CROWN POINT ENERGY INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("**MD&A**") of the consolidated financial results of Crown Point Energy Inc. ("**Crown Point**" or the "**Company**") is at and for the three and six months ended June 30, 2022.

This MD&A is dated as of August 10, 2022, was reviewed and approved by the Board of Directors and should be read in conjunction with the Company's unaudited June 30, 2022 condensed interim consolidated financial statements and the audited December 31, 2021 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.

Throughout this MD&A and in other materials disclosed by the Company, we adhere to IFRS, however the Company also employs certain non-IFRS measures to analyze financial performance, financial position, and cash flow, including "operating netback". Additionally, other financial measures are also used to analyze performance. These non-IFRS and other financial measures do not have any standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures provided by other issuers. The non-IFRS and other financial measures should not be considered to be more meaningful than financial measures which are determined in accordance with IFRS, such as net income (loss), oil and natural gas sales revenue and net cash provided by (used in) operating activities, as indicators of our performance. This MD&A also contains oil and natural gas information, abbreviations and forward-looking information relating to future events and the Company's future performance. Please refer to "Non-IFRS and Other Financial Measures", "Abbreviations and BOE Presentation" and "Advisories" sections at the end of this MD&A for further information.

Additional information relating to Crown Point, including Crown Point's unaudited June 30, 2022 condensed interim consolidated financial statements, audited December 31, 2021 consolidated financial statements and other filings are available on SEDAR at www.sedar.com.

In the following discussion, the three and the six months ended June 30, 2022 may be referred to as "Q2 2022" and "the June 2022 period", respectively, and as "the 2022 periods" collectively. The comparative three and six months ended June 30, 2021 may be referred to as "Q2 2021" and "the June 2021 period", respectively, and as "the 2021 periods", collectively. The previous three month period ended March 31, 2022 may be referred to as "Q1 2022".

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 and Mendoza through exploration and development drilling supplemented by recompletion and fracture stimulation of select older producing wells. The Company's production is derived from its participating interest in the Rio Cullen, Las Violetas and La Angostura exploitation concessions in TDF (the "**TDF Concessions**") and the Chañares Herrados concession in Mendoza (the "**CH Concession**" or "**CH**").

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.

OPERATIONAL UPDATE

TDF Concessions

In March 2022, YPF, operator of the Cruz del Sur offshore loading facility (the “CdS Terminal”), announced the immediate closure of the CdS Terminal due to technical difficulties. The CdS Terminal is now used for storage purposes only.

Crown Point, together with its joint venture partners and YPF are constructing a 23 km 4 inch oil pipeline to connect the Cruz del Sur oil storage facility and the San Martin oil field with the Total Austral operated Rio Cullen marine terminal. In the interim, the UTE has arranged to export oil by truck to the Enap refinery at San Gregorio, Chile and to the Total Austral operated Rio Cullen marine terminal in TDF. The sales price at both San Gregorio and Rio Cullen is indexed to the Brent oil price.

During Q2 2022, San Martin oil production averaged 1,716 (net 583) bbls of oil per day. Completion and flow testing of SM a-1004, drilled in Q1 2022 and located on the western crest of the San Martín high, was carried out between March 22 and May 11. During June 2022, SM a-1004 produced an average of 736 (net 256) bbls of oil per day. Additionally, a workover was performed on the SM.x-1003 well to test the Springhill sands formation and the well entered production in late June 2022.

During Q2 2022, natural gas production from the Las Violetas concession averaged 12,107 (net 4,162) mcf per day and oil production averaged 313 (net 108) bbls of oil per day. Drilling operations on the LV-118(h) well, a 700 meter lateral horizontal well located in the northeast corner of the concession spud in during Q1 2022, were halted on May 3 after an obstruction was encountered in the cased horizontal build section at a depth of 1,720 meters. Repairs on LV-118(h) are planned in Q3 2022 to find out the causes of obstruction and further develop the perforation and completion plan.

CH Concession

During the June 2022 period, the UTE carried out workovers on five shut-in oil wells and performed three extractive system enhancements. Oil production for Q2 2022 averaged 1,081 (net 541) bbls of oil per day.

CLL Permit

The directional well, CPE.MdN.VS.xp-3(d), was drilled and cased in Q1 2022 after encountering 8 volcanic sills with oil shows and increased mud gas in the Mendoza Group, and log indicated gas bearing zones in the overlying Neuquén Group sandstones. Subsequent acid stimulation and swabbing of the volcanic sills recovered uneconomic amounts of oil with water. The well has been suspended pending testing of the gas bearing sandstone layers in the Neuquén Group in Q3 2022.

OUTLOOK

Capital Spending – Developed and Producing Assets included in Property and Equipment

	Previous guidance for 2022	Updated guidance for 2022	Explanation
TDF Concessions ($)	5.1 million	6.0 million	Updated estimate of oil field pipeline costs
CH Concession ($)	2.1 million	3.2 million	Updated estimates of workover costs and costs related to re-scheduling certain activities
	7.2 million	9.2 million	

The Company’s capital spending on developed and producing assets for fiscal 2022 is budgeted at approximately $9.2 million comprised of $6.0 million in TDF and $3.2 million in CH based on expenditures for the following proposed activities:

- $1.8 million to drill one horizontal well in the Las Violetas Concession;
- $1.6 million to drill one vertical well in the San Martin structure;
- $0.5 million to complete the construction of an oil field pipeline to a new delivery point at the Cullen terminal operated by Total Austral, located in the north of TDF;
- $2.1 million in other improvements to facilities in TDF; and
- $3.2 million for well workovers, extractive system enhancements, facilities improvements and optimization in CH.

During the June 2022 period, the Company incurred $4.5 million in the TDF area and $1.7 million in the CH area.

Capital Spending – Exploration and Evaluation Assets

	Previous guidance for 2022	Updated guidance for 2022	Explanation
CLL Permit ($)	2.7 million	3.3 million	Completion and testing of the gas bearing sandstone layers of the Neuquén Group

The Company's capital spending on exploration and evaluation assets for fiscal 2022 was originally budgeted at $2.7 million to drill and complete one exploration well in CLL of which $2.5 million was incurred during the June 2022 period. The updated guidance includes capital spending for the testing of the gas bearing sandstone layers of the Neuquén Group.

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 – Economic Summary

The Board of Directors of the International Monetary Fund ("IMF") approved the quarterly targets committed to by Argentina pursuant to the 30-month arrangement under an Extended Fund Facility ("EFF") and determined that the Q1 2022 targets had been met. Despite this short-term achievement, it is doubtful that the Q2 2022 targets will be met as increased government spending makes deficit reductions unattainable and makes the Central Bank unable to accumulate international reserves. The inflation rate has accelerated in recent months, reaching 36.2% for the first six months of 2022 and 64% during the 12 months ended June 30, 2022.

Argentina is currently evaluating whether a waiver request or a reformulation of quarterly targets can be agreed with the IMF.

Commodity Prices

Oil from the Company's TDF Concession is sold at a discount to the Brent oil price. Oil from the Company's CH Concession is sold at a price negotiated with the customer. During Q2 2022, the Company received an average of $109.62 per bbl for its TDF oil, all of which was exported, and $61.20 per bbl for its CH oil, all of which was sold to the domestic market.

Crown Point can sell its natural gas production to both industrial and residential consumers. During Q2 2022, the Company received an average of $4.99 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)	June 30 2022	December 31 2021	December 31 2020
Current assets	12,088,079	10,261,684	6,141,993
Current liabilities	(17,249,815)	(7,335,026)	(3,120,403)
Working capital [(3)]	(5,161,736)	2,926,658	3,021,590
Exploration and evaluation assets	14,680,286	12,210,949	11,182,557
Property and equipment	38,217,103	35,536,342	16,358,182
Total assets	65,277,006	58,308,535	33,687,340
Non-current financial liabilities [(1)(3)]	2,894,675	3,803,031	972,765
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 June 30		Six months ended June 30	
	2022	2021	2022	2021
Oil and natural gas sales revenue	8,214,263	7,849,780	13,702,094	11,378,149
Gain on acquisition of working interest	–	–	–	8,182,410
(Loss) income before taxes	(400,454)	669,772	(2,055,527)	8,253,651
Net (loss) income	(667,490)	(472,492)	(2,267,425)	7,623,614
Net (loss) income per share [(2)]	(0.01)	(0.01)	(0.03)	0.10
Net cash (used by) from operating activities	(1,553,129)	785,714	(1,585,363)	2,341,235
Net cash per share – operating activities [(2)(3)]	(0.02)	0.01	(0.02)	0.03
Funds flow from operating activities	1,646,589	2,776,872	1,693,274	3,286,805
Funds flow per share – operating activities [(2)(3)]	0.02	0.04	0.02	0.05
Weighted average number of shares – basic	72,903,038	72,903,038	72,903,038	72,903,038
Weighted average number of shares – diluted	72,903,038	72,903,038	72,903,038	72,985,633

(1) Non-current financial liabilities are comprised of the non-current portions of trade and other payables, taxes, notes payable and lease liabilities. The total amount of notes payable at June 30, 2022 is $5,075,463, of which $2,662,620 is classified as current (December 31, 2021 – $5,379,245 of which $2,169,965 is classified as current). The total amount of lease liabilities at June 30, 2022 is $254,313 of which $66,744 is classified as current (December 31, 2021 – $319,913, of which $76,900 was classified as current). The total amount of contingent consideration liability included in current trade and other payables at June 30, 2022 is $406,963 (December 31, 2021 – $81,259).

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

(3) "Working capital" is a capital management measure. "Non-current financial liabilities" is a supplemental financial measure. "Net cash per share – operating activities" is a supplemental financial measure. "Funds flow per share – operating activities" is a supplemental financial measure. See "Non-IFRS and Other Financial Measures" for additional disclosures.

RESULTS OF OPERATIONS

Operating Netback

	Three months ended June 30		Six months ended June 30	
	2022	2021	2022	2021
Oil and natural gas sales revenue ($)	8,214,263	7,849,780	13,702,094	11,378,149
Export tax ($)	(285,561)	(352,454)	(421,536)	(469,516)
Royalties and turnover tax ($)	(1,303,129)	(1,324,582)	(2,153,328)	(1,879,226)
Operating costs ($)	(3,741,716)	(2,871,257)	(6,525,506)	(4,187,044)
Operating netback [(1)] ($)	2,883,857	3,301,487	4,601,724	4,842,363

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

Per BOE, except total BOE sales volumes	Three months ended June 30		Six months ended June 30	
	2022	2021	2022	2021
Total BOE sales volumes	134,038	177,634	262,317	295,514
Oil and natural gas sales revenue ($)	61.28	44.19	52.23	38.50
Export tax ($)	(3.32)	(2.51)	(2.59)	(1.86)
Royalties and turnover tax ($)	(9.72)	(7.46)	(8.21)	(6.36)
Operating costs ($)	(27.92)	(16.16)	(24.88)	(14.17)
Operating netback [1] ($)	20.32	18.06	16.55	16.11

[1] "Operating netback per BOE" is a non-IFRS ratio. See "Non-IFRS and Other Financial Measures".

Variances in the operating netback for Q2 2022 as compared to Q2 2021 are explained by changes in sales volumes and revenues, export taxes, royalties and turnover tax and operating costs as detailed below.

Sales Volumes and Sales Revenues

Sales volumes	Three months ended June 30		Six months ended June 30	
	2022	2021	2022	2021
Light oil (bbls)	81,757	113,896	154,143	163,520
NGL (bbls)	738	1,014	1,239	1,216
Natural gas (mcf)	309,259	376,344	641,609	784,665
Total BOE	134,038	177,634	262,317	295,514
Light oil bbls per day	898	1,252	852	903
NGL bbls per day	8	11	7	7
Natural gas mcf per day	3,398	4,136	3,545	4,335
Total BOE per day	1,472	1,952	1,450	1,633

Sales revenue	Three months ended June 30		Six months ended June 30	
	2022	2021	2022	2021
Light oil ($)	6,635,821	6,510,716	11,159,249	9,297,590
NGL ($)	35,529	34,338	57,542	40,089
Natural gas ($)	1,542,913	1,304,726	2,485,303	2,040,470
Total sales revenue	8,214,263	7,849,780	13,702,094	11,378,149
Light oil per bbl ($)	81.17	57.16	72.39	56.86
NGL per bbl ($)	48.14	33.86	46.44	32.97
Natural gas per mcf ($)	4.99	3.47	3.87	2.60
Total sales revenue per BOE ($)	61.28	44.19	52.23	38.50

Sales Volumes

During Q2 2022, the Company's average daily sales volumes were 1,472 BOE per day, higher than 1,425 BOE per day in Q1 2022 mainly due to the restart of exports in TDF from May 2022. Lower Q2 2022 average daily sales volumes than 1,952 BOE per day in Q2 2021 were due to lower volumes of oil that can be exported to Chile by trucks caused by the shut-in of the CdS Terminal in March 2022.

Sales volumes were weighted as follows:

	Three months ended June 30		Six months ended June 30	
	2022	**2021**	**2022**	**2021**
Light oil	61%	64%	59%	55%
NGL	1%	1%	0%	1%
Natural gas	38%	35%	41%	44%
Total	100%	100%	100%	100%

Production Volumes

Average daily production volumes for Q2 2022 were 1,808 BOE per day, higher than 1,733 BOE per day in Q1 2022 mainly due to the increase in TDF production related to the SM a-1004 well and lower than 1,836 BOE per day in Q2 2021 due to natural decline rates on older natural gas and oil wells.

Production volumes	Three months ended June 30		Six months ended June 30	
	2022	**2021**	**2022**	**2021**
Light oil (bbls)	112,304	103,340	212,535	176,972
NGL (bbls)	738	1,039	1,165	1,362
Natural gas (mcf)	309,259	376,344	641,609	784,665
Total BOE	164,585	167,103	320,635	309,112
Light oil bbls per day	1,234	1,136	1,174	978
NGL bbls per day	8	11	6	8
Natural gas mcf per day	3,398	4,136	3,545	4,335
Total BOE per day	1,808	1,836	1,772	1,708

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 production from CH may be stored and then trucked to the delivery point in Tupungato, Mendoza.

Oil and NGL sales volumes may include both previously inventoried volumes as well as current period production.

As at June 30, 2022, all previously inventoried oil production had been sold as well as a portion of oil produced in Q2 2022, with excess oil production stored in inventory for sale in subsequent months.

For the six months ended	**Oil**				**NGL**			
June 30	**2022**		**2021**		**2022**		**2021**	
	bbls	bbls per day	bbls	bbls per day	bbls	bbls per day	bbls	bbls per day
Inventory, January 1	8,480		7,586		2,298		2,064	
CH acquisition, March 13	–		1,910		–		–	
Production	212,535	1,174	176,972	978	1,165	6	1,362	8
Sales	(154,144)	(852)	(163,521)	(903)	(1,239)	(7)	(1,216)	(7)
Inventory, June 30	66,871		22,947		2,224		2,210	

Revenues and Pricing

Revenue per BOE earned in Q2 2022 was approximately $61.28 per BOE, higher than revenue per BOE of $42.78 earned in Q1 2022 and $44.19 per BOE earned in Q2 2021 due to an increase in oil and natural gas prices received in Q2 2022.

The price earned by the Company on TDF natural gas sales in Q2 2022 averaged $4.99 per mcf, higher than $2.84 per mcf earned in Q1 2022 and higher than $3.47 per mcf earned in Q2 2021. The price of natural gas earned by the Company varies with the composition of sales to the residential and industrial markets, price fluctuations within each market, and by seasonal demand. 100% of sales were to the industrial market in Q2 2022, Q1 2022, and Q2 2021

Oil from Crown Point's concessions earned $81.17 per bbl in Q2 2022, higher than $62.49 per bbl in Q1 2022 due to an increase in oil volumes exported in Q2 2022 by trucks to Chile after the shut-in of the CdS Terminal, and higher than $57.16 per bbl in Q2 2021 due to increases in the price of Brent oil.

During Q2 2022, the Company earned $48.14 per bbl on TDF NGL sales as compared to $43.98 per bbl earned in Q1 2022 and $33.86 per bbl earned in Q2 2021*.*

Export Tax

	Three months ended June 30		Six months ended June 30	
	2022	**2021**	**2022**	**2021**
Export tax ($)	285,561	352,454	421,536	469,516
Export tax as a % of TDF oil sales revenue	8%	8%	8%	7%
TDF export tax per BOE ($)	8.47	4.61	7.76	3.92

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

	Three months ended June 30		Six months ended June 30	
	2022	**2021**	**2022**	**2021**
Provincial royalties and turnover tax ($)	1,303,129	1,324,582	2,153,328	1,879,226
Royalties and turnover tax as a % of total sales revenue	15.9%	16.9%	15.7%	16.5%
Royalties and turnover tax per BOE ($)	9.72	7.46	8.21	6.36

The base royalty rate for revenue from the TDF Concessions is 15% plus turnover tax 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.

Under the terms of the CH exploitation license agreement, the Company pays a 13% royalty on oil production from the CH Concession plus turnover tax at an average rate of 3% on revenues.

Operating Costs

	Three months ended June 30		Six months ended June 30	
	2022	2021	2022	2021
Production and processing ($)	3,136,229	2,605,719	5,641,889	3,836,751
Transportation and hauling ($)	605,487	265,538	883,617	350,293
Total operating costs ($)	3,741,716	2,871,257	6,525,506	4,187,044
Production and processing per BOE ($)	23.40	14.67	21.51	12.98
Transportation and hauling per BOE ($)	4.52	1.49	3.37	1.19
Operating costs per BOE ($)	27.92	16.16	24.88	14.17

Production and processing costs per BOE in Q2 2022 and in the June 2022 period are higher than those incurred in Q2 2021 and in the June 2021 period, mainly due to cost increases related to labor and supervision and repair and maintenance.

Transportation and hauling costs consist of contracted services hired to perform vacuum truck and transportation activities for crude oil. Transportation and hauling cost per BOE are higher in Q2 2022 and in the June 2022 period than in Q2 2021 and in the June 2021 period mainly due to the cost of trucking oil to the Enap refinery at San Gregorio, Chile.

Gas Processing Income

During Q2 2022 and the June 2022 period, the Company recognized $36,605 and $100,656, respectively, of gas processing income as compared to $66,629 and $112,037during Q2 2021 and the June 2021 period, respectively.

G&A Expenses

	Three months ended June 30		Six months ended June 30	
	2022	2021	2022	2021
Salaries and benefits ($)	444,589	379,096	1,072,729	644,496
Professional fees ($)	250,152	220,582	410,717	564,681
Office and general ($)	155,513	78,622	223,333	125,136
Travel and promotion ($)	62,991	28,796	104,812	45,384
	913,245	707,096	1,811,591	1,379,697

Salaries and benefits are higher in Q2 2022 and the June 2022 period than in Q2 2021 and the June 2021 period due to the effect of salary increases and bonuses granted in Q2 2022 and due to the retirement allowance paid pursuant to the terms of the employment agreement with the former President and Chief Executive Officer who retired in March 2022.

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 Q2 2022 than in Q2 2021 due to consulting fees rate increases. Professional fees are lower in the June 2022 period than in the June 2021 period as the June 2021 period includes legal and other consulting fees related to a proposed acquisition that was terminated in February 2021.

Office and general expenses are higher in Q2 2022 and the June 2022 period than in Q2 2021 and the June 2021 period due to inflationary increases in both Canada and Argentina.

Travel and promotion expenses are higher in Q2 2022 and the June 2022 period than in Q2 2021 and the June 2021 period due to an increase in travel following the relaxation of COVID-19 restrictions.

Depletion and Depreciation

	Three months ended June 30		Six months ended June 30	
	2022	2021	2022	2021
Depletion ($)	1,472,288	1,679,892	2,889,999	2,725,195
Depreciation ($)	22,382	19,059	44,436	32,810
	1,494,670	1,698,951	2,934,435	2,758,005
Depletion rate per BOE ($)	11.15	9.56	11.19	9.33

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 depletion rate per BOE is higher in the 2022 periods than in the 2021 periods due mainly to the decrease of the proved plus probable reserves of the TDF concessions. The decrease in TDF proved plus probable reserves is attributable to the onset of water production in the SM x-1002 well.

Depreciation expense is higher in the 2022 periods than the 2021 periods due to depreciable asset additions in the latter part of 2021 and in Q2 2022.

Fair Value Adjustment of Contingent Consideration

A reconciliation of the contingent consideration (liability) receivable is as follows:

	Liability	Receivable	Net
Balance, December 31, 2021	(81,259)	53,034	(28,225)
Fair value adjustment	(325,704)	212,563	(113,141)
Balance, June 30, 2022	$ (406,963)	$ 265,597	$ (141,366)

Contingent consideration liability

Pursuant to the 2018 acquisition of St. Patrick Oil & Gas S.A. (formerly Apco Austral S.A.) ("**St. Patrick**"), the Company makes quarterly payments to the vendor until December 31, 2027 equal to 10% of the amount by which net revenue (oil and gas revenue less provincial royalties) received by the Company in respect of St. Patrick's 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 received by the Company in respect of St. Patrick's participating interest do not exceed the base net revenue threshold for that quarter, then no royalty payment will be payable.

The forecast net revenues based on the externally prepared December 31, 2021 reserve report did not exceed the base net revenue for future quarters. As a result, the estimated fair value of the contingent consideration liability at December 31, 2021 was $nil.

As at June 30, 2022, the Company estimated a contingent consideration liability related to the current year of $406,963 and it is included in trade and other payables.

Contingent consideration receivable

As part of the consideration for the disposition of a 16.8251% participating interest in the TDF Concessions to its UTE partners in April 2019 (the "**ROFR Sale**"), the UTE partners make payments to the Company equal to their proportionate share of contingent royalty payments that accrue following the closing of the ROFR Sale.

The forecast net revenues based on the externally prepared December 31, 2021 reserve report did not exceed the base net revenue for future quarters. As a result, the estimated fair value of the contingent consideration receivable at December 31, 2021 was $nil.

As at June 30, 2022, the Company estimated a contingent consideration receivable related to the current year for an amount of $265,597 and it is included in trade and other receivables.

Share-based Payments

During Q2 2022 and the June 2022 period, the Company recognized $24,058 and $54,796 (Q2 2021 and the June 2021 period – $97,169 and $124,317), respectively, of share-based payment expense.

As at June 30, 2022, the balance of unvested share-based payments was $37,529.

Foreign Exchange Gain (Loss)

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 as at:	June 30 2022	December 31 2021
CAD to USD (1)	0.7768	0.7901
ARS to USD (2)	0.0080	0.0098
USD to ARS (2)	125.13	102.62

(1) Source OFX (2) Source BNA (National Bank of Argentina)

In Crown Point, the translation of USD denominated foreign net monetary liabilities to CAD during the June 2022 period resulted in a foreign exchange gain of approximately $71,100 (June 2021 period – $70,400 foreign exchange loss).

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, bank debt and notes 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 the June 2022 period resulted in a foreign exchange loss of approximately $466,300 (June 2021 period – $48,800 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 the June 2022 period, the devaluation of ARS resulted in lower operating costs and general and administrative expenses incurred in Argentina by approximately 11% (June 2021 period – devaluation of ARS; lower by 8%).

During the June 2022 period, the devaluation of ARS resulted in a reduction in the USD equivalent of ARS denominated foreign currency denominated financial instruments, excluding bank debt and notes payable, by approximately $0.3 million (June 2021 period – devaluation of ARS; reduction by approximately $0.1 million).

The effect of currency devaluation on ARS denominated bank debt and notes payable during the June 2022 period was a $911,400 reduction in the USD equivalent amount (June 2021 period – $239,816 reduction).

Net Finance Expense

	Three months ended June 30		Six months ended June 30	
	2022	**2021**	**2022**	**2021**
Interest income ($)	39,846	63,064	118,951	72,138
Financing fees and bank charges ($)	(210,240)	(90,110)	(374,917)	(167,733)
Interest on bank debt ($)	(517,291)	(92,609)	(568,179)	(203,956)
Interest on notes payable ($)	(268,749)	(271,984)	(529,316)	(275,017)
Amortization of notes payable transaction costs ($)	(11,667)	(12,121)	(23,335)	(12,121)
Accretion of decommissioning provision ($)	(43,685)	(19,825)	(86,723)	(34,262)
Interest on lease liabilities ($)	(5,126)	(2,702)	(10,874)	(5,548)
Gain on disposition of right-of-use assets and lease liabilities ($)	–	–	–	27,000
Net finance expense ($)	(1,016,912)	(426,287)	(1,474,393)	(599,499)

Interest income is earned on interest-earning bank accounts and on the trust account funds for the restricted cash invested and is higher in the June 2022 period than in the June 2021 period due mainly to an increase in the average balance of interest-earning amounts in the Q1 2022 period. 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 the 2022 periods than in the 2021 periods.

Interest on bank debt is higher in Q2 2022 and the June 2022 periods than in Q2 2021and the June 2021 periods due to a higher average amount of debt during the 2022 periods combined with higher average interest rates. See the Liquidity and Capital Resources – Argentina Loans section of this MD&A.

Interest on notes payable in Q2 2022 is comparable to Q2 2021 and is higher in the June 2022 period than in the June 2021 period as the notes payable were issued on March 30, 2021.

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 in the June 2021 period as well as a reduction in interest on lease liabilities in the 2021 periods.

Taxes

	Three months ended June 30		Six months ended June 30	
	2022	**2021**	**2022**	**2021**
Current tax ($)	–	–	–	–
Deferred tax provision ($)	267,036	1,142,264	174,183	630,037
Total tax provision ($)	267,036	1,142,264	174,183	630,037

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 provision in the periods 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 June 30, 2022, the Company's deferred tax liability was $4,213,004 (December 31, 2021 – $4,038,821).

CAPITAL EXPENDITURES

The Company incurred $2,547,913 of drilling expenditures on exploration and evaluation ("**E&E**") assets related to CLL during the June 2022 period.

	Six months ended June 30	
	2022	2021
E&E expenditures on the CLL Permit ($)	2,547,913	–
Loss on decommissioning	(78,576)	–
E&E expenditures, net ($)	2,469,337	–

During the June 2022 period, the Company fulfilled the decommissioning obligation for an E&E well that was written-off in a previous year. The loss on decommissioning represents the write-off of the carrying amount of decommissioning revisions related to the previously written-off well.

The Company recognized the following additions to property and equipment assets during the June 2022 period and the June 2021 period:

	Six months ended June 30	
	2022	2021
Development and production asset expenditures ($)	6,203,808	1,739,508
Other asset expenditures ($)	17,191	23,974
Property and equipment expenditures ($)	6,220,999	1,763,482

During the June 2022 period, the Company incurred $4,523,576 of expenditures in the TDF area primarily related to the drilling of the SM.a-1004 and LV-118 wells and facilities improvements and incurred $1,680,232 of expenditures in the CH area related to well workovers, extractive system enhancements and facilities improvements.

During the June 2021 period, the Company incurred $814,237 of expenditures in the TDF area primarily related to the workover of the SM x-1001 well and facilities improvements and $925,271 of expenditures in the CH area related to well workovers.

LIQUIDITY AND CAPITAL RESOURCES

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

During the June 2022 period, the Company reported a net loss of $2,309,589 primarily related to increases in general and administrative expenses, depletion and depreciation expense and the foreign exchange loss. Net cash used in operating activities in the June 2022 period was $1,585,363 and funds flow provided by operating activities was $1,693,274. As at June 30, 2022, the Company reported a $5,161,736 working capital deficit (December 31, 2021 – $2,926,658 working capital surplus), including $488,707 of cash held in bank accounts.

The Company's total capital expenditure budget for fiscal 2022 is estimated to be $12.5 million comprised of $6 million for drilling one horizontal well in the Las Violetas Concession, one vertical well in the San Martin structure and facilities improvements, plus $3.2 million for well workovers and facilities improvements and optimization in CH and $3.3 million for drilling 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 2022 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 January 14, 2022, the Company obtained a $0.5 million working capital loan with Sociedad de Bolsa Centaurus S.A. at an interest rate of 4% per annum and a fee of 0.5% of the loan principal. The loan was repaid on January 21, 2022.

On February 18, 2022, the Company obtained an ARS 30 million ($0.3 million) working capital loan with Banco CMF S.A. repayable on August 18, 2022 and bearing interest at a variable rate calculated and payable monthly. The interest rate is 46% for the first month and thereafter will be calculated based on the BADLAR Corregida (currently 64.25%) plus 4.5% per annum. The Company paid a structuring fee of 0.5% of the loan principal.

On February 23, 2022, the Company obtained an overdraft loan of up to ARS 150 million ($1.4 million) with Banco Hipotecario at an interest rate of 40.5% to 45% per annum for a maximum term of six months. On April 11, 2022, the overdraft limit was increased to up to ARS 460 million ($3.7 million) for a one-year term at an interest rate of 43% to 54% per annum. The overdraft is guaranteed by ST Inversiones S.A. under the agreement with Banco Hipotecario and the Company is charged a fee of 1% of the loan balance per annum. As at June 30, 2022, ARS 368.6 million ($2.9 million) was drawn on the overdraft loan.

On March 18, 2022, the Company obtained an ARS 30 million ($0.3 million) working capital loan with Banco Galicia S.A.U. repayable on October 23, 2022, at an annual interest rate of 41% calculated and payable monthly.

On April 6, 2022, the Company obtained an overdraft loan for up to ARS 10 million ($0.1 million) with Banco Galicia S.A.U., at an annual interest rate of 55% to 67%. As at June 30, 2022, ARS 9.9 million ($0.1 million) was drawn on the overdraft loan, all of which was repaid on July 7, 2022.

On April 12, 2022, the Company obtained an ARS 250 million ($2.3 million) working capital loan with Banco Macro S.A. at an annual interest rate of 48.5%. The loan plus $161,196 of accrued interest was repaid on June 11, 2022. The loan was guaranteed by ST Inversiones S.A and the Company was charged a fee of 1% of the principal of the loan.

On April 13, 2022, the Company obtained a $0.25 million working capital loan with Sociedad de Bolsa Centaurus S.A. at an annual interest rate of 4% and a commission fee of 0.5% of the principal of the loan. The loan was repaid on April 27, 2022.

On May 19, 2022, the Company obtained an ARS 40 million ($0.3 million) working capital loan with Banco Supervielle S.A. at an annual interest rate of 57.5% payable monthly and a commission fee of 0.5% of the principal of the loan. The loan is repayable on November 11, 2022.

On June 7, 2022, the Company obtained an ARS 110 million ($0.9 million) working capital loan with Banco Nación S.A. repayable in five equal installments commencing on September 5, 2022 until the maturity date of June 2, 2023 and bearing interest at a variable rate calculated and payable quarterly. The interest rate is calculated based on the BADLAR (44.55% at June 30, 2022) plus 6% per annum.

On June 9, 2022, the Company obtained a $1 million export financing loan with HSBC Bank Argentina S.A. at an annual interest rate of 3% all of which was repaid on August 4, 2022.

On June 22, 2022, the Company obtained an overdraft loan of up to ARS 50 million ($0.4 million) with HSBC Bank Argentina S.A. at an interest rate of 54% per annum. As at June 30, 2022, ARS 38.5 million ($0.3 million) was drawn on the overdraft loan, all of which was repaid on July 7, 2022.

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 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 BADLAR Privados (44.55% at June 30, 2022) plus 6.75% per annum, respectively, payable quarterly.

As at June 30, 2022, the reported amount of notes payable was $5.1 million, of which $2.7 million is classified as a current liability.

As at June 30, 2022, $291,538 (ARS 36.5 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 are 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.

<u>UTE Operator Voluntary Reorganization Proceedings</u>

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 the President and Chief Executive Officer and a director of the Company, owns a 1.46% overriding royalty on revenue earned from the CLL Permit. As of June 30, 2022, and the date of this MD&A, no revenue has been earned from the CLL Permit.

During the June 2022 period, the Company sold a portion of natural gas production from the TDF Concession to Energía y Soluciones S.A., for which the Company recognized $328,909 (ARS 40,498,144) (June 2021 period – $nil) of oil and gas revenue. Included in trade and other receivables as at June 30, 2022 is $186,675 (ARS 23,339,964) (as at June 30, 2021 – $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 Vice-President and a director of ST Inversiones S.A. and controls 30% of the voting shares of Liminar and 50% of the voting shares of ST Inversiones S.A.. Liminar owns approximately 59.5% of the Company's outstanding common shares.

From time to time, Liminar, ST Inversiones S.A. Mr. Peralta and others have guaranteed certain loans obtained by the Company in consideration of a loan guarantee fee. ST Inversiones S.A. has provided a guarantee of the Banco Hipotecario overdraft loan and the Banco Macro S.A. loan 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 and 1% of the loan, respectively. During Q2 2022 and the June 2022 period, ST Inversiones S.A. charged the Company $25,498 and $26,172, respectively (Q2 2021 and the June 2021 period, $1,961 and $4,305, respectively) of loan guarantee fees. During the June 2021 period, the Company was also charged 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 June 30, 2022 is $3,669 (December 31, 2021 – $nil) payable to ST Inversiones S.A.

There were no other transactions between the Company and related parties of the Company during the 2022 periods.

SUBSEQUENT EVENTS

On July 1, 2022, the Company made the first quarterly installment payment in respect of the Class I and Class II notes payable in the amount of ARS 52,308,725 ($422,321) and ARS 23,750,000 ($189,651), respectively.

On July 7, 2022, the Company obtained an ARS 300 million ($2.4 million) working capital loan with Banco Macro S.A., at an annual interest rate of 58% and payable on October 5, 2022. The loan is guaranteed by ST Inversiones S.A and the Company was charged a fee of 1% of the principal of the loan.

On July 7, 2022, the Company repaid the overdraft loans with Banco Galicia S.A.U. and HSBC Bank Argentina S.A. by an amount of ARS 10 million ($0.1 million) and ARS 40.1 million ($0.4 million), respectively.

On July 15, 2022, and July 27, 2022, the Company received ARS 7.7 million ($0.06 million) in tax credits on turnover tax and provincial royalties related to the "Mendoza Activa I" Programme requested for the investments made in the CH Concession.

On August 3, 2022, Crown Point Energía S.A. ("**CPE**") launched the offering of Series III secured fixed-rate notes ("Series III Notes"), denominated in US$ and payable in ARS, due 36 months after the issue date(the "**Offering**").

On August 4, 2022, the Company repaid a $1 million export financing loan plus accrued interest for $ 4,438 with HSBC Bank Argentina S.A

On August 8, 2022, CPE, issued a total of $14,653,370 principal amount of Series III Notes, of which: $10,240,930 principal amount of Series III Notes were issued for cash consideration, payable in Pesos; $3,121,200 principal amount of Series III Notes were issued in exchange for the surrender and cancellation of $3,378,571 principal amount of Series I notes of the Company ("**Series I Notes**") at an exchange ratio of $93.77 principal amount of Series III Notes for every US$100 principal amount of Series I Notes; and $1,291,240 principal amount of Series III Notes were issued in exchange for the surrender and cancellation of 190,000,000 Pesos ($1,429,789) principal amount of Series II notes of the Company ("**Series II Notes**") at an exchange ratio of $90.31 principal amount of Series III Notes for every $100 principal amount of Series II Notes.

Following closing of the Offering, CPE has the following notes outstanding: $50,000 principal amount of Series I Notes; and $14,653,370 principal amount of Series III Notes. All of the Series II Notes have been cancelled.

The principal amount of the Series III Notes will be repaid in seven quarterly equal installments, starting on February 10, 2024 and ending on August 10, 2025. The Series III Notes will accrue interest at a fixed rate of 4% per annum, payable every three months in arrears from the issue date.

The net proceeds from the Offering will be used for general corporate purposes and to make investments for the development of new assets in Argentina.

SHARE CAPITAL

Issued and outstanding	Common Shares	Stock Options
December 31, 2021, June 30, 2022 and date of MD&A	72,903,038	4,350,000

COMMITMENTS

TDF Concessions

As at June 30, 2022, 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.

CH Concession

As at June 30, 2022, the Company's share of expenditure commitments with respect to the CH Concession is $38.7 million, consisting of a work program for well workovers, 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 June 30, 2022 and December 31, 2021, 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:	June 30 2022	March 31 2022	December 31 2021	September 30 2021	June 30 2021	March 31 2021	December 31 2020	September 30 2020
Working capital [(2)] ($)	(5,161,736)	(2,938,400)	2,926,658	5,203,698	5,285,439	4,026,325	3,021,590	714,010
Oil and natural gas sales revenue ($)	8,214,263	5,487,831	10,168,669	6,946,518	7,849,780	3,528,369	4,134,154	2,435,673
Net income (loss) ($)	(667,490)	(1,642,099)	742,431	1,408,708	(472,492)	8,096,106	(2,071,034)	(1,276,965)
Basic and diluted net income (loss) per share [(1)] ($)	(0.01)	(0.02)	0.01	0.02	(0.01)	0.11	(0.03)	(0.02)
Net cash provided (used) by operating activities ($)	(1,553,129)	(32,234)	2,080,962	2,449,967	785,714	1,555,521	(29,704)	26,128
Acquisition of working interest ($)	–	–	–	–	–	4,166,500	–	–
Property and equipment expenditures ($)	3,471,636	2,749,363	1,511,507	684,523	1,038,549	724,933	150,231	96,826
E&E expenditures	14,753	2,533,160	820,517	782	–	–	3,938	4,081
Total assets ($)	65,277,006	58,984,311	58,308,535	55,544,951	53,970,775	56,783,299	33,687,340	36,976,713
Bank debt ($)	6,104,639	1,828,985	–	–	263,835	1,169,163	1,330,590	1,672,870
Notes payable [(3)]($)	5,075,463	4,997,806	5,379,245	5,447,436	5,502,009	5,315,426	–	–

(1) The sum of quarterly per share amounts may not add to annual figures due to rounding.
(2) "Working capital" is a capital management measure. See "Non-IFRS and Other Financial Measures" for additional disclosures.
(3) Total of current and non-current portions of notes payable.

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

- Working capital decreased in Q2 2022 due to the increase in property and equipment.
- The reported net loss decreased in Q2 2022 due to an increase in oil and natural gas sales revenue partially offset by higher finance expense caused by the increase in capital expenditures requirements.
- Working capital decreased significantly in Q1 2022 due to the increase in property and equipment and E&E expenditures combined with lower trade and other receivables.
- The reported net loss in Q1 2022 is mainly due to a decrease in oil and natural gas sales revenue due to lower oil sales volumes.
- Working capital decreased in Q4 2021 mainly due to the increase in capital expenditures combined with a higher portion of notes payable and decommissioning provision classified as current.
- The reported net income decreased in Q4 2021 mainly due to an increase in general and administrative expenses and depletion and depreciation expense offset by an increase in the recovery of deferred taxes.
- Q3 2021 working capital is comparable to Q2 2021.
- The reported net income in Q3 2021 is mainly due to the positive revision to the gain on the acquisition of the working interest in the CH Concession and the recovery of deferred taxes offset

by lower oil and natural gas sales revenue due to lower oil sales volumes.

- Working capital increased in Q2 2021 mainly due to the increase in oil and gas sales volumes.
- The reported net loss in Q2 2021 is mainly due to the provision of deferred taxes related to the increase of the income tax rate.
- 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 cash generating unit which was offset by the recovery of current taxes.

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;
- risks associated with the voluntary reorganization of Roch S.A., the Argentine operator of the UTE governing the TDF Concessions, including the risk that Roch S.A.'s voluntary reorganization has an adverse effect on the UTE, the TDF Concessions and/or the Company;
- 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;
- 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;
- risks associated with wars, insurrections and other armed conflicts and any resulting economic sanctions (including the ongoing war in Ukraine and related economic sanctions imposed on Russia), including the risk that such events impact economic activity in Argentina or globally and consequently the demand for crude oil and natural gas;
- 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 by the Company from its subsidiaries; 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 and/or may affect the ability of the Company's subsidiaries to distribute funds to the Company in order to permit the Company to discharge its financial obligations in the ordinary course of business;
- 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, inflation 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;
- incorrect assessments of the value of acquisitions;
- 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, or the risk that the cost to use third party facilities increases or that such facilities are decommissioned or otherwise become unavailable to the Company;
- 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, and the resulting impact on our production and reserves;
- the failure to satisfy work commitments by the applicable deadline and the resulting loss of exploration and exploitation rights;
- 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 and/or issue new notes, renegotiate the terms of its existing credit facilities and/or notes if necessary and/or repay the principal and interest owing under its existing credit facilities and/or notes.

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 AND OTHER FINANCIAL MEASURES

Throughout this MD&A and in other materials disclosed by the Company, we employ certain measures to analyze financial performance, financial position, and cash flow. These non-IFRS and other financial measures do not have any standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures provided by other issuers. The non-IFRS and other financial measures should not be considered to be more meaningful than financial measures which are determined in accordance with IFRS, such as net income (loss), oil and natural gas sales revenue and net cash provided by (used in) operating activities as indicators of our performance.

"**Funds flow per share – operating activities**" is a supplemental financial measure. Funds flow per share – operating activities is comprised of funds flow provided by (used in) operating activities divided by the basic and diluted weighted average number of common shares outstanding for the period. See "Financial Information – Summary of Financial Information".

"**Net cash per share – operating activities**" is a supplemental financial measure. Net cash per share – operating activities is comprised of net cash provided by (used in) operating activities divided by the basic and diluted weighted average number of common shares outstanding for the period. See "Financial Information – Summary of Financial Information".

"**Non-current financial liabilities**" is a supplemental financial measure. Non-current financial liabilities is comprised of the non-current portions of trade and other payables, taxes payable, notes payable and lease liabilities as presented in the Company's consolidated statements of financial position. See "Financial Information – Summary of Financial Information".

"**Operating Netback**" is a non-IFRS measure. Operating netback is comprised of oil and natural gas sales revenue less export tax, royalties and turnover tax and operating costs. Management believes this measure is a useful supplemental measure of the Company's profitability relative to commodity prices. See "Results of Operations – Operating Netback" for a reconciliation of operating netback to oil and natural gas sales revenue, being our nearest measure prescribed by IFRS.

"**Operating netback per BOE**" is a non-IFRS ratio. Operating netback per BOE is comprised of operating netback divided by total BOE sales volumes in the period. Management believes this measure is a useful supplemental measure of the Company's profitability relative to commodity prices. In addition, management believes that operating netback per BOE is a key industry performance measure of operational efficiency and provide investors with information that is also commonly presented by other crude oil and natural gas producers. Operating netback is a non-IFRS measure. See "Results of Operations – Operating Netback" for the calculation of operating netback per BOE.

"**Working capital**" is a capital management measure. Working capital is comprised of current assets less current liabilities. Management believes that working capital is a useful measure to assess the Company's capital position and its ability to execute its existing exploration commitments and its share of any development programs. See "Financial Information – Summary of Financial Information" for a reconciliation of working capital to current assets and current liabilities, being our nearest measures prescribed by IFRS.

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

Initial Production Rates

Any references herein to initial production 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 third party estimates or limited data available at the time. In all cases herein, initial production rates are not necessarily indicative of long-term performance of the relevant well or fields or of ultimate recovery of hydrocarbons.

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 "Operational Update", the Company's plans for future operations on its TDF Concessions, CH Concession and CLL Permit and the anticipated benefits to be derived therefrom and timing thereof; under "Outlook", our estimated capital expenditure budget for fiscal 2022, 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 –Economic Summary", the ability of Argentina to comply with the terms of its EFF provided by the IMF or obtain a waiver therefrom; under "Liquidity and Capital Resources", our strategies for managing our liquidity risks, our capital expenditure budget for fiscal 2022 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 cost to build the oil pipeline to connect the Cruz del Sur oil storage facility and the San Martin oil field with the Total Austral operated Rio Cullen marine terminal and the timing thereof; trucking costs; 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 and other major producers of crude oil to balance crude oil production levels and thereby sustain higher global crude oil prices; that Roch S.A.'s voluntary reorganization 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 acquisition of our 50% interest in the CH Concession, including the ability of the joint venture to reduce operating costs; 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.