

Crown Point Announces Reserve Information for the Year Ended December 31, 2022

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CALGARY, March 09, 2023 - [Crown Point Energy Inc.](#) ("Crown Point", the "Company", "we" or "our") (TSX-V: CWV) today announced certain reserve information for the year ended December 31, 2022. All dollar figures are expressed in United States dollars ("USD" or "US\$") unless otherwise stated, and "MMUS\$" means millions of USD.

McDaniel & Associates Consultants Ltd. ("McDaniel"), an independent qualified reserves evaluator, evaluated the oil and natural gas reserves attributable to all of Crown Point's properties as at December 31, 2022 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"). McDaniel's evaluation report (the "McDaniel Report") 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 evaluated by McDaniel, and the associated net present value of future net revenue associated therewith as at December 31, 2022 is presented below.

The following table presents, in the aggregate, the Company's gross and net proved and probable reserves, estimated using forecast prices and costs, by product type and by barrel of oil equivalent, as of December 31, 2022.

SUMMARY OF RESERVES AS OF DECEMBER 31, 2022 (Forecast Prices & Costs)

Reserves Category ⁽²⁾	Light and Medium Crude Oil (Mbbl)		Conventional Natural Gas (MMcf)		Natural Gas Liquids (Mbbl)		Total Reserve MBOE	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Proved:								
Developed Producing	1,859	1,596	3,723	3,107	6	5	2,485	2,118
Developed Non-Producing	926	800	225	187	-	-	964	831
Undeveloped	1,227	1,058	-	-	-	-	1,227	1,058
Total Proved	4,012	3,454	3,948	3,294	6	5	4,676	4,008
Total Probable	2,762	2,342	3,001	2,509	5	4	3,267	2,764
Total Proved plus Probable	6,774	5,796	6,949	5,803	10	9	7,942	6,772

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 table above, 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, 2022 (Forecast Prices & Costs)

Reserves Category ⁽²⁾	Net Present Values of Future Net Revenue Before Income Taxes ⁽¹⁾ Discounted at (%/year)				
	0% MMUS\$	5% MMUS\$	10% MMUS\$	15% MMUS\$	20% MMUS\$
Proved:					
Developed Producing	24.6	21.9	19.7	18.0	16.5

Developed Non-Producing	11.9	8.0	5.2	3.3	1.9
Undeveloped	24.8	16.9	11.8	8.3	5.8
Total Proved	61.3	46.8	36.7	29.5	24.2
Total Probable	68.1	43.6	29.5	20.8	15.2
Total Proved plus Probable	129.4	90.4	66.2	50.3	39.4

(1) The estimated net present values of future net revenues disclosed do not represent fair market value.

(2) The definitions of the various categories of reserves are those set out in NI 51-101 and the COGE Handbook.

The Company's proved plus probable ("2P") gross reserves as at December 31, 2022, as evaluated by McDaniel, were 7,942 MBOE compared to 6,922 MBOE as at December 31, 2021. The increase in 2P reserves is attributable to: the acquisition in August 2022 of a 50% working interest in the oil producing Puesto Pozo Cercado Oriental ("PPCO") concession in Mendoza Province and the inclusion of probable reserves from the Tierra del Fuego ("TDF") concessions in recognition of the Company's intention to participate with the TDF joint venture in obtaining a 10 year license extension to the primary term (expiring August 2026) of the TDF concessions, partially offset by higher than anticipated operating costs and the absence of a drilling campaign to replace 2022 oil and gas production (634 MBOE).

The estimated before tax net present value of the Company's 2P reserves as at December 31, 2022 (discounted at 10%) was \$66.2 million, compared with \$58.4 million as at December 31, 2021. The increase in the before tax net present value is attributable to: the aforementioned acquisition of the 50% working interest in the PPCO oil producing concession, improved oil and gas prices in the domestic Argentina market and the addition of probable gas reserves in recognition of the aforementioned intention to obtain a 10 year license extension to the TDF concessions, partially offset by depletion of reserves due to production and the absence of a drilling campaign in 2022.

Approximately 30% 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 total proved reserves (discounted at 10%) represents approximately 55% of the Company's before tax net present value of future net revenues associated with all of the Company's 2P reserves. Crude oil accounts for approximately 85% of the Company's 2P reserves (gross) as at December 31, 2022 compared with approximately 86% as at December 31, 2021, whereas natural gas accounts for the remaining 15% of the Company's 2P gross reserves as at December 31, 2022 compared with 14% as at December 31, 2021.

The following table sets forth, for each product type, the pricing assumptions used by McDaniel in estimating the reserves data disclosed herein as at December 31, 2022.

SUMMARY OF PRICING AND INFLATION RATE ASSUMPTIONS AS OF DECEMBER 31, 2022 (Forecast Prices & Costs)

Year	Brent Crude Oil Price ⁽¹⁾ US\$/bbl	TDF Crude Oil Price ⁽¹⁾ US\$/bbl	TDF NGL Price ⁽⁶⁾ US\$/bbl	TDF Natural Gas Price ⁽²⁾ US\$/Mcf	CH/PPCO Oil Price ⁽⁵⁾ US\$/bbl	Inflation Rate ⁽³⁾ % / Year
2023	84.0	70.0	38.8	4.96	64.0	2
2024	80.6	66.6	39.5	5.05	65.3	2
2025	79.6	65.6	40.3	5.16	66.6	2
2026 ⁽⁴⁾	78.5	64.5	41.1	5.26	67.9	2
2027	80.1	66.1	42.0	5.37	69.3	2
2028	81.7	67.7	42.8	5.47	70.7	2
2029	83.3	69.3	43.6	5.59	72.1	2
2030	85.0	71.0	44.5	5.69	73.5	2
2031	86.7	72.7	45.4	5.81	75.0	2
2032	88.4	74.4	46.3	5.92	76.5	2

2033	90.2	76.2	47.3	6.04	78.0	2
2034	92.0	78.0	48.2	6.16	79.6	2
2035	93.9	79.9	49.2	6.29	81.2	2
2036	95.7	81.7	50.1	6.42	82.8	2
2037	97.6	83.6	51.1	6.54	84.5	2

(1) Forecast pricing for Tierra del Fuego ("TDF") crude oil is based on the forecast Brent crude oil benchmark reference pricing published by McDaniel, less a discount of US\$14.00 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. The forecast prices represent a blend of such prices adjusted for a 1,050 Btu/Scf heating factor.

(3) Inflation rates used for forecasting costs.

(4) The TDF concessions expire in August 2026 unless extended by agreement with the Province of TDF. As noted above, the Company intends to participate with the TDF joint venture in obtaining a 10 year license extension to the primary term of the TDF concessions.

(5) Forecast 2023 pricing for Chañares Herrados ("CH") and Puesto Pozo Cercado Oriental ("PPCO") crude oil is based on the realized domestic sales prices received during the last six months of 2022, which was then escalated at 2% per annum thereafter.

(6) The 2023 TDF NGL price is based on the weighted 12 month average price received in 2022 which was then escalated at 2% per annum thereafter.

Further details of the evaluation of the Company's reserves as at December 31, 2022 will be contained in the Company's NI 51-101 filings for the year ended December 31, 2022, which will be filed with Canadian securities regulatory authorities in due course and will be made available under the Company's profile at www.sedar.com and on the Company's website at www.crownpointenergy.com.

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About Crown Point

[Crown Point Energy Inc.](http://CrownPointEnergyInc.com) 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 Argentina. Crown Point's exploration and development activities are focused in three producing basins in Argentina, the Austral basin in the province of Tierra del Fuego, and the Neuquén and Cuyo basins 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. "bbl" means barrel. "Mbbbl" means thousands of barrels. "NGL" means natural gas liquids. "Btu/Scf" means British thermal unit per standard cubic foot.

The reserves estimates contained in this news release represent our gross and net reserves as at December 31, 2022. Gross reserves are defined under NI 51-101 as our working interest (operating or non-operating)

share before deduction of royalties and without including any of our royalty interests. Net reserves are defined under NI 51-101 as our working interest (operating or non-operating) share after deduction of royalty obligations, plus our royalty interests in reserves. 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 price and cost 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.

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. Forward-looking information herein includes: the Company's intention to participate with the TDF joint venture in obtaining a 10 year license extension to the primary term (expiring August 2026) of the TDF concessions; and the forecast pricing and inflation rate assumptions set forth herein. In addition, information relating to our 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: the risk that the TDF joint venture is not able to obtain a 10 year license extension to the primary term of the TDF concessions at all or on acceptable terms and/or that the receipt of the extension is delayed; the risks that pandemics and outbreaks of communicable disease such as COVID-19 pose to the oil and gas industry generally and our business in particular; risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, including the risk that the infrastructure on which we rely to produce, transport and sell our products breaks down and requires parts that are not readily available or repairs that cannot be made on a timely basis, and which impair our ability to operate and/or sell our products; 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, the imposition of currency controls, risks associated with a default on Argentine government debt, and other economic and political risks; 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; inability to access sufficient capital from internal and external sources; the need to shut-in, flare and/or curtail production as a result of a lack of infrastructure and/or damage to existing infrastructure; 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 ability of the TDF joint venture to obtain a 10 year license extension to the primary term of the TDF concessions on acceptable terms and the timing thereof; 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; 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, transportation and facility repair, 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, inflation and interest rates; the regulatory framework regarding royalties, commodity price controls, currency 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.

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