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, 2021.

This MD&A is dated as of May 11, 2021 and should be read in conjunction with the Company's unaudited March 31, 2021 condensed interim consolidated financial statements and the audited December 31, 2020 consolidated financial statements. The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("**IFRS**").

The Company's 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, 2021 condensed interim consolidated financial statements, audited December 31, 2020 consolidated financial statements and other filings are available on SEDAR at www.sedar.com.

In the following discussion, the three months ended March 31, 2021 may be referred to as "Q1 2021", the comparative three months ended March 31, 2020 may be referred to as "Q1 2020", and the previous three month period ended December 31, 2020 may be referred to as "Q4 2020".

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 three producing basins in Argentina: the Austral basin in the Province of Tierra del Fuego ("**TDF**") and the Neuquén and Cuyo basins, 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. Until March 2021, the Company's production was derived entirely from its participating interest in the Rio Cullen, Las Violetas and La Angostura exploitation concessions in TDF (the "**TDF Concessions**").

In March 2021, the Company was awarded, together with partner Petrolera Aconcagua Energía ("**Aconcagua**"), a 25 year exploitation license for the 40.6 km2 Chañares Herrados ("**CH**") producing oil block (the "**CH Concession**"), located in the Cuyo Basin approximately 50 km south of Mendoza City, Province of Mendoza. The Company and Aconcagua each hold a 50% working interest in the CH Concession, which is operated by Aconcagua. See the "Acquisition of Working Interest" section of this MD&A.

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.

COVID-19

Given the continued global spread of COVID-19 and its variants and the need to implement new and/or continue existing public health measures and restrictions in response to the COVID-19 pandemic, the Company's financial and/or operating performance could be materially adversely impacted by way of, but not limited to:

- economic uncertainty in Argentina and elsewhere;
- volatility in commodity prices, currency exchange rates and interest rates;
- 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 on acceptable terms or at all;
- 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, joint venture partners and other contractual counterparties, which could materially increase collection risk of accounts receivable and the risk of counterparty defaults on contracts.

The partial or complete shut-down of the Company's workplaces (whether in the office or in the field), our employees working remotely, and the implementation of enhanced health and safety measures in the Company's workplaces may reduce the efficiency and increase the costs of our operations and may adversely affect the Company's profitability and results. Further, the increased remote access to our information technology systems may heighten the threat of a cyber-security breach. The COVID-19 pandemic may also increase the Company's exposure to, and magnitude of, some of the risks identified under Business Risks and Uncertainties in this MD&A and in the December 31, 2020 annual MD&A and under Risk Factors in the Company's December 31, 2020 Annual Information Form, which are each available on SEDAR at www.sedar.com.

The duration and extent of the impact from the COVID-19 pandemic remains uncertain and depends on future developments that cannot be accurately predicted at this time, such as i) the severity, transmission rate and resurgence of the COVID-19 virus or any variants thereof, ii) the timing, extent and effectiveness of containment actions, including the approval, availability, effectiveness and distribution rate of vaccines, iii) the speed and extent to which normal economic and operating conditions resume worldwide, and iv) the impact of these and other factors on our stakeholders and other business partners, particularly those upon whom we have a major reliance, including our customers, vendors, lenders, joint venture partners and employees. The circumstances of the COVID-19 pandemic are changing rapidly and future impacts may materialize that are not yet known. There are no comparable recent events that provide guidance as to the effect the COVID-19 pandemic may have in the medium to long-term, and, as a result, the ultimate impact and lasting effects on the Company's business, operations and financial condition, and on the energy industry as whole, are highly uncertain.

Estimates and judgements made by management in the preparation of the Company's March 31, 2021 consolidated financial statements are difficult and subject to a higher degree of measurement uncertainty during this volatile period.

ACQUISITION OF WORKING INTEREST

On March 13, 2021, the Company (50% working interest), together with partner Aconcagua (50% working interest), was awarded a 25 year exploitation license for the 40.6 km^2 CH Concession, located in the Cuyo Basin approximately 50 km south of Mendoza City, Province of Mendoza. Consideration for the exploitation license was a cash payment of $8.33 million ($4.17 million net to Crown Point) to the Province.

Under the terms of the exploitation license agreement, the joint venture will pay a 13% royalty on oil production and commit to an $85.7 million ($42.85 million net to Crown Point) ten-year work program which includes well work overs, infrastructure optimization and a multi- well drilling program.

The acquisition of the 50% working interest in the CH Concession was accounted for as a business combination in accordance with IFRS 3 Business Combinations whereby the assets acquired and liabilities assumed were recorded at their estimated fair values on the acquisition date as follows:

Fair value of net assets:		
Property and equipment	$	15,386,342
Inventory		63,737
Non-current trade and other payables		(129,228)
Decommissioning provision		(166,981)
Deferred tax liability		(2,804,960)
		12,348,910
Gain on acquisition of working interest		(8,182,410)
	$	4,166,500
Consideration:		
Due to the Province of Mendoza (paid April 12, 2021)	$	4,166,500

The CH Concession was revoked by the Province in 2019 when the predecessor concession holder was unable to complete their expenditure commitments and subsequently filed for bankruptcy in 2020. The Company and Aconcagua were awarded the CH Concession in March 2021 through a bid-process that was evaluated based on cash consideration, a committed work program to invest in the Province and the financial and technical ability to complete the work program. As a result, the fair value of net assets acquired is in excess of the cash consideration payable to the Province of Mendoza, thereby resulting in the recognition of an $8.2 million gain on the acquisition of the working interest.

OPERATIONAL UPDATE

TDF Concessions

La Angostura Concession

During Q1 2021, San Martin oil production averaged 1,795 (net 623) bbls of oil per day. Oil is now transported through the newly commissioned Company-owned oil pipeline (the "**San Martin oil pipeline**") connecting the field to the Cruz del Sur facility for storage and subsequent sale.

A workover was performed on SM x-1001 in mid-February to shut off the original perforations at 1910-1913 m with a packer set at 1902 m, and perform an acid stimulation on the upper perforations at 1871-1876 m before placing the well back on stream on February 17, 2021.

Las Violetas Concession

During Q1 2021, natural gas production from the Las Violetas concession averaged 13,054 (net 4,537) mcf per day and oil production averaged 375 (net 130) bbls of oil per day. Oil produced in association with natural gas production is trucked to the San Martin field, blended with San Martin oil and transported via the San Martin oil pipeline to Cruz del Sur for storage and sale.

CH Concession

On March 13, 2021, the Crown Point – Aconcagua joint venture took over operatorship of the CH Concession. By the end of March 2021, workovers on four shut-in oil wells had been carried out and the wells placed back on production. Average oil production for the 18 day period from March 13 to March 31 was 650 (net 325) bbls of oil per day.

CLL Permit

In February 2021, Mendoza Province issued Resolution N°6/2021 which extended the Period 3 term of the CLL Permit by one year to February 23, 2022 and confirmed that the CLL Permit area remains at 100,907 acres. The Company is committed to drilling one exploration well on the CLL Permit by February 22, 2022.

See the Commitments section of this MD&A.

OUTLOOK

Capital Spending

	Previous guidance for 2021	Updated guidance for 2021	Explanation
TDF Concessions ($)	1.6 million	1.6 million	
CH Concession ($)	–	2.7 million	Acquired in March 2021
CLL Permit ($)	2.5 million	2.5 million	
Total capital expenditures ($)	4.1 million	6.8 million	

The Company's capital spending for fiscal 2021 is budgeted at $6.8 million based on expenditures for the following proposed activities:

- $0.8 million in improvements to water handling facilities at San Martin to increase production capacity;
- $0.8 million in other improvements to facilities in TDF;
- $2.5 million to drill one exploration well in CLL; and
- $2.7 million for well workovers, facilities improvements and optimization in CH.

Crown Point expects to fund its capital spending, 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 federal government has closed the country's borders to non-residents. In recent weeks, Argentina has been hard-struck by a second wave of COVID-19 and its variants. The country has been divided into four zones of "epidemiological and sanitary risk", ranging from low, medium, high and alarm, and an 8:00 p.m. curfew is in place, except for essential workers. These new measures are currently expected to be in place until May 21, 2021.

As a result, economic activity remains low 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 shut down its operations depending on their extent and severity.

Commodity Prices

Oil

Oil from the Company's TDF and CH Concessions is sold at a discount to the Brent oil price. During Q1 2021, the Company received an average of $57.50 per bbl for its TDF oil, all of which was exported, and $47.08 per bbl for its CH oil, all of which was sold to the domestic market.

Natural gas

Crown Point can sell its natural gas production to both industrial and residential consumers. During Q1 2021, the Company received an average of $1.80 per mcf for its TDF natural gas, all of which was sold to the industrial market.

FINANCIAL INFORMATION

SUMMARY OF FINANCIAL INFORMATION

(expressed in $, except shares outstanding)	March 31 2021	December 31 2020	December 31 2019
Working capital	4,026,325	3,021,590	1,831,197
Exploration and evaluation assets	11,182,557	11,182,557	10,920,359
Property and equipment	34,002,861	16,358,182	31,151,688
Non-current contingent consideration receivable [1]	–	–	1,634,740
Total assets	56,783,299	33,687,340	55,638,052
Non-current financial liabilities [2]	5,855,917	972,765	3,283,943
Share capital	56,456,328	56,456,328	56,456,328
Total common shares outstanding	72,903,038	72,903,038	72,903,038

(expressed in $, except shares outstanding)	Three months ended March 31	
	2021	2020
Oil and natural gas sales revenue	3,528,369	4,320,239
Gain on acquisition of working interest	8,182,410	–
Impairment of property and equipment and goodwill	–	9,985,549
Income (loss) before taxes	7,583,879	(10,811,643)
Net income (loss)	8,096,106	(8,676,550)
Net income (loss) per share [3]	0.11	(0.12)
Net cash from (used by) operating activities	1,555,521	(478,934)
Net cash per share – operating activities [3]	0.02	(0.01)
Funds flow from operating activities [4]	519,933	489,957
Funds flow per share – operating activities [3][4]	0.01	0.01
Weighted average number of shares	72,903,038	72,903,038

(1) The total amount of contingent consideration receivable at March 31, 2021 is $70,116 (December 31, 2020 – $70,116), all of which is classified as current and was collected subsequent to March 31, 2021.

(2) Non-current financial liabilities are comprised of certain long-term trade and other payables and current taxes, notes payable and lease liabilities. The total amount of lease liabilities at March 31, 2021 is $146,167, of which $30,726 is classified as current (December 31, 2020 – $805,689, of which $166,256 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 (used by) 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

Total Operating Netback

	Three months ended March 31	
Per BOE	2021	2020
Oil and gas revenue ($)	29.93	27.70
Export tax ($)	(1.05)	(1.68)
Royalties ($)	(4.71)	(4.11)
Operating costs ($)	(11.16)	(16.16)
Total operating netback [1] ($)	13.01	5.75

Results of Operations – TDF

Operating Netback

Per BOE	Three months ended March 31 2021	2020
Oil and gas revenue ($)	28.95	27.70
Export tax ($)	(1.05)	(1.68)
Royalties ($)	(4.62)	(4.11)
Operating costs ($)	(10.30)	(16.16)
TDF operating netback [1] ($)	12.98	5.75

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

Variances in the TDF operating netback for Q1 2021 as compared to Q1 2020 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 2021**	**2020**
Light oil (bbls)	43,246	76,763
NGL (bbls)	202	274
Natural gas (mcf)	408,320	473,425
Total TDF BOE	111,501	155,942
Light oil bbls per day	481	844
NGL bbls per day	2	3
Natural gas mcf per day	4,537	5,202
Total TDF BOE per day	1,239	1,714

Sales revenue	**Three months ended March 31 2021**	**2020**
Light oil ($)	2,486,530	3,364,390
NGL ($)	5,751	5,000
Natural gas ($)	735,744	950,849
Total TDF sales revenue	3,228,025	4,320,239
Light oil per bbl ($)	57.50	43.83
NGL per bbl ($)	28.50	18.23
Natural gas per mcf ($)	1.80	2.01
Total TDF sales revenue per BOE ($)	28.95	27.70

TDF Sales Volumes

During Q1 2021, the Company's average daily sales volumes were 1,239 BOE per day, lower than 1,878 BOE per day in Q4 2020 mainly due to lower oil sales caused by shipping delays. Lower Q1 2021 average daily sales volumes than 1,714 BOE per day in Q1 2020 are due to lower production from natural gas wells due to natural decline rates and to lower oil sales due to shipping delays.

TDF sales volumes were weighted as follows:

	Three months ended March 31	
	2021	2020
Light oil	39%	49%
NGL	–	–
Natural gas	61%	51%
Total	100%	100%

TDF Production Volumes

TDF average daily production volumes for Q1 2021 were 1,513 BOE per day, lower than 1,606 BOE per day in Q4 2020 and 1,673 BOE per day in Q1 2020 mainly due to lower production from natural gas wells due to natural decline rates and the workover of the SM x-1001 well in February 2021 which required a temporary shut-in .

Production volumes	Three months ended March 31	
	2021	2020
Light oil (bbls)	67,774	73,147
NGL (bbls)	323	182
Natural gas (mcf)	408,320	473,425
Total BOE	136,150	152,233
Light oil bbls per day	753	804
NGL bbls per day	4	2
Natural gas mcf per day	4,537	5,202
Total BOE per day	1,513	1,673

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. Sales to Chile ceased with the onset of COVID-19 and the closure of the border. 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. As at March 31, 2021, all previously inventoried oil production had been sold as well as a portion of oil produced in Q1 2021, with excess oil production stored in inventory for sale in subsequent months.

For the three months ended	**Oil**				**NGL**			
March 31	**2021**		**2020**		**2021**		**2020**	
	bbls	bbls per day	bbls	bbls per day	bbls	bbls per day	bbls	bbls per day
Inventory, January 1	7,586		40,849		2,064		1,884	
Production	67,774	753	73,147	804	323	4	181	2
Sales	(43,246)	(481)	(76,763)	(844)	(202)	(2)	(274)	(3)
Inventory, March 31	32,114		37,233		2,185		1,791	

TDF Revenues and Pricing

TDF revenue per BOE earned in Q1 2021 was approximately $28.95 per BOE, higher than TDF revenue per BOE of $23.93 earned in Q4 2020 due to an increase in oil sales combined with an increase in oil prices, and higher than $27.70 per BOE earned in Q1 2020 due to an industry-wide increase in crude oil 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 2021 averaged $1.80 per mcf, higher than $1.59 per mcf earned in Q4 2020 and lower than $2.01 per mcf earned in Q1 2020. 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 2021, 100% of sales were to the industrial market at an average price of $1.80 per mcf (Q4 2020 – 100% industrial at $1.59 per mcf; Q1 2020 – 93% industrial at $1.98 per mcf; 7% residential at $3.04 per mcf).

Oil from Crown Point's TDF Concessions earned $57.50 per bbl in Q1 2021, higher than $34.10 per bbl earned in Q4 2020 and $43.83 per bbl earned in Q1 2020 due to an increase in the average price of Brent oil in Q1 2021.

During Q1 2021, the Company earned $28.50 per bbl on TDF NGL sales as compared to $16.59 per bbl earned in Q4 2020 and $18.23 per bbl earned in Q1 2020.

Export Tax

	Three months ended March 31	
	2021	**2020**
Export tax ($)	117,062	261,969
Export tax as a % of TDF oil sales revenue	5%	8%
TDF export tax per BOE ($)	1.05	1.68

The Government of Argentina imposed an export tax on all goods exported from Argentina. The Company recognizes export taxes related to oil sales to the export market.

- For the period January 1 to May 17, 2020, the export tax was 8%.
- In May 2020, a federal government decree set the price for Medanito light sweet crude oil at $45 per bbl (the "**$45 Barril Criollo**") (which was adjusted for each type of crude oil). While the $45 Barril Criollo was in force from May 18 to August 27, 2020, export tax was 0%.
- For the period from August 28, 2020 to March 31, 2021 (and to the present date), the rate of export tax is determined by a formula based on the price of Brent oil, ranging from 0% when the price of Brent oil is at or below $45 per bbl to a maximum of 8% when the price of Brent oil is at or higher than $60 per bbl.

Royalties

	Three months ended March 31	
	2021	**2020**
Provincial royalties ($)	515,320	659,408
Royalties as a % of total TDF sales revenue	16%	15%
TDF royalties per BOE ($)	4.62	4.11

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 March 31	
	2021	**2020**
Production and processing ($)	1,063,557	1,445,922
Transportation and hauling ($)	84,755	1,074,440
Total TDF operating costs ($)	1,148,312	2,520,362
Production and processing per BOE ($)	9.54	9.27
Transportation and hauling per BOE ($)	0.76	6.89
TDF operating costs per BOE ($)	10.30	16.16

The production and processing costs per BOE in Q1 2021 are comparable to those incurred in Q1 2020.

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 substantially lower in Q1 2021 than in Q1 2020 as oil sold in Q1 2021 was transported through the San Martin oil pipeline to the Cruz del Sur facility for storage and subsequent sale, negating the need for trucking and lowering transportation costs. During Q1 2020, all oil was trucked to Chile for sale due to delivery restrictions at the Cruz del Sur terminal.

Gas Processing Income

The Company recognized $45,408 of gas processing income during Q1 2021 as compared to $45,880 during Q1 2020.

Results of Operations – CH

Results of operations for the CH Concession are for the 18-day period from the acquisition date to March 31, 2021.

Operating Netback

	Three months ended March 31	
Per BOE	**2021**	**2020**
Oil revenue ($)	47.08	–
Royalties ($)	(6.16)	–
Operating costs ($)	(26.25)	–
CH operating netback (1) ($)	14.67	–

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

Sales Volumes and Sales Revenues

Sales volumes	Three months ended March 31	
	2021	**2020**
Light oil (bbls)	6,379	–
Total CH BOE per day	71 (1)	–

(1) 71 BOE per day is based on 90 days in Q1 2021; based on 18 days of ownership of the CH Concession from March 13 to March 31, total CH sales volumes were 354 BOE per day.

CH Production Volumes

CH average daily production volumes for Q1 2021 were 65 BOE per day based on 90 days in Q1 2021 and 325 BOE per day based on 18 days of ownership. As at March 31, 2021, the Company had 1,387 bbls of oil inventory from the CH concession.

Sales revenue	Three months ended March 31	
	2021	2020
Total CH oil sales revenue ($)	300,344	–
Total CH oil sales revenue per BOE ($)	47.08	–

Royalties

	Three months ended March 31	
	2021	2020
Provincial royalties ($)	39,324	–
Royalties as a % of total CH sales revenue	13%	–
CH royalties per BOE ($)	6.16	_

Under the terms of the exploitation license agreement, the Company pays a 13% royalty on oil production from the CH Concession.

Operating Costs

	Three months ended March 31	
	2021	2020
Production and processing ($)	167,475	–
Transportation and hauling ($)	– (1)	–
Total CH operating costs ($)	167,475	_
Production and processing per BOE ($)	26.25	–
Transportation and hauling per BOE ($)	– (1)	–
CH operating costs per BOE ($)	26.25	_

(1) Information is not yet available to distinguish transportation and hauling costs from production and processing costs.

The Company and Aconcagua are assessing the operations of the CH Concession and plan to implement procedures to reduce the variable and fixed operating costs. Cost reductions are expected to be realized in the coming months.

G&A Expenses

	Three months ended March 31	
	2021	2020
Salaries and benefits ($)	265,400	283,514
Professional fees ($)	344,099	206,834
Office and general ($)	46,514	64,669
Travel and promotion ($)	16,588	17,057
	672,601	572,074

Salaries and benefits are lower in Q1 2021 than in Q1 2020 due in part to a reduction of certain benefits during the COVID-19 quarantine period which commenced in March 2020 and the devaluation of the 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, 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 higher in Q1 2021 than in Q1 2020 due mainly to legal and other consulting fees related to the proposed Centaurus Energy Inc. acquisition for which negotiations were terminated in February 2021.

Office and general expenses are lower in Q1 2021 than in Q1 2020 due to continued cost-saving efforts.

Depletion and Depreciation

	Three months ended March 31	
	2021	**2020**
TDF depletion ($)	965,966	2,250,073
CH depletion ($)	79,337	–
Depreciation ($)	13,751	45,160
	1,059,054	2,295,233
TDF depletion rate per BOE ($)	8.66	14.43
CH depletion rate per BOE ($)	12.44	–

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 lower in Q1 2021 than in Q1 2020 due mainly to the effect of impairment recognized in 2020 which was partially offset by a decrease of the proved plus probable reserves estimated in the externally prepared December 31, 2020 reserve report as compared to the externally prepared December 31, 2019 reserve report. The decrease in proved plus probable reserves is attributable to a significant reduction in oil prices and domestic natural gas prices, a loss of reserves due to the onset of water production in the SM x-1001 well, and the absence of a drilling campaign in 2020 to replace 2020 oil and gas production.

Depreciation expense is lower in Q1 2021 than in Q1 2020 due to certain assets reaching their fully-depreciated life combined with the termination of equipment leases and related disposition of right-of-use assets in Q1 2021.

Share-based Payments

During Q1 2021, the Company recognized $27,148 (Q1 2020 – $82,273) of share-based payment expense. As at March 31, 2021, the balance of unvested share-based payments was $905.

Foreign Exchange Gain (Loss)

During Q1 2021, the Company recognized foreign exchange loss of $252,800 compared to a $202,490 foreign exchange gain during Q1 2020.

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 2021	December 31 2020
CAD to USD	0.7952	0.7842
ARS to USD	0.0109	0.0119
USD to ARS	91.8000	84.0978

(1) Source OFX

In Crown Point, the translation of USD denominated foreign net monetary liabilities to CAD during Q1 2021 resulted in a foreign exchange loss of approximately $65,506 (Q1 2020 – $97,175 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, accounts payable and bank debt 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 2021 resulted in a foreign exchange loss of approximately $187,294 (Q1 2020 – $105,315 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 the TDF and CH Concessions' operating costs and general and administrative expenses incurred in Argentina are denominated in ARS. During Q1 2021, the devaluation of ARS resulted in lower operating costs and general and administrative expenses incurred in Argentina by approximately 6% (Q1 2020 – devaluation of ARS; lower by 5%).

During Q1 2021, 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 $0.2 million (Q1 2020 – devaluation of ARS; reduction by approximately $0.2 million).

The effect of currency devaluation on ARS denominated bank debt during Q1 2021 was a $124,879 reduction in the USD equivalent amount (Q1 2020 – $53,068 reduction).

Net Finance Expense

	Three months ended March 31	
	2021	**2020**
Interest income ($)	9,074	28,082
Financing fees and bank charges ($)	(77,623)	(54,198)
Interest on bank debt ($)	(111,347)	(78,982)
Interest on notes payable ($)	(3,033)	–
Accretion of decommissioning provision($)	(14,437)	(19,360)
Interest on lease liabilities ($)	(2,846)	(17,785)
Gain on disposition of right-of-use assets and lease liabilities ($)	27,000	–
Net finance expense ($)	(173,212)	(142,243)

Interest income is earned on interest-earning bank accounts and is lower in Q1 2021 than in Q1 2020 due to a decrease in average cash balance during Q1 2021 which was $0.7 million (prior to receipt of $5.4 million of proceeds from notes payable received on March 31, 2021) as compared to $2.4 million during Q1 2020. See the Liquidity and Capital Resources – Notes Payable section of this MD&A.

Financing fees and bank charges result primarily from bank taxes charged in Argentina on cash transfers. Cash transfers were higher in Q1 2021 than in Q1 2020.

Interest on bank debt is higher in Q1 2021 than in Q1 2020 due to an increase in the average amount of debt outstanding of $1.2 million during Q1 2021 compared to $0.3 million during Q1 2020. See the Liquidity and Capital Resources – Argentina Loans section of this MD&A.

During Q1 2021, the operator of the TDF Concessions terminated equipment leases for which the net book value of the related right-of-use assets was $622,866 with a corresponding lease liability of $649,866 resulting in a $27,000 gain reported in net finance expense as well as a reduction in interest on lease liabilities.

Taxes

	Three months ended March 31	
	2021	2020
Current tax ($)		–
Deferred tax recovery ($)	(512,227)	(2,135,093)
Total tax recovery ($)	(512,227)	(2,135,093)

Crown Point Energía S.A. has sufficient non-capital loss and other tax pools available to reduce taxable income in Argentina to $nil. The deferred tax recovery is related to changes in the Company's ARS denominated tax pools combined with 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, 2021, the Company's deferred tax liability was $3,370,947 (December 31, 2020 – $1,078,214).

CAPITAL EXPENDITURES

The Company did not incur any expenditures on exploration and evaluation ("**E&E**") assets related to CLL during Q1 2021. The costs associated with an abandoned well incurred in Q1 2020 were reclassified to E&E expense in the consolidated statement of (loss) income and comprehensive (loss) income.

	Three months ended March 31	
	2021	2020
CLL cash expenditures ($)	–	369,716
Reclassified to exploration and evaluation expense ($)	–	(141,909)
CLL cash expenditures ($)	–	227,807

The Company recognized the following additions (dispositions) to property and equipment assets during Q1 2021 and Q1 2020:

	Three months ended March 31	
	2021	2020
TDF drilling and completion ($)	542,266	408,872
CH drilling and completion ($)	182,667	–
Corporate assets ($)	–	4,225
Cash expenditures ($)	724,933	413,097
Acquisition of working interest ($)	15,386,342	–
Right-of-use-assets ($)	(830,490)	–
Decommissioning revisions ($)	3,426,469	–
	18,707,254	413,097

During Q1 2021, the Company incurred $542,265 of expenditures in the TDF area primarily related to the workover of the SM x-1001 well and facilities improvements and $182,667 of expenditures in the CH area related to well workovers.

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.

IMPAIRMENT

Indicators of impairment – Q1 2020

As at March 31, 2020, the Company identified indicators of impairment related to the decline in crude oil prices and crude oil price volatility due to a drop in global crude oil demand triggered by the impact of the COVID-19 pandemic on the global economy and due to a breakdown in negotiations between OPEC and non-OPEC partners regarding proposed production cuts. 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.

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 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

Due to the identification of indicators of impairment in relation to its TDF CGU during Q1 2020, the Company performed an impairment test of goodwill. The recoverable amount of goodwill at March 31, 2020 based on the fair value less costs of disposal assessed at the CGU level was determined to be lower than the carrying amount of goodwill. 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. In Q1 2020, the Company recognized $1.74 million of impairment in the consolidated statement of (loss) income and comprehensive (loss) income. Goodwill impairment cannot be reversed in future periods.

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 2021, the Company reported net income of $8,096,106, primarily related to the $8,182,410 gain on the acquisition of a 50% working interest in the CH Concession. Net cash provided by operating activities was $1,555,521 and funds flow provided by operating activities during Q1 2021 was $519,933. As at March 31, 2021, the Company had a $4,026,325 working capital surplus (December 31, 2020 – $3,021,590 working capital surplus), including $6,269,672 of cash held in bank accounts.

The Company's capital expenditure budget for fiscal 2021 is estimated to be $6.8 million comprised of $1.6 million for ongoing improvements to facilities in TDF, $2.7 million for well workovers and facilities improvements and optimization in CH and $2.5 million to drill one exploration well in CLL. 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 2021 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.

Argentina Loans

On September 3, 2020, the Company obtained an ARS 35.2 million ($0.47 million) working capital loan from HSBC Bank Argentina S.A. ("HSBC Loan 2") at an interest rate of 38.25% per annum, calculated and payable monthly, with a maturity date of March 2, 2021. On March 3, 2021, the Company repaid the loan in full plus ARS 0.96 million ($0.01 million) of accrued interest.

On August 25, 2020, the Company obtained an ARS 50 million ($0.68 million) working capital loan from Banco Hipotecario ("Banco Hipotecario Loan 3") at an interest rate of 24% per annum. 50% of the loan principal and ARS 3.9 million ($0.05 million) of accrued interest was repaid on December 23, 2020 and the remaining loan principal and ARS 1 million ($11,250) of accrued interest was repaid on February 22, 2021.

On December 17, 2020, the Company obtained an ARS 50 million ($0.60 million) working capital loan from Banco Hipotecario ("Banco Hipotecario Loan 4") at an interest rate of 35% per annum. 50% of the loan principal and accrued interest was repaid on April 16, 2021 and the remaining loan principal and accrued interest will be repaid on June 15, 2021.

On February 19, 2021, the Company obtained an ARS 25 million ($0.28 million) working capital loan from Banco Hipotecario ("Banco Hipotecario Loan 5") at an interest rate of 49.5% per annum. 50% of the loan principal and accrued interest will be repaid on June 19, 2021 and the remaining loan principal and accrued interest will be repaid on August 18, 2021.

On February 23, 2021, the Company obtained an ARS 25 million ($0.28 million) working capital loan from Banco Hipotecario ("Banco Hipotecario Loan 6") at an interest rate of 49.5% per annum. 50% of the loan principal and accrued interest will be repaid on June 23, 2021 and the remaining loan principal and accrued interest will be repaid on August 22, 2021.

Liminar Energia S.A. ("**Liminar**"), the Company's controlling shareholder, has provided a guarantee of the Banco Hipotecario loans described above for which the Company is charged a loan guarantee fee of 1% of the loan balance per annum.

Notes Payable

On March 30, 2021, Crown Point Energía closed on the issuance of $3.38 million principal amount of Class I notes payable and $2.07 million (ARS 190 million) principal amount of Class II notes payable for aggregate gross proceeds of $5.45 million. Class I notes payable are guaranteed, denominated in USD, integrated in ARS at the initial exchange rate and repayable in ARS at the applicable exchange rate. Class II notes payable are guaranteed, denominated in ARS and repayable in ARS.

The notes payable were issued on March 31, 2021, are repayable in eight equal installments commencing on July 1, 2022 until the maturity date of March 31, 2024 and bear interest at 8% per annum and BALDAR Privados (currently 34%) plus 6.75% per annum, respectively, payable quarterly.

As at March 31, 2021, $279,498 (ARS 25.7 million) was reported as restricted cash. The restricted cash is assigned as collateral for the notes payable and has been deposited in a trust account with an Argentine bank, the beneficiary of which is Crown Point Energía. The trust account funds will be invested as prescribed by the related escrow agreement; these funds are restricted and cannot be used by the Company other than for the purpose stated in the escrow agreement. The amount of funds held in trust is based on the Company's estimate of the next upcoming quarterly interest payment. The trust account is required to be in place until the maturity date of the notes payable.

The Company incurred $131,394 of transaction costs directly attributed to the issuance of the notes payable which are net against the debt amount and will be amortized to finance expense over the three year term.

UTE Operator Voluntary Reorganization Proceedings

On November 5, 2020, Roch S.A., the Argentine operator of the UTE governing the TDF Concessions, announced that it had filed for Concurso Preventivo de Acreedores (voluntary reorganization proceedings). Roch S.A. continues to operate the TDF Concessions and there have been no operational disruptions; among other things, oil and natural gas production and sales are continuing in the ordinary course. The Company will continue to monitor Roch S.A.'s voluntary reorganization proceedings with a view to determining what impact, if any, those proceedings might have on the UTE, the TDF Concessions and the Company and what steps, if any, the Company should take in response to the proceedings.

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, 2021, and the date of this MD&A, no revenue has been earned from the CLL Permit.

Mr. Pablo Peralta is a director of the Company and is the President and a director of 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 by Liminar for legal advisory services pursuant to a services agreement with an effective date of April 1, 2019 which was temporarily suspended on March 1, 2020.

From time to time, Liminar, Mr. Peralta and others have guaranteed certain loans obtained by the Company in consideration of a loan guarantee fee. Liminar has provided a guarantee of the Banco Hipotecario loans described under Liquidity and Capital Resources – Argentina Loans, for which the Company is charged a loan guarantee fee of 1% of the loan balance per annum. During Q1 2021, Liminar charged the Company $2,495 (Q1 2020 – $nil) of loan guarantee fees and a $41,665 guarantee fee for a guarantee provided by Liminar in respect of the $4.17 million owed to the Province of Mendoza in connection with the Company's acquisition of the 50% working interest in the CH Concession. Included in trade and other payables as at March 31, 2021 is $44,160 (December 31, 2020 – $nil) payable to Liminar.

There were no other transactions between the Company and related parties of the Company during Q1 2021.

SUBSEQUENT EVENTS

The Company made the $4,166,500 payment to the Province of Mendoza on April 12, 2021. See the Acquisition of Working Interest section of this MD&A.

On April 16, 2021, the Company paid 50% of the Banco Hipotecario Loan 4 comprised of ARS 25 million ($0.27 million) of principal and ARS 5.8 million ($61,991) of accrued interest.

SHARE CAPITAL

Issued and outstanding	Common Shares	Stock Options
December 31, 2020, March 31, 2021 and date of MD&A	72,903,038	2,175,000

COMMITMENTS

TDF Concessions

As at March 31, 2021, the Company’s share of expenditure commitments with respect to the Rio Cullen exploitation concession in TDF is $0.62 million which must be completed by August 2026.

CLL Permit

As at March 31, 2021, the Company’s required work commitment with respect to the CLL Permit is the drilling of one exploration well at an estimated cost of $2.5 million which must be completed by February 22, 2022. Should the Company fail to complete its work commitment 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 work commitment.

CH Concession

As at March 31, 2021, the Company's share of expenditure commitments with respect to the CH Concession is $42.57 million, consisting of a work program for well work overs, infrastructure optimization and a multi-well drilling program to be completed over a ten-year period until March 2031.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off balance sheet arrangements.

FINANCIAL INSTRUMENTS

The fair values of cash, restricted 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, 2021 and December 31, 2020, the fair value of these balances approximated their carrying amount due to their short term to maturity. The fair values of bank debt, notes payable and lease liabilities are based on the discounted present value of future cash flows and approximate 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.

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 2021	December 31 2020	September 30 2020	June 30 2020	March 31 2020	December 31 2019	September 30 2019	June 30 2019
Working capital ($)	4,026,325	3,021,590	714,010	1,525,635	1,692,977	1,831,197	16,099,824	18,120,190
Oil and natural gas sales revenue ($)	3,528,369	4,134,154	2,435,673	949,305	4,320,239	5,840,383	9,595,656	13,749,812
Net income (loss) ($)	8,096,106	(2,071,034)	(1,276,965)	(651,385)	(8,676,550)	1,896,669	(319,888)	(3,187,847)
Basic and diluted net income (loss) per share [(1)] ($)	0.11	(0.03)	(0.02)	(0.01)	(0.12)	0.03	(0.00)	(0.04)
Net cash from (used by) operating activities ($)	1,555,521	(29,704)	26,128	(506,003)	(478,934)	(246,995)	3,752,375	3,629,514
Cash proceeds from sale of working interest ($)	–	–	–	–	–	–	–	17,536,795
Acquisition of working interest ($)	4,166,500	–	–	–	–	–	–	–
Expenditures on property and equipment and E&E assets ($)	724,933	154,169	100,907	110,154	782,813	2,809,976	1,809,292	2,024,277
Total assets ($)	56,783,299	33,687,340	36,976,713	38,136,707	41,099,119	55,638,052	71,480,288	77,223,200
Bank debt ($)	1,169,163	1,330,590	1,672,870	1,209,840	681,732	–	–	–
Notes payable ($)	5,315,426	–	–	–	–	–	–	–

(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 increased in Q1 2021 mainly due to proceeds from the issuance of notes payable.
- The reported net income increased in Q1 2021 mainly due to the recognition of an $8.2 million gain on the acquisition of the working interest in the CH concession.
- Working capital increased in Q4 2020 mainly due to the increase in oil sales and the recovery of current taxes.
- The reported net loss increased in Q4 2020 due mainly to the recognition of $1.5 million of impairment related to the TDF CGU which was offset by the recovery of current taxes.
- Working capital decreased in Q3 2020 mainly due to the increase in bank debt and other current liabilities.
- The reported net loss increased in Q3 2020 mainly due to an increase in depletion and depreciation expense related to higher sales volumes.
- Working capital decreased in Q2 2020 mainly due to the increase in bank debt and the significant decline in oil and natural gas sales revenue.
- The reported net loss decreased in Q2 2020 due to impairment recognized in Q1 2020 offset by

significantly lower oil and natural gas sales revenue and related operating costs.

- 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 the recognition of $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.

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, among other things (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), (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, and (iv) rendering one or more of our customers, joint venture partners and/or other contractual counterparties insolvent or bankrupt and therefore unable to comply with their contractual obligations to us (see also COVID-19 and Argentina – COVID-19 and Economic Summary above);
- risks associated with the voluntary reorganization filing made by Roch S.A., the Argentine operator of the UTE governing the TDF Concessions, including the risk that Roch S.A.'s voluntary reorganization filing has an adverse effect on the UTE, the TDF Concessions and/or the Company;
- risks associated with the ability of OPEC, Russia and other oil and gas exporting nations to set and maintain production levels and influence prices for crude oil. For instance, at the outset of the COVID-19 pandemic, OPEC +, led by Saudi Arabia and Russia, initially failed 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, which contributed to the significant decline in crude oil prices around the globe;
- 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; the potential for a sovereign debt default; 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; commodity price controls; export controls; export taxes; changes in royalty and tax rates; and monetary and currency exchange controls, or exchange restrictions, as further discussed below;
- exchange restrictions imposed by the Central Bank of Argentina on the Company's subsidiaries from time to time, which may restrict, among other things: the payment of dividends and profits to the Company; the repatriation of funds from the Company; payments made to non-residents for the importation of goods; payments made to the Company for the importation of services; the funding of assets located outside of Argentina; and the obligation to settle certain transactions involving the

receipt of foreign funds (i.e. USD) in ARS, including foreign funds obtained from the export of goods such as crude oil; all of which, among other things, may affect the ability of the Company's subsidiaries to obtain the foreign currency necessary to meet its financial obligations;

- 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 inherent in marketing operations, including credit risk;
- the ability to enter into, renew and/or extend leases and/or concessions;
- 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, including the recently completed acquisition of an interest in the CH Concession;
- incorrect assessments of the value of acquisitions, including the recently completed acquisition of an interest in the CH Concession;
- 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 (used by) from operating activities" and "funds flow per share – operating activities" which should not be considered alternatives to, or more meaningful than, net cash (used by) from 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 (used by) from operating activities to analyze operating performance and considers funds flow (used by) from 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 (used by) from operating activities to net cash (used by) from operating activities, which is the most directly comparable measure calculated in accordance with IFRS as follows:

	Three months ended March 31	
	2021	**2020**
Net cash (used by) from operating activities ($)	1,555,521	(478,934)
Changes in non-cash working capital ($)	(1,035,588)	968,891
Funds flow from operating activities ($)	519,933	489,957
Weighted average number of shares	72,903,038	72,903,038
Funds flow per share – operating activities ($)	0.01	0.01

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, as applicable), which is a non-IFRS measure. See "Total Operating Netback", "Results of Operations – TDF – Operating Netback" and "Results of Operations – CH – Operating Netback” for the calculation of operating netbacks. 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
m	-	meters
m^3	-	cubic meters
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
WI	-	working interest
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", "outlook" 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, the CH Concession and the CLL Permit, future operations to be conducted by the Company in furtherance of such business strategy and focus, and the Company's expectations of the benefits to be derived from such business strategy and focus and related future operations; under "COVID-19", the potential impacts of COVID-19 and the current economic climate on the Company going forward; under "Operational Update", the Company's plans for future operations on its TDF Concessions, CH Concession and CLL Permit; under "Outlook – Capital Spending", our estimated capital expenditure budget for fiscal 2021, the capital expenditures that we intend to make in our TDF Concessions, CH Concession and CLL Permit, and our expectations for how we will fund our capital expenditures and other expenses during such periods; under "Outlook – Argentina – COVID-19 and Economic Summary", the various ways in which COVID-19 might disrupt the Company and the impact such disruptions might have on the Company; under "Results of Operations – CH", the Company's ability to reduce the operating costs at CH and the timing thereof; under "Liquidity and Capital Resources", our strategies for managing our liquidity risks, our capital expenditure budget for fiscal 2021 and the expenditures we expect to make at TDF, CH and CLL, and our expectations for how we will fund our capital expenditure program and other expenses; and under "Business Risks and Uncertainties", the business risks and uncertainties that we face and the potential impact such risks may have on the Company. 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. 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.

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, (iii) our ability to produce, transport and/or sell our crude oil, NGLs and natural gas, and (iv) the ability of our customers, joint venture partners and other contractual counterparties to comply with their contractual obligations to us; the ability and willingness of OPEC+ nations, Russia and other major producers of crude oil to reduce crude oil production and thereby sustain higher global crude oil prices; that Roch S.A.'s voluntary reorganization filing will not have an adverse impact on its ability to operate the TDF Concessions, and therefore will not have an adverse impact on the UTE, the TDF Concessions and/or the Company; matters relating to the recently completed acquisition of our 50% interest in the CH Concession, including the amount and timing of capital expenditures thereon, production rates therefrom and revenues to be derived therefrom; the impact of inflation rates in Argentina and the devaluation of the ARS against the USD on the Company; 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 operators of the projects which the Company has an interest in to operate the fields in a safe, efficient and effective manner; that the Company will not pay dividends 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.

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.