Current tax expense is related to taxable income in Argentina generated by the Company's Argentine subsidiary, Crown Point Energía S.A.

The deferred tax recovery is related to the reduction in the carrying amount of property and equipment and contingent consideration receivable combined with changes in the Company's ARS denominated tax pools and the effect of a reduction in the tax rate applied to certain temporary tax differences and the devaluation of the ARS during the period on the translation of ARS denominated tax pools to USD. As at March 31, 2020, the Company's deferred tax liability was $1,344,630 (December 31, 2019 – $3,479,723).

CAPITAL EXPENDITURES

The Company recognized the following additions in exploration and evaluation ("**E&E**") assets during Q1 2020 and Q1 2019 related to CLL. In the latter part of 2019, the Company drilled two exploration wells, one of which was abandoned after the absence of hydrocarbons was confirmed. $227,807 of expenditures were for production testing of the first exploration well; $141,909 of costs associated with the abandoned well incurred in Q1 2020 have been reclassified to E&E expense in the Q1 2020 consolidated statement of (loss) income and comprehensive (loss) income.

	Three months ended March 31	
	2020	**2019**
CLL cash expenditures ($)	369,716	10,036
Reclassified to exploration and evaluation expense ($)	(141,909)	–
CLL cash expenditures ($)	227,807	10,036

The Company also recognized the following additions to property and equipment assets during Q1 2020 and Q1 2019:

	Three months ended March 31	
	2020	**2019**
TDF drilling and completion ($)	408,872	1,926,466
Corporate assets ($)	4,225	8,268
Cash expenditures ($)	413,097	1,934,734
Right-of-use-assets ($)	–	1,372,612
Decommissioning revisions ($)	–	36,648
	413,097	3,343,994

During Q1 2020, the Company incurred $408,872 of expenditures in the TDF area primarily related to the workover of the SM x-1001 well and facilities improvements.

During Q1 2019, the Company incurred $1,926,466 of expenditures in the TDF area primarily related to the re-fracture stimulations of SM a-1003 and LR x -1001 and installation of an oil pipeline at SM x-1001.

IMPAIRMENT

Indicators of impairment

During Q1 2020, crude oil benchmark prices decreased substantially due to a drop in global crude oil demand triggered by the impact of the COVID-19 virus on the global economy. In March 2020, crude oil prices decreased further due to a breakdown in negotiations between OPEC and non-OPEC partners regarding proposed production cuts. A subsequent tentative agreement between these countries to reduce crude oil production failed to have a positive impact on crude oil benchmark prices in Q1 2020. The recent significant decline in crude oil prices and volatility in the crude oil pricing environment may continue and could impact the Company's earnings and cash flows.

In addition to these factors, one of the Company's wells had a significant increase in its water cut in January 2020 which resulted in a notable decline in oil production. The full impact of the production decline has yet to be assessed. The Company's independent reservoir engineers did not consider this unexpected production decline in their reserve report nor a subsequent workover and recompletion on the aforementioned well which restored its water-free productivity, as these events were subsequent to December 31, 2019 and the effective date of the reserve report. These factors may recur and could impact the Company's earnings, cash flows and valuation of assets.

Property and equipment

The Company identified indicators of impairment, as noted above, in relation to its TDF cash-generating unit ("CGU") as at March 31, 2020 and performed an impairment test. Management estimated the recoverable amount of the TDF CGU based on the higher of fair value less costs of disposal and its value in use. The estimated recoverable amount for the TDF CGU was based on 15% discounted after-tax cash flows expected to be derived from the TDF CGU's proved plus probable reserves using an internally prepared mechanical update of the December 31, 2019 externally prepared reserve report. As at March 31, 2020, the estimated recoverable amount of the TDF CGU was determined to be lower than the carrying amount resulting in $8,250,000 of impairment recognized in the Q1 2020 consolidated statement of (loss) income and comprehensive (loss) income. Impairment of property and equipment may be reversed in future periods if there are indicators of reversal, such as an improvement in commodity price forecasts.

Goodwill

The recoverable amount of goodwill at March 31, 2020 was determined as the fair value less costs of disposal using a discounted cash flow method and was assessed at the CGU level. The Company's key assumptions used in determining the fair value less costs of disposal include discounted net present value of the estimated future cash flows expected to arise from the continued use of the TDF CGU using a 15% discount rate. The impairment test of goodwill at March 31, 2020 concluded that the estimated recoverable amount was lower than the carrying amount resulting in a full write-down of goodwill and $1,736,549 of impairment recognized in the Q1 2020 consolidated statement of (loss) income and comprehensive (loss) income. Goodwill impairment is not reversed.

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 Q1 2020, the Company reported a net loss of $8,676,550 and $489,957 of funds flow provided by operating activities. As at March 31, 2020, the Company had a $1,692,977 working capital surplus (December 31, 2019 – $1,831,197 working capital surplus), including $2,128,054 of cash held in bank accounts.

The Company's capital expenditure budget for fiscal 2020 is $0.9 million, of which $0.4 million was spent in Q1 2020. The capital expenditure budget reflects management's estimate of the minimum amount of capital expenditures necessary to keep the TDF Concessions operating smoothly given the uncertainty of severely depressed commodity prices, commodity price volatility and the impact the COVID-19 virus will have on the Argentine and global economies. The Company expects to meet these obligations, along with its other anticipated expenses, using cash held in bank accounts, cash flow from operations, new debt and/or equity financings and potential joint venture arrangements. For details of the Company's fiscal 2020 capital expenditure program, see the Outlook section of this MD&A.

The Company has future capital commitments to develop its properties as described in the Commitments section of this MD&A. 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.

Contingent Consideration Liability and Receivable

As at December 31, 2019, the Company had a $3,652,693 contingent consideration liability representing the estimated fair value of contingent royalty payments associated with the acquisition of St. Patrick in June 2018. Under the terms of the royalty agreement, the Company will make quarterly payments until December 31, 2027 equal to 10% of the amount by which net revenue (oil and gas revenue less provincial royalties) attributable to St. Patrick's former 25.7796% participating interest in the TDF Concessions for the quarter exceeds certain base net revenue thresholds for such quarter. If in any quarter the net revenues attributable to such participating interest do not exceed the base net revenue threshold for that quarter, then no royalty payment will be payable.

During Q1 2020, the Company made $3,355 of cash royalty payments to the vendor of St. Patrick. As at March 31, 2020, the Company re-measured the fair value of the contingent consideration liability. The forecast net revenues based on the internally prepared mechanical update of the Company's December 31, 2019 externally prepared reserve report do not exceed the base net revenue for future quarters. As a result, the estimated fair value of the contingent consideration liability at March 31, 2020 was $nil resulting in a fair value adjustment of $3,484,994. The $164,344 reported current portion of contingent consideration liability relates to the amount payable for the third quarter of 2019.

As part of the consideration for the disposition of a participating interest in the TDF Concessions pursuant to the ROFR Sale, the purchasers will make future payments to the Company equal to their proportionate share of contingent royalty payments that accrue following closing of the ROFR Sale on April 26, 2019. As at December 31, 2019, the reported amount of the contingent consideration receivable for the purchasers' proportionate share of contingent consideration was $2,367,389.

During Q1 2020, the Company collected $75,232 of cash royalty payments from the purchasers. As at March 31, 2020, the Company re-measured the fair value of the contingent consideration receivable. The forecast net revenues based on the internally prepared mechanical update of the Company's December 31, 2019 externally prepared reserve report do not exceed the base net revenue for future quarters. As a result, the estimated fair value of the contingent consideration receivable at March 31, 2020 was $nil resulting in a fair value adjustment of $2,222,041. The $70,116 reported current portion of contingent consideration receivable related to the amounts receivable for the second and third quarters of 2019.

Argentina Loans

On January 10, 2020, the Company obtained an ARS 44 million ($0.75 million) working capital loan from HSBC Bank Argentina S.A. at an interest rate of 49% per annum, calculated and payable monthly. The loan was to mature on April 10, 2020 but prior to the maturity date it was renewed for an additional 90 days to July 10, 2020. On April 14, 2020, the Company repaid a portion of the loan and renewed the remaining balance. See the Subsequent Event section of this MD&A.

RELATED PARTY TRANSACTIONS

Energía y Soluciones S.A., a company controlled by Gabriel Obrador, who is a director of the Company, owns a 1.46% overriding royalty on revenue earned from the CLL Permit. As of March 31, 2020, and the date of this MD&A, no revenue has been earned from the CLL Permit.

The TDF UTE (of which the Company is a member) sells a portion of natural gas production to Energía y Soluciones S.A., a company controlled by Gabriel Obrador, who is a director of the Company, for which the Company recognized $nil oil and gas revenue in Q1 2020 (Q1 2019 – $53,158 (ARS 2,119,843)) for its working interest share. Included in trade and other receivables as at March 31, 2020 is $nil (December 31, 2019 – $nil) in respect of this revenue.

Mr. Pablo Peralta is a director of the Company and is the President and a director of Liminar Energia S.A. ("**Liminar**") and controls 30% of the voting shares of Liminar. Liminar owns approximately 59.5% of the Company's outstanding common shares. During Q1 2020, the Company was charged $60,000 (Q1 2019 – $nil) by Liminar for legal advisory services pursuant to a services agreement with an effective date of April 1, 2019. Included in trade and other payables as at March 31, 2020 is $24,200 (December 31, 2019 – $24,200) payable to Liminar.

There were no other transactions between the Company and related parties of the Company during Q1 2020.

SUBSEQUENT EVENT

On April 14, 2020, the Company repaid ARS 8.8 million ($0.13 million) of bank debt and renewed the remaining ARS 35.2 million ($0.54 million) at an interest rate of 30% per annum, calculated and payable at maturity on August 12, 2020.

SHARE CAPITAL

Issued and outstanding	Common Shares	Stock Options
December 31, 2019, March 31, 2020 and date of MD&A	72,903,038	2,175,000

DIVIDENDS

The Company did not declare or pay any dividends during Q1 2020. In December 2019, the board of directors suspended the Company's quarterly dividend payment until further notice.

COMMITMENTS

(a) TDF Concessions

As at March 31, 2020, the Company has a 34.73% working interest in the TDF area of Argentina covering approximately 489,000 acres (169,800 net acres) in the Austral Basin and includes the Las Violetas, La Angostura and Rio Cullen exploitation concessions. The term of each concession expires in August 2026. The Company's share of expenditure commitments as at March 31, 2020 with respect to the TDF Concessions are as follows:

Concession	Term of Expenditure Period	Required Expenditure Commitment
Rio Cullen	Until August 2026	$0.62 million, none of which was spent as of March 31, 2020

(b) Cerro De Los Leones Concession

The CLL Permit confers upon its holder 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 CLL 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 as at March 31, 2020 required to be completed during each of the exploration periods:

Period	Term of Exploration Period	Required Work Commitment [1]
Period 3	February 23, 2021 [2]	1 exploration well at an estimated cost of $2.5 million

(1) The required work commitments are expressed as work units in the CLL 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) 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 3 work commitments.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off balance sheet arrangements.

FINANCIAL INSTRUMENTS

The fair values of cash, trade and other receivables and trade and other payables are estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. At March 31, 2020 and December 31, 2019, the fair value of these balances approximated their carrying amount due to their short term to maturity. The fair values of bank debt are based on the discounted present value of future cash flows and approximate carrying amounts and the fair value of the contingent liability is determined using the Black-Scholes pricing model.

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.

SELECTED CONSOLIDATED QUARTERLY INFORMATION

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

Unaudited Three months ended:	March 31 2020	December 31 2019	September 30 2019	June 30 2019	March 31 2019	December 31 2018	September 30 2018	June 30 2018 (Restated)
Working capital ($)	1,692,977	1,831,197	16,099,824	18,120,190	642,453	(1,562,992)	(4,974,493)	(7,626,412)
Oil and natural gas sales revenue ($)	4,320,239	5,840,383	9,595,656	13,749,812	12,012,185	19,406,279	16,560,691	7,158,826
Net income (loss) ($)	(8,676,550)	1,896,669	(319,888)	(3,187,847)	2,978,175	2,567,130	4,074,610	(948,682)
Basic and diluted net income (loss) per share [(1)] ($)	(0.12)	0.03	(0.00)	(0.04)	0.04	0.04	0.06	(0.02)
Net cash from (used by) operating activities ($)	(478,934)	(246,995)	3,752,375	3,629,514	6,050,373	7,713,567	4,516,249	7,366,472
Acquisition of St. Patrick ($)	–	–	–	–	–	–	–	21,744,682
Cash ROFR Sale proceeds ($)	–	–	–	17,536,795	–	–	–	–
Expenditures on property and equipment and E&E assets ($)	782,813	2,809,976	1,809,292	2,024,277	1,944,770	171,576	6,511,775	2,569,933
Total assets ($)	41,099,119	55,638,052	71,480,288	77,223,200	83,390,910	85,128,625	73,197,889	73,946,551
Bank debt ($)	681,732	–	–	–	–	1,700,000	4,000,000	4,000,000

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

Significant quarter-over-quarter variances in net income (loss) and working capital are explained below:

- Working capital decreased in Q1 2020 mainly due to a reduction in the current portion of the net contingent consideration liability offset by bank debt.
- The Company incurred a net loss in Q1 2020 compared to net income in Q4 2019 due to lower oil and natural gas sales revenue and $10 million of impairment related to the TFD CGU and goodwill.
- Working capital decreased in Q4 2019 mainly due to the return of capital payment made to shareholders in December 2019.
- The Company reported net income for Q4 2019 mainly due to a reduction in current tax expense and a recovery of deferred taxes which offset the impact of lower oil and natural gas sales revenue.
- Net loss in Q3 2019 is lower than Q2 2019 mainly due to the loss on disposition of a participating interest in the TDF Concessions recognized in Q2 2019.
- Working capital decreased in Q3 2019 mainly due to the payment of dividends.
- The Company reported a net loss in Q2 2019 mainly due to the loss on the disposition of a participating interest in the TDF Concessions and an increase in tax expense related to the taxation of the ROFR Sale by Argentine tax authorities.
- Working capital improved significantly in Q2 2019 due mainly to the ROFR Sale and funds flow from operating activities.
- Net income in Q1 2019 is comparable to Q4 2018 and is mainly due to results from operating activities, a decrease in finance expenses and recognition of a deferred tax recovery.
- Working capital improved in Q1 2019 due to funds flow from operating activities, the repayment of the loan outstanding as of December 2018 and the decrease in accounts payable.
- Net income decreased in Q4 2018 due to export taxes and the fair value adjustment on the contingent consideration liability which were partially offset by higher sales of oil.
- Working capital deficit improved in Q4 2018 due to increase in cash and trade and other receivables related to the increase in oil sales.

- Net income in Q3 2018 is mainly due to higher sales of oil combined with an increase in the price of oil.
- Working capital improved in Q3 2018 due to the decrease in accounts payable combined with the increase in accounts receivable due to higher sales in Q3 2018.
- Net loss in Q2 2018 is mainly due to transaction costs related to the acquisition of St. Patrick and current tax expense on taxable income in Argentina.
- Working capital deficit increased in Q2 2018 due to the increase in accounts payable related to the drilling campaign, current and withholding taxes payable and the current portion of contingent consideration liability and loans obtained for the acquisition of St. Patrick.

BUSINESS RISKS AND UNCERTAINTIES

Crown Point's production and exploration activities are conducted only 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:

- the risk that global or national health concerns, including the outbreak of pandemic or contagious diseases, such as COVID-19 (coronavirus), may adversely affect us by (i) reducing global economic activity thereby resulting in lower demand for crude oil, NGLs and natural gas, (ii) impairing our supply chain (for example, by limiting the manufacturing of materials or the supply of services used in our operations), and (iii) affecting the health of our workforce and/or the workforce of our suppliers and/or customers, rendering employees unable to work or travel, thereby potentially impacting our ability to produce, transport and/or sell our crude oil, NGLs and natural gas (see also COVID-19 and Argentina – COVID-19 and Economic Summary above);
- risks associated with the ability of OPEC and other oil and gas exporting nations to set and maintain production levels and influence prices for crude oil, including the recent failure of OPEC +, led by Saudi Arabia and Russia, to reach an agreement on constraining crude oil output to support global crude oil prices in the face of lower global demand arising from, among other things, the global response to the COVID-19 pandemic, which in turn resulted in certain OPEC member countries discounting prices on future crude oil deliveries and increasing crude oil supply in to the market;
- 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, significant increases in interest rates, lack of availability of credit, currency fluctuations between the USD, the CDN and the ARS and/or devaluations of the ARS, monetary and currency exchange controls, commodity price controls, export controls, export taxes and changes in royalty and tax rates;
- the risks associated with the recent election of a new President of Argentina and the change of the federal Government of Argentina, including that economic, political and/or regulatory conditions arise as a result that are adverse to the Company and/or the oil and natural gas industry in Argentina;
- the risk that the Company does not resume the payment of a quarterly cash dividend;
- 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, whether due to a change in well performance such as a well beginning to produce a significant amount of water after the effective date of the estimate, a material decline in commodity prices after the effective date of the estimate, or other developments;

- 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 oil and gas interests;
- the impact of work disruption and labour unrest on the Company's operations;
- actions taken by governmental authorities, including increases in taxes, the introduction of new 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, delays arising as a result of the Company's inability to obtain the necessary governmental approvals, including regulatory approvals relating to the protection of the environment, and delays arising as a result of a decline in commodity prices arising as a result of reduced demand for commodities and/or other factors;
- 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, or the need to halt or restrict production while such facilities receive maintenance or repairs or while international borders are closed;
- 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 governments, 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 59.5% of the Company's shares and having 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 and that the liquidity of the Company's common shares may decline;
- risks associated with having two shareholders who control approximately 74.7% of the Company's shares, including that the liquidity of the Company's common shares may decline;
- 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 and acquisitions, 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.

NON-IFRS MEASURES

Non-IFRS measures do not have any standardized meanings prescribed by IFRS and may not be comparable with the calculation of similar measures used by other entities. Non-IFRS measures should not be considered alternatives to, or more meaningful than measures determined in accordance with IFRS as indicators of the Company’s performance.

This MD&A contains the terms “funds flow from (used by) operating activities” and "funds flow per share – operating activities" which should not be considered alternatives to, or more meaningful than, net cash from (used by) operating activities and net cash per share – operating activities as determined in accordance with IFRS as an indicator of the Company’s performance. Management uses funds flow from (used by) operating activities to analyze operating performance and considers funds flow from (used by) operating activities to be a key measure as it demonstrates the Company’s ability to generate cash necessary to fund future capital investment. Funds flow per share – operating activities 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 (used by) operating activities to net cash from (used by) operating activities, which is the most directly comparable measure calculated in accordance with IFRS as follows:

	Three months ended March 31	
	2020	**2019**
Net cash from (used by) operating activities ($)	(478,934)	6,050,373
Changes in non-cash working capital ($)	968,891	(2,315,293)
Funds flow from operating activities ($)	489,957	3,735,080
Weighted average number of shares	72,903,038	72,903,038
Funds flow per share – operating activities ($)	0.01	0.05

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 export tax, royalties and operating costs), which is a non-IFRS measure. See “Results of Operations – Operating Netback” for the calculation of operating netback. 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 that may be used in this MD&A have the meanings set forth below:

3-D	-	three dimensional
API	-	American Petroleum Institute gravity, being an indication of the specific gravity of crude oil measured on the API gravity scale
bbl	-	barrel
bbls	-	barrels
BOE	-	barrels of oil equivalent
km	-	kilometres
km^2	-	square kilometres
mcf	-	thousand cubic feet
mm	-	millimetres
mmcf	-	million cubic feet
NGL	-	natural gas liquids
psi	-	pounds per square inch
Q1	-	three months ended March 31
Q2	-	three months ended June 30
Q3	-	three months ended September 30
Q4	-	three months ended December 31
UTE	-	Union Transitoria de Empresas, which is a registered joint venture contract established under the laws of Argentina
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 mcf of gas 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 price of crude oil as compared to natural gas in Argentina from time to time may be different from the energy equivalency conversion ratio of 6:1, utilizing a conversion on a 6:1 basis may be 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”, "budget" 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 and focus in the TDF Concessions and CLL Permit, and certain planned future operations of the Company in furtherance of the Company's business strategy and focus; under "COVID-19", the anticipated impacts of COVID-19 on the Company; under "Operational Update – TDF Concessions", timing to open the international borders and repair work at Cruz del Sur and the Company's expected timing for workover on LF-1029; under "Operational Update – CLL Permit", the operations that the Company intends to conduct on the CLL Permit and the anticipated timing; under "Outlook – Capital Spending", our estimated capital expenditures for fiscal 2020, the allocation of such capital expenditures in our TDF Concessions, the operational activities that we expect to complete during fiscal 2020, and our expectations for how we will fund our capital programs during these periods; under "Outlook – Argentina – COVID-19 and Economic Summary", potential impacts of COVID-19, expectation that the Company will not be subject to foreign exchange market restrictions under the decree until the latter part of 2020; under "Results of Operations – Royalties", changes in commodity prices may increase royalty rates; under "Results of Operations – Operating Costs", rates for field personnel or trucking may be adjusted in the event of significant changes to the ARS and USD exchange rate; under "Impairment – Indicators of impairment", the decline in crude oil prices and volatility in the crude oil price environment may continue and could impact the Company's earnings and cash flows and the impact on the Company's earnings, cash flows and valuation of assets from the Company's well that had significant increase in its water cut in January 2020; under "Liquidity and Capital Resources", our strategies for managing our liquidity risks, our expectations for how we will fund our capital expenditure program in 2020 and the use of additional cash flow if more of the Company's properties become economic and productive; under "Liquidity and Capital Resources – Contingent Consideration Liability and Receivable", the amount of contingent royalty payment; under "Subsequent Events", the maturity date of the working capital loan from HSBC Bank Argentina S.A.; under "Commitments", the terms of the expenditure commitments in the TDF Concessions and the CLL Permit; and under "Financial Instruments" changes in the economic environment or other conditions on the ability for the Company to collect receivables. 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 (and the duration thereof) that the COVID-19 (coronavirus) pandemic will have on (i) the demand for crude oil, NGLs and natural gas, (ii) our supply chain, including our ability to obtain the equipment and services we require, and (iii) our ability to produce, transport and/or sell our crude oil, NGLs and natural gas; the ability of OPEC+ nations and other major producers of crude oil to reduce crude oil production and thereby arrest and reverse the steep decline in world crude oil prices; when the Company will be able to resume shipments of crude oil via the offshore loading facilities at Cruz del Sur and via truck to Enap and as a result restart production at the San Martin field; the impact of inflation rates in Argentina and the devaluation of the ARS against the USD on the Company; the amount of royalties that the Company will have to pay to the vendor of St. Patrick under the royalty agreement entered in to in connection with the acquisition of St. Patrick; 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 and government price controls thereon); 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; drilling results; the costs of obtaining equipment and personnel to complete the Company’s capital expenditure program; the ability of the operator of the projects which the Company has an interest in to operate the field in a safe, efficient and effective manner; the continued suspension of the Company's quarterly dividend for the foreseeable future; 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 Argentina; 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 National Instrument 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 in the CLL Permit in the Province of Mendoza. Such analogous information has not been prepared in accordance with National Instrument 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.

Initial Production or Test Rates

Any references in this document 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 MD&A, 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.

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.