

Crown Point Announces Reserve Information for the Year Ended December 31, 2017

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CALGARY, Alberta, Feb. 08, 2018 (GLOBE NEWSWIRE) --

[Crown Point Energy Inc.](#) (TSX-V: CWV) ("Crown Point", the "Company", "we" or "our") today announced certain reserve information for the year ended December 31, 2017. All dollar figures are expressed in United States dollars ("USD") unless otherwise stated, and "MUS\$" means thousands of USD.

Gaffney, Cline & Associates Inc. ("Gaffney Cline"), an independent qualified reserves auditor, audited the oil and natural gas reserves attributable to all of Crown Point's properties as at December 31, 2017 based on forecast prices and costs and in accordance with National Instrument 51-101 ("NI 51-101") and the Canadian Oil and Gas Evaluation Handbook (the "COGE Handbook"). Gaffney Cline's audit also presents the estimated net present value of future net revenue associated with Crown Point's reserves. A summary of Crown Point's crude oil, natural gas and natural gas liquids reserves, as audited by Gaffney Cline, and the associated net present value of future net revenue associated therewith as at December 31, 2017 is presented below.

Crown Point's reserves were positively impacted due to its San Martin exploration success in the La Angostura Concession, Tierra del Fuego ("TDF"). The Company's proved plus probable ("2P") reserves (gross) as at December 31, 2017, as audited by Gaffney Cline, were 4,280 MBOE compared to 3,922 MBOE as at December 31, 2016, representing an increase of approximately 9% which is primarily attributable to the San Martin discovery which added 787 MBOE of 2P reserves. The estimated before tax net present value of the Company's 2P reserves as at December 31, 2017 (discounted at 10%) was \$40.5 million, compared with \$42.0 million as at December 31, 2016. The decline in the before tax net present value is attributable to a reduction in natural gas reserves that was partially offset by reserves gains attributable to the San Martin discovery. The reduction in natural gas reserves was primarily due to the deferral of drilling to offset natural gas well production declines and replace 2017 natural gas production.

Approximately 63% of the Company's before tax net present value of 2P reserves (discounted at 10%) is categorized as "developed producing" and the before tax net present value of future net revenues associated with the Company's proved reserves (discounted at 10%) represents approximately 76% of the Company's before tax net present value of future net revenues associated with all of the Company's 2P reserves. Natural gas accounts for approximately 69% of the Company's 2P reserves (gross) as at December 31, 2017 compared with 85% as at December 31, 2016.

The following table discloses, in the aggregate, the Company's gross proved, probable and possible reserves, estimated using forecast prices and costs, by product type.

SUMMARY OF RESERVES

AS OF DECEMBER 31, 2017 COMPARED TO DECEMBER 31, 2016

(Forecast Prices & Costs)

Reserves Category	Company Gross Light and Medium Crude Oil (Mbbbls)			Company Gross Conventional Natural Gas (MMcf)			Company Gross Natural Gas Liquids (Mbbbls)		
	2017	2016	Change	2017	2016	Change	2017	2016	Change

Proved developed producing	721	322	124	%	9,597	10,076	-5	%	29	44	-35	%
Proved developed non-producing	1	4	-68	%	103	106	-3	%	-	-	-	
Proved undeveloped	102	129	-21	%	4,582	6,354	-28	%	7	13	-48	%
Total proved	824	455	81	%	14,282	16,536	-14	%	36	57	-38	%
Total probable	476	68	599	%	3,365	3,495	-4	%	3	3	0	%
Total proved plus probable	1,300	523	148	%	17,648	20,031	-12	%	39	60	-36	%
Total possible ⁽¹⁾	587	49	1097	%	2,094	2,132	-2	%	1	2	-45	%
Total proved plus probable plus possible ⁽¹⁾	1,886	572	230	%	19,741	22,163	-11	%	40	62	-36	%

Reserves Category	Company Gross Total Reserves MBOE	2017	2016	Change
Proved developed producing		2,349	2,045	15 %
Proved developed non-producing		18	22	-15 %
Proved undeveloped		872	1,201	-27 %
Total proved		3,240	3,268	-1 %
Total probable		1,040	654	59 %
Total proved plus probable		4,280	3,922	9 %
Total possible ⁽¹⁾		937	406	130 %
Total proved plus probable plus possible ⁽¹⁾		5,216	4,328	21 %

The following table discloses, in the aggregate, the net present value of the Company's future net revenue attributable to the reserves categories in the previous tables, estimated using forecast prices and costs, before deducting future income tax expenses, and calculated without discount and using discount rates of 5%, 10%, 15% and 20%.

**SUMMARY OF NET PRESENT VALUE OF FUTURE NET REVENUE
AS OF DECEMBER 31, 2017
(Forecast Prices & Costs)**

Reserves Category	Net Present Values of Future Net Revenue Before Income Taxes ⁽²⁾ Discounted at (%/year)				
	0% MUS\$	5% MUS\$	10% MUS\$	15% MUS\$	20% MUS\$
Proved:					
Developed Producing	34,029	29,294	25,671	22,836	20,574
Developed Non-Producing	380	321	276	241	214
Undeveloped	9,570	6,781	4,806	3,384	2,344
Total Proved	43,979	36,396	30,753	26,461	23,132
Probable	15,925	12,327	9,778	7,932	6,568
Total Proved plus Probable	59,904	48,722	40,531	34,393	29,700
Possible ⁽¹⁾	28,279	23,517	19,991	17,318	15,247
Total Proved plus Probable plus Possible ⁽¹⁾	88,183	72,239	60,521	51,711	44,947

1. "Possible reserves" are those additional reserves that are less certain to be recovered than probable reserves. There is a 10% probability that the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible reserves.
2. The estimated net present values of future net revenues disclosed do not represent fair market value.
3. The definitions of the various categories of reserves are those set out in NI 51-101 and the COGE Handbook.

The following table sets forth, for each product type, the pricing assumptions used by Gaffney Cline in estimating the reserves data disclosed herein as at December 31, 2017. The pricing assumptions were provided by Crown Point to Gaffney Cline, and represent Crown Point's forecast price assumptions as at the effective date of Gaffney Cline's report.

**SUMMARY OF PRICING AND INFLATION RATE ASSUMPTIONS
AS OF DECEMBER 31, 2017 (Forecast Prices & Costs)**

Year	Brent Crude Oil Price US\$/bbl	TDF Crude Oil Price ⁽¹⁾ US\$/bbl	TDF NGL Price US\$/bbl	TDF ⁽²⁾ Natural Gas Price US\$/Mcf	Inflation Rate ⁽³⁾ % / Year
2018	65.26	57.26	18.91	4.36	2
2019	61.65	53.65	19.85	4.49	2
2020	65.00	57.00	20.84	4.63	2
2021	66.30	58.30	20.84	4.76	2
2022	67.63	59.63	20.84	4.91	2
2023	68.98	60.98	20.84	5.05	2
2024	70.36	62.36	20.84	5.21	2
2025	71.77	63.77	20.84	5.36	2
2026	73.20	65.20	20.84	5.52	2
Thereafter	2%/year	2%/year	0%/year	2%/year	2

(1) Forecast pricing for TDF crude oil is based on Gaffney Cline's forecast Brent crude oil benchmark reference pricing (which Gaffney Cline adopted from the forecast Brent crude oil benchmark reference pricing published by the Society of Petroleum Engineers) less a discount of US\$8.00 per bbl.

(2) Natural gas production from the TDF concessions is sold to consumers in TDF as well as to mainland Argentina, all of which receive different prices as set by sales agreements from time to time. These forecast prices represent a blend of such prices.

(3) Inflation rates used for forecasting costs.

Further details of the audit of the Company's reserves as at December 31, 2017 will be contained in the Company's NI 51-101 filings for the year ended December 31, 2017, which will be 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 on or before April 30, 2018.

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 two of the largest producing basins in Argentina, the Austral basin in the province of Tierra del Fuego and the Neuquén basin, in the province of Mendoza. Crown Point has a strategy that focuses on establishing a portfolio of producing properties, plus production enhancement and exploration opportunities to provide a basis for future growth.

Oil and Gas Advisories

Barrels of oil equivalent ("BOE") may be misleading, particularly if used in isolation. A BOE conversion ratio of six thousand cubic feet (6 Mcf) to one barrel (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. 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.

"MBOE" means thousands of barrels of oil equivalent. "Mcf" means thousand cubic feet. "MMcf" means million cubic feet. "bbls" means barrels. "Mbbls" means thousands of barrels. "NGL" means natural gas liquids.

The reserves estimates contained in this news release represent our gross reserves as at December 31, 2017 and are defined under NI 51-101 as our interest before deduction of royalties and without including any of our royalty interests. It should not be assumed that the present worth of estimated future net revenues presented in the tables above represents the fair market value of the reserves. There is no assurance that the forecast prices and costs assumptions will be attained and variances could be material. The recovery and reserves estimates of our crude oil, natural gas liquids and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil, natural gas and natural gas liquids reserves may be greater than or less than the estimates provided herein.

All future net revenues are estimated using forecast prices, arising from the anticipated development and production of our reserves, net of the associated royalties, operating costs, development costs, and abandonment and reclamation costs and are stated prior to provision for interest and general and administrative expenses. Future net revenues have been presented on a before tax basis. Estimated values of future net revenue disclosed herein do not represent fair market value.

The estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation.

Forward Looking Statements

Certain information set forth in this document is considered forward-looking information, and necessarily involves risks and uncertainties, certain of which are beyond Crown Point's control. In addition, information relating to reserves is deemed to be forward-looking information, as it involves the implied assessment, based on certain estimates and assumptions, that the reserves described can be economically produced in the future. Such risks include but are not limited to: risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation; 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), risks that new government initiatives will not have the consequences the Company believes (including the benefits to be derived therefrom), expropriation/nationalization of assets, price controls on commodity prices, inability to enforce contracts in certain circumstances, the potential for 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 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; costs of

operational activities in Argentina; 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 most recent 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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