

CALGARY, ALBERTA--(Marketwired - Nov 25, 2015) - [Crown Point Energy Inc.](#) ("Crown Point" or the "Company") (TSX VENTURE:CWV) today announced its operating and financial results for the three and nine months ended September 30, 2015.

Copies of the Company's unaudited condensed interim consolidated financial statements and related management's discussion and analysis ("MD&A") for the three and nine months ended September 30, 2015 are being filed with Canadian securities regulatory authorities and will be made available under the Company's profile at [www.sedar.com](#) and on the Company's website at [www.crownpointenergy.com](#). All dollar figures are expressed in United States dollars unless otherwise stated. References to ARS are to Argentine pesos.

Argentine Election

On November 22, 2015, Mauricio Macri, the former mayor of Buenos Aires, won the presidential runoff and will be sworn in as President of Argentina on December 10th. Although Mr. Macri ran on a platform that included revitalizing Argentina's economy by implementing free market reforms and improving foreign relations to, among other things, attract foreign investment and gain access to international credit markets, the Company is unable to predict with certainty what, if any, reforms the new government will be able to implement.

As President, Mr. Macri announced that he will be creating a six member economic cabinet (as yet un-named) which will include a newly created Minister of Energy to replace the subordinate position of Secretary of Energy. This appointment underlines the strategic importance of the energy industry to the Macri government and its intent to strive for energy self-sufficiency.

It is anticipated that the Macri government will work to improve the current business climate in order to encourage investment and increase transparency. Management also expects that the Macri government will implement a plan to gradually deregulate domestic energy pricing. Over the next two to three years, oil prices are expected to trend smoothly towards international prices and natural gas prices are expected to move upwards and match the cost of imported gas. These expected measures plus others yet to be announced will be evaluated jointly within the context of the government's new economic program to assess the impact on the energy industry and Crown Point.

Third Quarter and Recent Highlights

During and subsequent to the three month period ended September 30, 2015 ("Q3 2015"):

- **High Oil Prices** - The Company realized Q3 2015 oil prices in Argentina of \$70.60/bbl. The benchmark for crude oil is set by the Government of Argentina and has averaged \$77.00/bbl in Q3 2015. The Company's crude oil sells at a discount to the benchmark price. The benchmark price for the fourth quarter of 2015 has been set at \$76/bbl.
- **Rising Natural Gas Prices** - With its 85% weighting towards natural gas, the Company continued to benefit from rising Argentine domestic natural gas prices which are reflective of the chronic undersupply conditions. Crown Point's industrial market natural gas price from May 2015 to September 2015 was \$5.13/Mcf compared with \$4.86/Mcf for the same months in 2014. Although the price earned for natural gas was lower in Q3 2015 at \$3.62/Mcf versus \$3.68/Mcf for the three months ended September 30, 2014 ("Q3 2014"), for the nine month period ended September 30, 2015 gas prices were stronger at \$3.64/Mcf versus \$3.28/Mcf for the same period in 2014.
- **Oil and Gas Revenues** - The Company reported \$3.5 million of oil and gas revenue from continuing operations for Q3 2015, a 13% decrease compared with Q3 2014. Revenue per BOE in Q3 2015 was \$25.80, a 20% decrease compared with Q3 2014 due principally to lower oil sales in Q3 2015.
- **Rising Oil and Gas Sales Volumes** - The Company reported Q3 2015 Tierra del Fuego ("TDF") average daily sales volumes of 1,452 BOE per day, a 9% increase from the average daily sales volumes in Q3 2014. Q3 2015 daily sales volume gains from new gas wells were offset by natural declines, restricted production from some existing wells due to gathering system constraints and reduced oil sales volumes due to intermittent shipments.
- **Loss** - The Company reported a \$1.6 million net loss from continuing operations.
- **Completed TDF Drilling** - Three wells (LFE-1001, LFE-1003 and SLx-1004) drilled at the tail end of the multi-well drilling program were fracture stimulated during the quarter without success. A fourth well (LF-1029) drilled and fracture stimulated during the first quarter has been re-entered and is on production test. PQx-1001, a previously announced potential oil discovery located on the Puesto Quince structure, was placed on a long term production test in August. Testing was curtailed in September due to winter weather conditions rendering the site inaccessible and downhole pump issues. A new pump will be installed in December and the well will be placed back on production test.
- **New TDF 3-D Seismic** - The Company completed the acquisition of new 3D seismic in TDF, comprised of approximately 58 km², 49 km² and 103 km² on the Rio Cullen, La Angostura and Las Violetas Concessions, respectively.
- **Petroleo Plus Bonds** - On July 13, 2015, the Government of Argentina issued a new decree under which the Government has offered publically-traded government bonds to qualifying companies with outstanding certificates under the cancelled Petroleo Plus Program. The Company made a submission to receive approximately \$2.2 million of bonds with respect to its outstanding Petroleo Plus certificates, of which bonds were received in relation to approximately \$0.3 million of outstanding certificates in September 2015. There is no certainty that the Company will receive bonds in relation to the remaining \$1.9 million of outstanding certificates. The Company currently intends to liquidate all bonds received and use the proceeds to fund its ongoing exploration and development program.

Fourth Quarter Operations

The Company anticipates the following activities to occur during the remainder of 2015:

- Re-enter and re-test the Vega del Sol x-1 and Vega del Sol x-3 wells in Cerro de Los Leones ("CLL") in the fourth quarter of 2015. The Company has developed plans to re-enter and recompleat the oil bearing Chachao formation encountered in the Vega del Sol x-1 well, and to perforate and test up to three intervals within the Neuquén Group penetrated by the Vega del Sol x-3 well, for which well logs and sample descriptions indicate the potential for bypassed oil and gas pay. The Vega del Sol x-1 well was drilled by YPF in 1995 and during an extended production test flowed clean oil from a fractured intrusive in the Chachao formation. The Vega del Sol x-3 well was also drilled by YPF in 2002 and Crown Point intends to pursue the oil targets in a 3-D seismically defined structural trap in the Neuquén group. This well was successfully production tested for gas in the Neuquén formation and swab testing indicated oil. The fractured intrusive and the Neuquén group are important oil reservoirs in CLL and in the Mendoza portion of the Neuquén basin.
- Complete the interpretation of new 3D seismic in TDF to add to Crown Point's drilling location inventory.
- Complete and test LFE-1004, the last well drilled in the multi-well drilling campaign. In addition, LFE-1003 will be re-entered and re-fractured with nitrogen to induce gas inflow.

Capital Expenditures

Crown Point estimates a total of \$10.8 million of capital expenditures for 2015 comprised of \$7.9 million on the TDF concessions and \$2.9 million on the CLL concession, of which the Company has spent \$7.6 million on the TDF Las Violetas concession, \$0.6 million on seismic in the Rio Cullen and La Angostura concessions and \$0.2 million on the CLL concession during the nine months ended September 30, 2015. The Company plans to re-enter, re-complete and re-test the Vega del Sol x-1 and Vega del Sol x-3 wells in CLL at an estimated cost of \$2.3 million (the "Vega del Sol Re-entry Program") beginning at the end of November 2015.

Capital spending for the first half of 2016 is estimated at \$3.4 million. The Company intends to spend approximately \$1 million to continue the completion and evaluation of the currently non-productive wells from the 2014/2015 TDF drilling program. Testing of the PQx-1001 exploration well is expected to resume once operations to remove and replace the bottomhole pump are completed. Drilling plans for TDF currently call for two wells (net cost of \$2.4 million) to be drilled in the first half of 2016. The TDF capital plan may be expanded in response to on-going interpretation of 3-D seismic shot earlier in 2015. The CLL 2016 capital program will be determined after a full evaluation of the Vega del Sol Re-entry Program has been completed.

Crown Point expects to meet the remainder of its 2015 and 2016 capital expenditures, along with its other anticipated expenses, using funds flow from continuing operations, working capital which totaled approximately \$1.8 million at the end of Q3 2015, ARS 31 million (\$3.3 million) of available undrawn debt facilities and \$1.9 million of expected Petroleo Plus Program bond proceeds.

Summary Financial Information

(expressed in \$, except shares outstanding) September 30 December 31
2015 2014

Working capital	1,798,499	2,575,201
Exploration and evaluation assets	15,616,753	14,828,994
Property and equipment	32,211,619	29,063,224
Total assets	56,831,790	57,569,312
Non-current financial liabilities ⁽¹⁾	1,165,842	1,451,658
Share capital	116,003,355	107,575,856
Total common shares outstanding	164,515,222	130,480,926

(expressed in \$, except shares outstanding)

	Three months ended September 30		Nine months ended September 30	
	2015	2014	2015	2014
Oil and gas revenue	3,447,010	3,982,151	11,376,759	10,693,832
Net loss from continuing operations	(1,623,146)	(946,711)	(4,340,537)	(3,670,453)
Net loss per share - continuing operations ⁽²⁾	(0.01)	(0.01)	(0.03)	(0.04)
Net loss from discontinued operations	-	16,649	-	(8,446,258)
Net loss per share from discontinued operations ⁽²⁾	-	0.00	-	(0.08)
Net loss	(1,623,146)	(930,062)	(4,340,537)	(12,116,711)
Net loss per share ⁽²⁾	(0.01)	(0.01)	(0.03)	(0.12)
Funds flow from continuing operations	109,818	682,713	524,403	1,866,022
Funds flow per share - continuing operations ⁽²⁾	0.00	0.01	0.00	0.02
Weighted average number of shares	164,515,222	104,515,222	152,855,201	104,515,222

(1) Non-current financial liabilities are comprised of bank debt. The total amount outstanding at September 30, 2015 is \$2,677,975 of which \$1,512,133 is classified as current and \$1,165,842 is long-term (December 31, 2014 - \$4,748,908; \$3,297,250 current and \$1,451,658 long-term).

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

About Crown Point

[Crown Point Energy Inc.](#) is an international oil and gas exploration and development company headquartered in Calgary, Canada, incorporated in Canada, trading on the TSX Venture Exchange and operating in South America. Crown Point's exploration and development activities are focused in the Golfo San Jorge, Neuquén and Austral basins in Argentina. Crown Point has a strategy that focuses on establishing a portfolio of producing properties, plus production enhancement and exploration opportunities to provide a basis for future growth.

Advisories

Definitions: 3-D = three dimensional; bbl = barrel and bbls = barrels; BOE or boe = barrels of oil equivalent; km = kilometers; km² = square kilometers; Mcf = thousand cubic feet; YPF = Yacimientos Petrolíferos Fiscales S.E.

Certain Oil and Gas Disclosures: All BOE conversions in this press release are derived by converting natural gas to oil in the ratio of six Mcf of gas to one bbl of oil. BOEs may be misleading, particularly if used in isolation. A boe conversion ratio of six Mcf to one 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. In addition, given that the value ratio based on the current price of crude oil in Argentina as compared to the current price of natural gas in Argentina is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

Non-IFRS Measures: This press release discloses "funds flow from continuing operations" which does not have standardized meanings under International Financial Reporting Standards ("IFRS") and as such may not be comparable with the calculation of similar measures used by other entities. Funds flow from continuing operations should not be considered an alternative to or more meaningful than, operating cash flows from (used by) continuing operations as determined in accordance with IFRS as an indicator of the Company's performance. Management uses funds flow from continuing operations to analyze operating performance and considers funds flow from continuing operations to be a key measure as it demonstrates the Company's ability to generate cash necessary to fund future capital investment. A reconciliation of funds flow from (used by) continuing operations to operating cash flows from (used by) continuing operations is presented in the MD&A under "Non-IFRS Measures".

Forward-looking information: Certain information set forth in this document, including the following, is considered forward-looking information, and necessarily involve risks and uncertainties, certain of which are beyond Crown Point's control: under "Argentine Election", our expectations regarding the new energy policies and reforms that the new government may implement and the potential impact thereof on the oil and gas industry in Argentina and the Company, and our expectations regarding the impact that the new government's new energy policies and reforms may have on commodity prices in Argentina; under "Third Quarter and Recent Highlights", our expectations for future commodity prices in Argentina, our expectations for operations on the PQx-1001 well, and our intention to liquidate all bonds received under the cancelled Petroleo Plus Program and use the proceeds to fund our ongoing exploration and development program; under "Fourth Quarter Operations", the operations that the Company intends to conduct on its TDF and CLL assets and the timing thereof; under "Capital Expenditures", our estimated capital expenditures for 2015 and the first half of 2016 in aggregate and for each of TDF and CLL, the elements of our capital program for the balance of 2015 and the first half of 2016, our estimates of the costs to complete the elements of the program and the timing thereof, and our expectations for how we will fund our capital programs. Such risks include but are not limited to: risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation; risks associated with the change in Argentina's federal government; risks associated with the Company's receipt and liquidation of government bonds under the cancelled Petroleo Plus Program; risks associated with operating in Argentina, including risks of changing government regulations (including the adoption of, amendments to, or the cancellation of government incentive programs or other laws and regulations relating to commodity prices, taxation, currency controls and export restrictions, in each case that may adversely impact Crown Point), expropriation/nationalization of assets, price controls on commodity prices, inability to enforce contracts in certain circumstances, the potential for a sovereign debt default or a hyperinflationary economic environment, and other economic and political risks; loss of markets and other economic and industry conditions; volatility of commodity prices; currency fluctuations; imprecision of reserve estimates; environmental risks; competition from other producers; inability to retain drilling services; incorrect assessment of value of acquisitions and failure to realize the benefits therefrom; delays resulting from or inability to obtain required regulatory approvals; the lack of availability of qualified personnel or management; stock market volatility and ability to access sufficient capital from internal and external sources; and economic or industry condition changes. Actual results, performance or achievements could differ materially from those expressed in, or implied by, the forward-looking information and, accordingly, no assurance can be given that any events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits that Crown Point will derive therefrom. With respect to forward-looking information contained herein, the Company has made assumptions regarding: the impact of increasing competition; the general stability of the economic and political environment in Argentina; the timely receipt of any required regulatory approvals; the ability of Crown Point to realize and monetize any governmental bonds issued as consideration for Petroleo Plus Program credits; the ability of the Company to obtain qualified staff, equipment and services in a timely and cost efficient manner; drilling results; the costs of obtaining equipment and personnel to complete the Company's capital expenditure program; the ability of the operator of the projects which the Company has an interest in to operate the field

in a safe, efficient and effective manner; the ability of the Company to obtain financing on acceptable terms when and if needed; 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; future oil and natural gas prices; currency, exchange and interest rates; the regulatory framework regarding royalties, commodity price controls, import/export matters, taxes and environmental matters in Argentina; and the ability of the Company to successfully market its oil and natural gas products. Additional information on these and other factors that could affect Crown Point are included in reports on file with Canadian securities regulatory authorities, including under the heading "Risk Factors" in the Company's annual information form, and may be accessed through the SEDAR website (www.sedar.com). Furthermore, the forward-looking information contained in this document are made as of the date of this document, and Crown Point does not undertake any obligation to update publicly or to revise any of the included forward looking information, whether as a result of new information, future events or otherwise, except as may be expressly required by applicable securities law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

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