

CROWN POINT ENERGY INC.

FORM 51-102F6V

STATEMENT OF EXECUTIVE COMPENSATION – VENTURE ISSUERS

Crown Point Energy Inc. ("**Crown Point**" or the "**Corporation**") is an international oil and gas exploration and development company incorporated in Alberta, Canada, trading on the TSX Venture Exchange ("**TSXV**"), and operating in Argentina. 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.

Set forth below is the Statement of Executive Compensation – Venture Issuers for the Corporation for the year ended December 31, 2017. In this Statement of Executive Compensation – Venture Issuers, unless otherwise noted, all dollar amounts are expressed in Canadian dollars and references to "\$" or "Cdn\$" are to Canadian dollars and references to "US\$" are to United States dollars.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Director and Named Executive Officer Compensation (excluding Compensation Securities)

The named executive officers (as defined in Form 51-102F6V as prescribed by National Instrument 51-102 – *Continuous Disclosure Obligations*) of the Corporation in fiscal 2017 were (i) Dr. Brian J. Moss, President and Chief Executive Officer and former Executive Vice President and Chief Operating Officer, and (ii) Marisa Tormakh, Vice-President, Finance and Chief Financial Officer (each a "**Named Executive Officer**" or "**NEO**"). No other employees of the Corporation, including any of its subsidiaries, satisfy the criteria of "named executive officer" for the year ended December 31, 2017.

The following table sets forth for the years ended December 31, 2017 and 2016 all compensation (other than stock options and other compensation securities) paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Corporation, or a subsidiary of the Corporation, to each Named Executive Officer and director, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the Named Executive Officer or director for services provided and for services to be provided, directly or indirectly, to the Corporation or a subsidiary of the Corporation.

TABLE OF COMPENSATION (EXCLUDING COMPENSATION SECURITIES)							
Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)⁽⁶⁾⁽⁷⁾	Value of all other Compensation (\$)	Total Compensation (\$)
Dr. Brian J. Moss ⁽¹⁾ - <i>President and Chief Executive Officer</i> - <i>Former Executive Vice President and Chief Operating Officer</i> - <i>Director</i>	December 31, 2017	235,000	0	0	0	0	235,000
	December 31, 2016	235,000	0	0	0	0	235,000
Marisa Tormakh ⁽²⁾⁽³⁾ - <i>Vice President, Finance and Chief Financial Officer</i>	December 31, 2017	149,937	63,250	0	0	0	213,187
	December 31, 2016	150,617	0	0	0	0	150,617

TABLE OF COMPENSATION (EXCLUDING COMPENSATION SECURITIES)							
Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$) ⁽⁶⁾⁽⁷⁾	Value of all other Compensation (\$)	Total Compensation (\$)
Gordon R. Kettleson - Chairman of the Board and Director	December 31, 2017	30,000	0	0	0	0	30,000
	December 31, 2016	30,000	0	0	0	0	30,000
Denny Deren ⁽⁴⁾ - Former Director	December 31, 2017	22,916	0	3,667	0	0	26,583
	December 31, 2016	25,000	0	4,000	0	0	29,000
Keith Turnbull - Director	December 31, 2017	25,000	0	4,000	0	0	29,000
	December 31, 2016	25,000	0	4,000	0	0	29,000
Gabriel Obrador ⁽⁵⁾ - Director	December 31, 2017	25,000	0	0	0	0	25,000
	December 31, 2016	25,000	0	0	0	0	25,000
Pablo Peralta ⁽⁵⁾ - Director	December 31, 2017	25,000	0	0	0	0	25,000
	December 31, 2016	25,000	0	0	0	0	25,000

Notes:

- (1) Dr. Moss served as the Executive Vice-President and Chief Operating Officer until November 9, 2016. He was appointed President and Chief Executive Officer effective November 10, 2016 and he was appointed as a director on December 1, 2017. Dr. Moss did not receive any compensation for acting as a director of the Corporation.
- (2) For the years ended December 31, 2017 and December 31, 2016, 100% of Ms. Tormakh's salary was paid in Argentine pesos. For the purpose of the above table, Ms. Tormakh's salary has been converted to Canadian dollars at the exchange rate in effect as of December 31, 2017 and December 31, 2016, which was 0.0664 and 0.0854, respectively, of a Canadian dollar for every one Argentine peso. All exchange rates used in the table are as published by the Bank of Canada website.
- (3) Ms. Tormakh was paid a bonus of US\$50,000 effective August 17, 2017. For the purpose of the above table, the bonus has been converted to Canadian dollars at the exchange rate in effect as of August 17, 2017, which was Cdn\$1.265 for every US\$1.00 (as published by the Bank of Canada website).
- (4) Mr. Deren retired as a director of the Corporation effective December 1, 2017.
- (5) The payment of the retainers earned by Messrs. Peralta and Obrador in respect of the 2016 and 2017 fiscal years was deferred. The retainers were earned in Canadian dollars but were subsequently paid in U.S. dollars based on prevailing rates of exchange at the time of payment. Mr. Obrador's outstanding fees were paid on May 30, 2018 and Mr. Peralta's outstanding fees were paid on June 14, 2018.
- (6) Includes perquisites provided to an NEO or director that are not generally available to all employees. An item is generally a perquisite if it is not integrally and directly related to the performance of the director's or NEO's duties. If something is necessary for a person to do his or her job, it is integrally and directly related to the job and is not a perquisite, even if it also provides some amount of personal benefit. For the purposes of the table, perquisites are valued on the basis of the aggregate incremental cost to the Corporation and its subsidiaries.
- (7) NEOs and directors whose total salary for the applicable financial year was \$150,000 or less did not receive perquisites that, in aggregate, were greater than \$15,000. NEOs and directors whose total salary for the applicable financial year was greater than \$150,000 but less than \$500,000 did not receive perquisites that, in aggregate, were greater than 10% of the NEO's or director's salary for the applicable financial year.

Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued to each director and NEO by the Corporation or one of its subsidiaries in the year ended December 31, 2017 for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries.

COMPENSATION SECURITIES ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class ⁽⁶⁾	Date of Issue or Grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
Dr. Brian J. Moss - <i>President and Chief Executive Officer</i> - <i>Former Executive Vice President and Chief Operating Officer</i> - <i>Director</i>	-	Nil	-	-	-	-	-
Marisa Tormakh - <i>Vice President, Finance and Chief Financial Officer</i>	-	Nil	-	-	-	-	-
Gordon R. Kettleson - <i>Chairman of the Board and Director</i>	-	Nil	-	-	-	-	-
Denny Deren ⁽⁵⁾ - <i>Former Director</i>	-	Nil	-	-	-	-	-
Keith Turnbull - <i>Director</i>	-	Nil	-	-	-	-	-
Gabriel Obrador - <i>Director</i>	-	Nil	-	-	-	-	-
Pablo Peralta - <i>Director</i>	-	Nil	-	-	-	-	-

Notes:

- (1) "Compensation Securities" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Corporation or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries.
- (2) As of December 31, 2017, the NEOs and directors held the following number of stock options ("Options") (each one (1) Option being exercisable to acquire one (1) common share of the Corporation): Dr. Moss – 50,000 Options; Ms. Tormakh – nil Options; Mr. Kettleson – 20,000 Options; Mr. Deren – 15,000 Options; Mr. Turnbull – 20,000 Options; Mr. Obrador – nil Options; and Mr. Peralta – nil Options.
- (3) During the year ended December 31, 2017, no Compensation Securities were re-priced, cancelled and replaced, had their term extended, or were otherwise materially modified.
- (4) When Options are granted, typically one-third of the Options vest on the date of grant, one-third of the Options vest on the first anniversary of the date of grant, and one-third of the Options vest on the second anniversary of the date of grant. All issued and outstanding Options are currently vested, and there are no restrictions or conditions for converting, exercising or exchanging such Options.
- (5) Mr. Deren retired as a director of the Corporation effective December 1, 2017.
- (6) The Corporation did not grant or issue any Compensation Securities during the year ended December 31, 2017.

The following table discloses details regarding each exercise of Compensation Securities by a director or NEO during the year ended December 31, 2017.

EXERCISE OF COMPENSATION SECURITIES BY DIRECTORS AND NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised ⁽¹⁾	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Dr. Brian J. Moss - <i>President and Chief Executive Officer</i> - <i>Former Executive Vice President and Chief Operating Officer</i> - <i>Director</i>	-	Nil	-	-	-	-	-
Marisa Tormakh - <i>Vice President, Finance and Chief Financial Officer</i>	-	Nil	-	-	-	-	-
Gordon R. Kettleson - <i>Chairman of the Board and Director</i>	-	Nil	-	-	-	-	-
Denny Deren ⁽²⁾ - <i>Former Director</i>	-	Nil	-	-	-	-	-
Keith Turnbull - <i>Director</i>	-	Nil	-	-	-	-	-
Gabriel Obrador - <i>Director</i>	-	Nil	-	-	-	-	-
Pablo Peralta - <i>Director</i>	-	Nil	-	-	-	-	-

Notes:

- (1) The NEOs and directors did not exercise any Compensation Securities during the year ended December 31, 2017.
- (2) Mr. Deren retired as a director of the Corporation effective December 1, 2017.

Stock Option Plans and Other Incentive Plans

Other than the Corporation's stock option plan ("**Option Plan**"), Crown Point does not have any stock option plan, stock option agreement made outside of a stock option plan, plan providing for the grant of stock appreciation rights, deferred share units or restricted stock units or any other incentive plan or portion of a plan under which awards are granted.

The Option Plan was re-approved by the Corporation's shareholders at the Corporation's annual general meeting held on December 1, 2017 and must be re-approved by the Corporation's shareholders at Crown Point's 2018 annual general meeting.

The purpose of the Option Plan is to aid in attracting, retaining and motivating the directors, officers, employees and consultants (collectively, "**Service Providers**") of Crown Point and its subsidiaries and affiliates in the growth and development of Crown Point by providing them with the opportunity through Options to purchase common shares of the Corporation ("**Common Shares**") to acquire an increased proprietary interest in Crown Point.

The Option Plan is administered by a committee of the board of directors of the Corporation (the "**Board**") comprised of one or more directors appointed by the Board to administer the Option Plan or, if no such committee is appointed, the Board (in each case, the "**Committee**"). The Committee may designate eligible Service Providers of Crown Point

and its subsidiaries and affiliates to whom Options may be granted and the number of Common Shares to be optioned to each, provided that the number of Common Shares to be optioned will not exceed the limitations set out below:

1. the total number of Common Shares reserved for issuance on exercise of Options issued under the Option Plan at any given time shall not exceed 10% of the aggregate of the issued and outstanding Common Shares at such time;
2. unless the approval of the disinterested shareholders of Crown Point is obtained, the aggregate number of Common Shares reserved for issuance to any one optionee in a 12 month period shall not exceed 5% of the number of outstanding Common Shares (determined at the time an Option is granted);
3. the aggregate number of Common Shares reserved for issuance to any one consultant in a 12 month period shall not exceed 2% of the number of outstanding Common Shares (determined at the time an Option is granted);
4. the aggregate number of Common Shares reserved for issuance to all persons conducting investor relations activities in a 12 month period shall not exceed 2% of the number of outstanding Common Shares (determined at the time an Option is granted); and
5. unless the approval of the disinterested shareholders of Crown Point is obtained, the maximum number of Options which may be granted to insiders of Crown Point within a 12 month period may not exceed 10% of the number of outstanding Common Shares.

Any increase in the issued and outstanding Common Shares (whether as a result of the exercise of Options or otherwise) will result in an increase in the number of Common Shares that may be issued on exercise of Options outstanding at any time and any increase in the number of Options granted will, upon exercise, make new grants available under the Option Plan. Options that are cancelled, terminated or expire prior to the exercise of all or a portion thereof will result in the Common Shares that were reserved for issuance thereunder being available for a subsequent grant of Options pursuant to the Option Plan.

The Committee may, in its sole discretion, determine: (i) the time during which Options will vest; (ii) the method of vesting; or (iii) that no vesting restriction shall exist. The Committee may, at its sole discretion at any time, or in the option agreement in respect of any Options granted, accelerate or provide for the acceleration of vesting of Options previously granted. The exercise price of Options will be fixed by the Committee when Options are granted, provided that the exercise price of Options may not be less than the Discounted Market Price of the Common Shares at the time an Option is granted (or such other minimum price as may be required by the stock exchange on which the Common Shares are listed at the time of grant). "**Discounted Market Price**" means the last closing trading price per Common Share on the TSXV (or if the Common Shares are not listed on the TSXV, on such exchange as the Common Shares are then traded) before the date of grant of the Option or the date Crown Point issues a news release to fix the price of such Option, less the applicable discount as prescribed by the TSXV. The period during which an Option is exercisable shall, subject to the provisions of the Option Plan requiring or permitting acceleration of rights of exercise or the extension of the exercise period, be such period, not in excess of five years, as may be determined by the Committee at the time of grant. Options will not be assignable or transferable by the optionee either in whole or in part.

In addition, each Option shall provide that:

1. upon the death of an optionee, the Option shall terminate on the date determined by the Committee which shall not be more than twelve (12) months from the date of death and, in the absence of any determination to the contrary, will be twelve (12) months from the date of death;
2. if an optionee shall no longer be a Service Provider (other than by reason of death or termination for cause), the Option shall terminate on the expiry of the period not in excess of ninety (90) days as prescribed by the Committee at the time of grant, following the date that such optionee ceases to be a Service Provider and, in the absence of any determination to the contrary, will terminate ninety (90) days following the date that such optionee ceases to be a Service Provider; and

3. if an optionee shall no longer be a Service Provider by reason of termination for cause, the Option shall terminate immediately on such termination for cause (whether notice of such termination occurs verbally or in writing);

provided that the number of Common Shares that an optionee (or his or her heirs or successors) shall be entitled to purchase until such date of termination: (i) shall in the case of death of such optionee, be all of the Common Shares that may be acquired on exercise of the Options held by such optionee (or his or her heirs or successors) whether or not previously vested, and the vesting of all such Options shall be accelerated on the date of death for such purpose; and (ii) in any case other than death or termination for cause, shall be the number of Common Shares which such optionee was entitled to purchase on the date such optionee ceased to be a Service Provider.

If the expiry date of any Options falls within any Black Out Period or within the three (3) business day period prior to the normal expiry date of such Options (the "**Restricted Options**"), then the expiry date of all Restricted Options will be extended to the date that is ten (10) business days following the end of the Black-Out Period (or such longer period as permitted by the TSXV and approved by the Committee). The foregoing extension applies to all Options whatever the date of grant and shall not be considered to be an extension of the term of the Options. "**Black Out Period**" means the period of time when, pursuant to any policies of Crown Point and/or applicable securities laws, any securities of Crown Point may not be traded by certain persons as designated by Crown Point and/or such applicable securities laws, including any holder of an Option.

If there takes place a Change of Control (as such term is defined in the Option Plan), all issued and outstanding Options will be exercisable (whether or not then vested) immediately prior to the time such Change of Control takes place and shall terminate on the 90th day after the occurrence of such Change of Control, or at such earlier time as may be established by the Board, in its absolute discretion, prior to the time such Change of Control takes place.

The Option Plan allows the Board to amend or discontinue the plan at any time, provided that no such amendment may, without the consent of an optionee, alter or impair any Option previously granted to an optionee under the Option Plan, and provided further that any amendment to the Option Plan is subject to prior approval of the TSXV, if required, and approval of the holders of Common Shares, if required by the TSXV.

Employment, Consulting and Management Agreements

The following is a description of the material terms of each agreement or arrangement under which compensation was provided during the year ended December 31, 2017 or is payable in respect of services provided to the Corporation or any of its subsidiaries that were performed by a director or NEO.

Directors

The Chairman of the Board receives an annual retainer of \$30,000 per year. Non-management directors (other than the Chairman of the Board) receive an annual retainer of \$25,000 per year. The Chairman of each committee of the Board receives an additional annual retainer of \$2,000 per year.

NEOs

Employment Agreements

During the year ended December 31, 2017, Crown Point had an employment agreement (the "**Employment Agreement**") with Dr. Moss. Under the Employment Agreement, Dr. Moss was entitled to an annual salary of \$235,000 in 2017. Pursuant to the Employment Agreement, the salary paid to Dr. Moss is subject to a periodic salary review. Dr. Moss is entitled to participate in and receive Options under the Option Plan and he is entitled to participate in the Corporation's group benefit plans.

The Employment Agreement can be terminated by the Corporation (for reason other than "just cause") upon payment of a termination amount, in lieu of notice, in an amount equal to the sum of (i) prorated annual salary earned but not yet paid up to and including the termination date, (ii) accrued and unused vacation and reasonable expenses, and (iii)

a retiring allowance (the "**Retiring Allowance**") equal to (A) one and one half times Dr. Moss' then current annual salary; plus (B) 15% of the amount calculated pursuant to clause (A) to compensate him for loss of employee benefits; plus (C) an amount equivalent to the cash bonus paid to Dr. Moss in the 12 months prior to the termination date (provided that if a cash bonus has not been paid to him during such 12 month period, then an amount equivalent to 25% of his current annual salary shall be paid). For such termination amounts to be payable, Dr. Moss must execute a full and final release in favour of Crown Point.

The Employment Agreement provide that during the 90 days following a change of control (as such term is defined in the Option Plan), Dr. Moss may elect to terminate the Employment Agreement and his employment, and upon doing so, Dr. Moss shall be entitled to receive the Retiring Allowance and all Options held by him that have not already vested shall automatically and immediately vest. If Dr. Moss elects to terminate his employment upon a change of control, he agrees, if requested by the Corporation, to continue his employment with the Corporation for a period of time no greater than 60 days to assist the Corporation with transitional matters as directed by the Board.

If Dr. Moss' Employment Agreement was terminated by Crown Point (other than for just cause) or by Dr. Moss following a change of control under the circumstances described above, at December 31, 2017 the amount payable thereunder to Dr. Moss would have been \$464,125. No value has been ascribed to the acceleration of unvested Options in the calculation of the termination payment for Dr. Moss because the exercise price of all unvested Options exceeded the closing trading price of the Common Shares at December 31, 2017.

In addition, if Dr. Moss' employment is terminated by the Corporation for a reason that does not constitute just cause, or if he elects to terminate employment within 90 days after a change of control, the Corporation will provide him with outplacement counselling services to a maximum of \$15,000 to be provided during the 12 months following his last day actively at work.

Under the terms of the Employment Agreement, Dr. Moss agreed that for a period of 12 months after the termination date, he shall not, directly solicit, induce, encourage or facilitate employees or consultants of the Corporation to leave the employment of, or consulting relationships with, Crown Point. Dr. Moss has also agreed to keep proprietary and confidential information in confidence for so long as the information and knowledge remains proprietary and confidential.

Other Arrangements

Ms. Tormakh did not have an employment agreement with Crown Point during 2017. Ms. Tormakh was entitled to an annual salary and was eligible for a discretionary bonus. Ms. Tormakh also participated in the Corporation's group benefit plans.

Oversight and Description of Director and Named Executive Officer Compensation

Director Compensation

Director compensation is determined by the Board based on recommendations received from the Board's Compensation and Governance Committee (the "**Compensation Committee**"). Given the relatively small size of the Corporation, director compensation is reviewed and adjusted on an ad hoc basis with reference to such criteria as the Compensation Committee and the Board consider relevant from time to time, including: the compensation paid by the Corporation's peers to their directors; and information and advice received from compensation consultants (if retained).

NEO Compensation

Compensation Process

NEO compensation is determined by the Board based on recommendations received from the Compensation Committee. Given the relatively small size of the Corporation, NEO compensation is reviewed and adjusted on an ad hoc basis with reference to such criteria as the Compensation Committee and the Board consider relevant from time

to time, including: the compensation paid by the Corporation's peers to their NEOs; information and advice received from compensation consultants (if retained); the operational and financial performance of the Corporation; the performance of the individual NEO; and the state of the oil and gas industry in Argentina and elsewhere.

Components of Compensation in 2017

The significant elements of compensation awarded to, earned by, paid or payable to the NEOs in 2017 consisted of base salaries and discretionary bonuses (for Ms. Tormakh only). In 2017, no other element of compensation accounted for 10% or more of any NEO's total compensation.

Base salary is compensation for discharging job duties and responsibilities and reflects the level of skills and capabilities demonstrated by the executive.

Bonuses are awarded on a discretionary basis taking into account such factors as the Compensation Committee and the Board consider relevant from time to time, including those factors set forth above under "Compensation Process".

Performance Criteria or Goals

Neither the total compensation nor any significant element of total compensation of the NEOs is tied to one or more performance criteria or goals, such as milestones, agreements or transactions.

Significant Events Affecting Compensation

There were no significant events that occurred during the year ended December 31, 2017 that have significantly affected NEO compensation. The Corporation did not waive or change any performance criterion or goal during the year ended December 31, 2017.

Compensation Determinations

When making recommendations with respect to salaries, bonuses and other compensation elements for NEOs, the Compensation Committee reviews the recommendations of management and the recommendations of any compensation consultant retained. The Compensation Committee also reviews compensation information available in the public domain or through private conversations obtained by management and the Compensation Committee from comparable issuers. The Compensation Committee compares the compensation paid by the Corporation to its NEOs to the compensation paid by comparable sized oil and gas exploration companies with similar interests as the Corporation. In selecting companies for comparison purposes, management, the Compensation Committee and the Board considers entities with which the Corporation competes for talent, which includes similar sized entities as compared to Crown Point based on market capitalization, oil and gas production levels and associated revenues, and entities that operate in the same regional geography as the Corporation (i.e. international operators rather than domestic operators).

Base salaries for NEOs are intended to be competitive with salaries paid to executive officers by the Corporation's peers. In determining salaries, the Compensation Committee and the Board reviews salaries in the context of the total compensation packages for the executive officers. Generally, the Compensation Committee targets base salaries at levels approximating those for similar positions in companies in the industry that may be of similar size, scope and complexity.

Any salary adjustments made, or discretionary bonuses awarded, by the Compensation Committee and the Board take into account, among other things, the market value of the role, the executive's demonstrated capability during the year, the operational and financial performance of the Corporation, and the state of the oil and gas industry in Argentina and elsewhere.

Ultimately, the amount of salary paid and the amount of any bonus awarded to the NEOs is based on subjective decisions made by the Compensation Committee and the Board, rather than objective, identifiable measures.

In August 2017, Ms. Tormakh was given a base salary increase and a US\$50,000 bonus to recognize her significant contributions to the Corporation to date.

Use of Peer Group

Although the Compensation Committee and the Board have used a peer group to establish NEO compensation in the past, the Compensation Committee and the Board did not use a peer group to determine NEO compensation during the year ended December 31, 2017.

Significant Changes to Compensation Policies

The Corporation did not make any significant changes to its compensation policies during (or after) the year ended December 31, 2017 that could or will have any effect on director or NEO compensation.

Pension Disclosure

The Corporation does not provide a pension to any of its directors or NEOs.