

**FORM 51-102F3
MATERIAL CHANGE REPORT**

1. Name and Address of Corporation:

Crown Point Energy Inc. ("**Crown Point**" or the "**Company**")
PO Box 1562 Station M
Calgary, Alberta T2P 3B9

2. Date of Material Change:

November 21, 2017

3. News Release:

A press release was issued on November 22, 2017 by, or on behalf of, Crown Point and disseminated through Global Newswire.

4. Summary of Material Change:

On November 21, 2017, Crown Point entered into agreements (the "**Acquisition Agreements**") with Apco Oil and Gas International Inc. and Apco Argentina S.A. (collectively, the "**Sellers**"), to acquire all of the issued and outstanding shares of Apco Austral S.A. ("**Apco Austral**") from the Sellers (the "**Acquisition**").

5. Full Description of Material Change:

On November 21, 2017, Crown Point entered into the Acquisition Agreements with the Sellers to acquire all of the issued and outstanding shares of Apco Austral from the Sellers.

Acquired Assets

Apco Austral holds a 25.7796% participating interest in the Rio Cullen, Las Violetas and La Angostura hydrocarbon exploitation concessions located in the Tierra del Fuego region of the Austral basin in southern Argentina (the "**TDF Concessions**"). Crown Point currently holds a 25.7804% interest in the TDF Concessions.

The three TDF Concessions, comprising a total of 489,000 gross acres, are entirely located within Argentine territory on the southern extension of the Austral basin on the island of Tierra del Fuego. The assets are gas weighted and include company owned infrastructure to gather, process and transport gas production to mainland and island markets.

Purchase Price

The purchase price payable by Crown Point to the Sellers is US\$28,363,144 cash, subject to closing adjustments and to certain additional contingent consideration, US\$27 million of which corresponds to Apco Austral's participating interest in the TDF Concessions and US\$1,363,144 of which corresponds to Apco Austral's working capital surplus as at April 1, 2017, which is the effective date of the Acquisition. Apco Austral does not have any debt other than inter-company debt, which will be settled prior to closing. Crown Point anticipates funding the purchase price using its existing cash resources (including the proceeds of Crown Point's recently closed rights offering), operating cash flows, an equity financing, and new debt financing. Further details will be disclosed when they are available.

Crown Point has also agreed to make certain contingent royalty payments, payable quarterly, during the ten year period commencing January 1, 2018. Under the terms of the royalty agreement, Crown Point will make quarterly payments equal to 10% of the amount by which the net revenues received by Apco Austral

from its interest in the TDF Concessions for the quarter exceeds certain net base revenue thresholds for such quarter. If in any quarter the net revenues received by Apco Austral do not exceed the net base revenue threshold, then no royalty payment will be made by Crown Point. The contingent royalty payments are capped at a maximum payment of US\$9 million.

Acquisition Highlights

The following table sets out the participating interests, production volumes, sales volumes and land holdings of Apco Austral and Crown Point attributable to the TDF Concessions, on a stand-alone basis and on a pro forma basis:

	Apco Austral	Crown Point	Pro Forma
Participating Interest in TDF Concessions	25.7796%	25.7804%	51.56%
Production (Q3 2017 ⁽¹⁾) (boe/d)	1,250	1,250	2,500
Sales (Q3 2017 ⁽²⁾) (boe/d)	1,141	1,141	2,282
Net acres	126,062	126,066 ⁽³⁾	252,128

Notes:

- (1) Average daily production volumes are for the quarter ended September 30, 2017, weighted approximately 27% to crude oil and natural gas liquids and approximately 73% to natural gas.
- (2) Average daily sales volumes are for the quarter ended September 30, 2017.
- (3) Excludes Crown Point's other land holdings, including its land holdings at Cerro de los Leones.

Acquisition Rationale

The acquisition of Apco Austral is expected to have the following benefits for Crown Point:

- Increases participating interest to 51.56% in the TDF Concessions comprising 489,000 gross acres. The Company believes that the TDF Concessions have significant exploration and development upside as evidenced by recent exploratory successes on the La Angostura and Rio Cullen concessions.
- Increases corporate average daily production to over 2,500 boe/d, giving the Company critical mass for continuing operations.
- Doubles the Company's gas weighted reserves in a rising gas price environment.
- The Company believes that all three TDF Concessions have near term 3-D seismically defined natural gas and oil upside.
- Company owned field infrastructure has additional capacity to gather, process and transport new gas production to market at minimal on-stream cost.

Acquisition Agreements

Completion of the Acquisition is subject to, among other things, the receipt of all necessary regulatory and stock exchange approvals, the waiver or expiration of applicable rights of first refusal, and other customary closing conditions. Closing is currently expected to occur in the first quarter of 2018.

Crown Point will pay a deposit of US\$6.75 million to the Sellers (the "**Deposit**"), which will be funded using Crown Point's existing working capital. Crown Point has agreed that the Deposit will be non-

refundable if the Acquisition Agreements are terminated in certain events, including if Crown Point does not perform all of its obligations under the Acquisition Agreements (including if Crown Point does not pay the purchase price at closing) or if Crown Point does not receive stock exchange approval to complete the Acquisition. The Sellers have agreed that the Deposit will be refunded to Crown Point and the Sellers will reimburse Crown Point for its Acquisition related expenses if the Acquisition Agreements are terminated in certain events, including if the Sellers do not perform all of their obligations under the Acquisition Agreements.

Crown Point's partners in the TDF Concessions have a right of first refusal ("**ROFR**") that allows them to participate in the Acquisition at a level that is equivalent to their participating interest in the TDF Concessions. If one or more of such partners exercises its ROFR, the Company can elect to either participate in the Acquisition for its proportionate share or terminate the Acquisition Agreements and recover its Deposit.

Liminar Energía S.A. ("**Liminar**"), the owner of approximately 51% of Crown Point's issued and outstanding shares, is a party to the Acquisition Agreements for the sole purpose of providing a guarantee in respect of all of Crown Point's payment obligations under the Acquisition Agreements. Pablo Peralta, a director of Crown Point, is the President of Liminar and controls 30% of the voting shares of Liminar.

5.2 Disclosure for Restructuring Transactions:

N/A

6. Reliance on Subsection 7.1(2) of National Instrument 51-102:

N/A

7. Omitted Information:

N/A

8. Executive Officer:

For further information, please contact

Brian J. Moss
President and Chief Executive Officer
Phone: (403) 232-1150

9. Date of Report:

December 1, 2017

Forward-Looking Statements

Certain information regarding Crown Point set forth in this document, including all details regarding the proposed acquisition of Apco Austral, the benefits that we anticipate deriving from the Acquisition, the anticipated timing for closing the Acquisition, our beliefs regarding how we will fund the purchase price for the Acquisition and our ability to fund the purchase price for the Acquisition, including our ability to obtain the requisite debt and/or equity financing, our view that the TDF Concessions are prospect rich, our view that natural gas prices will rise in Argentina, and our belief that the TDF Concessions have significant exploration and development upside, may constitute forward-looking statements under applicable securities laws. The forward-looking information is based on certain key expectations and assumptions made by Crown Point, including expectations and assumptions concerning: prevailing commodity prices and exchange rates; applicable royalty rates and tax laws; future well production rates and reserve volumes; the timing of receipt of regulatory approvals; the performance of existing wells; the success obtained in drilling new wells; the sufficiency of budgeted capital expenditures in carrying out planned activities; and the

availability and cost of labour and services. Although Crown Point believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because Crown Point can give no assurances that they will prove to be correct. Since forward-looking information addresses future events and conditions, by its very nature it involves inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These risks include, without limitation: risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, environmental risks, inability to obtain drilling rigs or other services, capital expenditure costs, including drilling, completion and facility costs, unexpected decline rates in wells, wells not performing as expected, delays resulting from labour unrest, delays resulting from our inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources, the impact of general economic conditions in Canada, Argentina, the United States and overseas, industry conditions, changes in laws and regulations (including the adoption of new environmental laws and regulations) and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in foreign exchange or interest rates, and stock market volatility and market valuations of companies with respect to announced transactions and the final valuations thereof. There are also risks inherent in the nature of the proposed Acquisition, including failure to realize anticipated production and reserves increases and anticipated cost savings and other synergies; risks regarding the integration of Apco Austral into Crown Point; incorrect assessment by Crown Point of the value of Apco Austral; failure to obtain the required regulatory and other third party approvals; failure to obtain the debt, equity and/or other financing required to fund the purchase price for the Acquisition; the possibility that one or more of Crown Point's partners exercises its ROFR; and the possibility that the Acquisition Agreements will be terminated and that Crown Point may forfeit the Deposit. Readers are cautioned that the foregoing list of factors is not exhaustive.

This material change report also contains forward-looking information concerning the anticipated completion of the Acquisition and the anticipated timing thereof. Crown Point has provided this information in reliance on certain assumptions that it believes are reasonable, including assumptions as to the timing of receipt of the necessary regulatory, stock exchange and other approvals and the satisfaction of and time necessary to satisfy the conditions to the closing of the Acquisition. These dates may change for a number of reasons, including the inability to secure necessary regulatory, stock exchange or other approvals in the time assumed, the exercise by one or more of Crown Point's partners of its ROFR, or the need for additional time to satisfy the conditions to the completion of the Acquisition. In addition, there are no assurances the Acquisition will be completed on the terms disclosed herein or at all. Accordingly, readers should not place undue reliance on the forward-looking information contained in this material change report concerning the Acquisition.

Crown Point's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that the Company will derive therefrom. Additional information on these and other factors that could affect Crown Point's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com) or Crown Point's website (www.crownpointenergy.com). The forward-looking statements contained in this document are made as at the date of this material change report and Crown Point does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

Abbreviations and Barrels of Oil Equivalent

"boe/d" means barrels of oil equivalent per day. "3-D" means three dimensional. Barrels of oil equivalent (boes) may be misleading, particularly if used in isolation. A boe conversion ratio of 6 thousand cubic feet (Mcf) to 1 barrel 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.