

CROWN POINT ENERGY INC.
Condensed Interim Consolidated Financial Statements
For the three and nine months ended September 30, 2022
(Unaudited)

CROWN POINT ENERGY INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Unaudited)
(United States Dollars)

As at	Note	September 30 2022	December 31 2021
Assets			
Current assets:			
Cash		\$ 729,455	\$ 3,221,118
Trade and other receivables	5	3,290,030	3,312,898
Oil inventory		2,246,217	271,332
Prepaid expenses and other current assets	6	3,490,478	3,456,336
		9,756,180	10,261,684
Property and equipment	7	47,930,576	35,536,342
Exploration and evaluation assets	8	14,683,332	12,210,949
Restricted cash	10	265,468	299,560
		\$ 72,635,556	\$ 58,308,535
Liabilities and Shareholders' Equity			
Current liabilities:			
Trade and other payables		\$ 5,641,958	\$ 4,420,016
Bank debt	9	3,311,315	-
Current portion of notes payable	10	7,128	2,169,965
Current taxes payable		49,469	70,950
Current portion of decommissioning provision	12	441,033	597,195
Current portion of lease liabilities	13	47,969	76,900
		9,498,872	7,335,026
Non-current trade and other payables	11	1,240,228	285,693
Non-current taxes payable		8,248	65,045
Notes payable	10	14,516,296	3,209,280
Decommissioning provision	12	12,892,335	11,355,084
Lease liabilities	13	183,346	243,013
Deferred tax liability	18	5,710,202	4,038,821
		44,049,527	26,531,962
Shareholders' equity:			
Share capital		56,456,328	56,456,328
Contributed surplus		665,423	600,462
Accumulated other comprehensive loss		(18,277,623)	(18,216,364)
Deficit		(10,258,099)	(7,063,853)
		28,586,029	31,776,573
		\$ 72,635,556	\$ 58,308,535

Commitments (Note 22)
Subsequent events (Note 23)

Approved on behalf of the Board of Directors: "Gordon Kettleson" "Pablo Peralta"
Gordon Kettleson, Director Pablo Peralta, Director

See accompanying notes to condensed interim consolidated financial statements.

CROWN POINT ENERGY INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF (LOSS) INCOME AND
COMPREHENSIVE (LOSS) INCOME

(Unaudited)
(United States Dollars)

	Note	For the three months ended September 30		For the nine months ended September 30	
		2022	2021	2022	2021
Revenue					
Oil and natural gas sales	16	\$ 10,751,784	\$ 6,946,518	\$ 24,453,878	\$ 18,324,667
Processing income		71,536	65,285	172,192	177,322
Export tax		(470,681)	(210,847)	(892,217)	(680,363)
Royalties and turnover tax		(2,053,781)	(1,139,473)	(4,207,109)	(3,018,699)
		8,298,858	5,661,483	19,526,744	14,802,927
Expenses					
Operating		4,948,226	3,270,645	11,473,732	7,457,689
General and administrative		758,888	535,339	2,570,479	1,915,036
Depletion and depreciation		2,018,328	1,443,923	4,952,763	4,201,928
Gain on acquisition of working interest	4	(1,046,626)	(1,347,141)	(1,046,626)	(9,529,551)
Loss on decommissioning provision	8	-	-	54,228	-
Fair value adjustment of contingent consideration	11	(65,107)	-	48,034	-
Share-based payments	14	10,165	31,611	64,961	155,928
Foreign exchange results		666,188	294,092	1,061,390	315,733
		7,290,062	4,228,469	19,178,961	4,516,763
Operating income		1,008,796	1,433,014	347,783	10,286,164
Net finance expense	17	(1,478,302)	(372,735)	(2,952,695)	(972,234)
(Loss) income before taxes		(469,506)	1,060,279	(2,604,912)	9,313,930
Tax expense	18	(415,151)	348,429	(589,334)	(281,608)
Net (loss) income		(884,657)	1,408,708	(3,194,246)	9,032,322
Other comprehensive income					
Items that may be subsequently reclassified to profit or loss					
Exchange differences on translation of the Canadian parent company		18,440	(22,613)	(61,259)	16,442
Total comprehensive (loss) income		\$ (866,217)	\$ 1,386,095	\$ (3,255,505)	\$ 9,048,764
Net (loss) income per share					
	15				
Basic		\$ (0.01)	\$ 0.02	\$ (0.04)	\$ 0.12
Diluted		\$ (0.01)	\$ 0.02	\$ (0.04)	\$ 0.12

See accompanying notes to these condensed interim consolidated financial statements.

CROWN POINT ENERGY INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF
CHANGES IN SHAREHOLDERS' EQUITY

(Unaudited)
(United States Dollars)

For the nine months ended September 30	Note	2022	2021
Share capital			
Balance, January 1 and September 30		\$ 56,456,328	\$ 56,456,328
Contributed surplus			
Balance, January 1		600,462	412,947
Share-based payments	14	64,961	155,928
Balance, September 30		665,423	568,875
Accumulated other comprehensive loss			
Balance, January 1		(18,216,364)	(18,239,476)
Exchange differences on translation of Canadian parent company		(61,259)	16,442
Balance, September 30		(18,277,623)	(18,223,034)
Deficit			
Balance, January 1		(7,063,853)	(16,838,606)
Net (loss) income		(3,194,246)	9,032,322
Balance, September 30		(10,258,099)	(7,806,284)
Total shareholders' equity		\$ 28,586,029	\$ 30,995,885

See accompanying notes to these condensed interim consolidated financial statements.

CROWN POINT ENERGY INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)
(United States Dollars)

For the nine months ended September 30	Note	2022	2021
Operating activities:			
Net (loss) income		\$ (3,194,246)	\$ 9,032,322
Items not affecting cash:			
Depletion and depreciation		4,952,763	4,201,928
Gain on acquisition of working interest	4	(1,046,626)	(9,529,551)
Loss on decommissioning provision	8	54,228	-
Fair value adjustment of contingent consideration	11	48,034	-
Share-based payments	14	64,961	155,928
Unrealized foreign exchange (gain) loss		(962,373)	(235,308)
Finance expense		2,499,751	825,329
Decommissioning expenditures	12	(130,217)	-
Tax provision	18	589,334	281,608
Funds flow provided by operating activities		2,875,609	4,732,256
Change in non-cash working capital	19	(1,711,172)	58,946
Net cash provided by operating activities		1,164,437	4,791,202
Financing activities:			
Bank debt proceeds	9	11,746,249	1,356,120
Bank debt repayment	9	(7,427,133)	(2,510,574)
Notes payable proceeds	10	10,016,590	5,297,834
Notes payable repayments	10	(657,820)	-
Notes payable interest payments	10	(882,394)	(271,012)
Restricted cash		34,092	(293,950)
Lease payments	13	(52,492)	(22,556)
Interest paid	9	(818,044)	(236,915)
Net cash provided by financing activities		11,959,048	3,318,947
Investing activities:			
Acquisition of working interest	4	(5,000,000)	(4,166,500)
Property and equipment expenditures	7	(8,448,725)	(2,448,005)
Exploration and evaluation expenditures	8	(2,553,818)	(782)
Change in other non-current assets		-	12
Change in non-cash working capital	19	1,360,741	1,218,264
Net cash used in investing activities		(14,641,802)	(5,397,011)
Change in cash		(1,518,317)	2,713,138
Foreign exchange effect on cash held in foreign currencies		(973,346)	(57,306)
Cash, January 1		3,221,118	654,743
Cash, September 30		\$ 729,455	\$ 3,310,575

See accompanying notes to these condensed interim consolidated financial statements.

CROWN POINT ENERGY INC.
NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2022

(Unaudited)

(United States dollars)

1. REPORTING ENTITY:

Crown Point Energy Inc. ("Crown Point" or the "Company") was incorporated under the laws of British Columbia and continued under the laws of Alberta on July 27, 2012. Crown Point is based in Calgary, Alberta and is involved in the exploration for, and development and production of petroleum and natural gas in Argentina.

The Company's registered office is Suite 2400, 525 – 8th Avenue SW, Calgary, Alberta, T2P 1G1.

These unaudited condensed interim consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, CanAmericas (Argentina) Energy Ltd. and Crown Point Energía S.A..

As at September 30, 2022, Liminar Energía S.A. ("Liminar"), the Company's largest shareholder, owned approximately 59.5% of the Company's issued and outstanding common shares.

2. BASIS OF PRESENTATION:

The unaudited condensed interim consolidated financial statements of the Company and its subsidiaries have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board, applicable to the preparation of interim financial statements as set out in International Accounting Standard 34 Interim Financial Reporting.

These unaudited condensed interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended December 31, 2021. The Company has consistently applied the same accounting policies throughout all periods presented with the addition of those described in Note 3.

These unaudited condensed interim consolidated financial statements were authorized for issue by the Board of Directors on November 10, 2022.

3. ACCOUNTING POLICIES AND AMENDED ACCOUNTING PRONOUNCEMENTS:

(a) Government grants

Government grants are recognized by the Company when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants will be received. Government grants relating to incurred expenses are recognized as income or reduction of expense over the period in which the cost they are intended to compensate are recognized. Government grants relating to development and production asset expenditures are recognized as a reduction of development and production costs.

(b) The Company has adopted amendments to the following accounting pronouncements effective January 1, 2022 with no impact on the Company's September 30, 2022 condensed interim consolidated financial statements:

IAS 16 Property, Plant and Equipment

Amendments to IAS 16 Property, Plant and Equipment prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the entity is preparing the asset for its intended use. Instead, the entity will recognize such sales proceeds and related costs in profit or loss.

IAS 37 Provisions, Contingent Liabilities and Contingent Assets

Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous.

CROWN POINT ENERGY INC.
NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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(Unaudited)

(United States dollars)

4. ACQUISITION OF WORKING INTERESTS:

(a) Chañares Herrados Concession

On March 13, 2021, the Company (50% working interest), together with partner Petrolera Aconcagua Energía ("Aconcagua") (50% working interest), was awarded a 25 year exploitation license for the 40.6 square kilometre Chañares Herrados producing oil block (the "CH Concession"), located in the Cuyo Basin approximately 50 kilometers south of Mendoza City, Province of Mendoza. Consideration for the exploitation license was cash payment of \$8.33 million (\$4.17 million net to Crown Point) to the Province.

Under the terms of the exploitation license agreement, the joint venture will pay a 13% royalty on oil production and commit to an \$85.7 million (\$42.85 million net to Crown Point) ten-year work program which includes well work overs, infrastructure optimization and a multi- well drilling program. The CH Concession will be operated by Aconcagua.

The acquisition of the 50% working interest in the CH Concession was accounted for as a business combination in accordance with IFRS 3 Business Combinations whereby the assets acquired and liabilities assumed were recorded at their estimated fair values on the acquisition date as follows:

Fair value of net assets:	
Property and equipment	\$ 17,182,530
Inventory	63,737
Non-current trade and other payables	(129,228)
Decommissioning provision	(166,981)
Deferred tax liability	(3,254,007)
	13,696,051
Gain on acquisition of working interest	(9,529,551)
	<u>\$ 4,166,500</u>

Consideration:

Due to the Province of Mendoza (paid April 12, 2021)	<u>\$ 4,166,500</u>
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The CH Concession was revoked by the Province in 2019 when the predecessor concession holder was unable to complete their expenditure commitments and subsequently filed for bankruptcy in 2020. The Company and Aconcagua were awarded the CH Concession in March 2021 through a bid-process that was evaluated based on cash consideration, a committed work program to invest in the Province and the financial and technical ability to complete the work program. As a result, the fair value of net assets acquired is in excess of the cash consideration payable to the Province of Mendoza, thereby resulting in the recognition of an \$8.2 million gain on the acquisition of the working interest.

During the nine months ended September 30, 2021, the Company incurred \$60,425 of costs related to the acquisition which are included in general and administrative expenses.

Since the acquisition date on March 13, 2021 to September 30, 2021, the 50% working interest in the CH Concession contributed \$4.7 million of oil and gas revenue and \$0.8 million of operating income (oil and gas revenue less royalties and operating expenses). Had the acquisition occurred on January 1, 2021, the Company estimates that oil and gas revenue would have increased by approximately \$6.4 million and operating income would have increased by approximately \$1.1 million. The pro forma information is not necessarily representative of future revenue and operations.

(b) Puesto Pozo Cercado Oriental Concession

Effective July 1, 2022, the Company acquired a 50% working interest in the Puesto Pozo Cercado Oriental hydrocarbon exploitation concession (the "PPCO Concession") from Aconcagua for a cash payment of \$5 million and up to an additional \$7.53 million in quarterly installments based on a percentage of the net operating income (oil and gas revenue less royalties, turnover and other taxes and operating expenses) derived from the Company's 50% working interest PPCO Concession (the "Contingent Consideration"), provided that the Contingent Consideration is not payable until the Company has recovered its initial \$5 million investment from its share of the net operating income derived from the PPCO Concession.

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Aconcagua retained the remaining 50% working interest in the PPCO Concession. The PPCO Concession, which expires in August 2043, is located in the Cuyana basin in the Province of Mendoza adjacent to the CH Concession and covers approximately 63 square kilometers.

Under the terms of the exploitation license agreement, the joint venture will pay an 18.2% royalty on oil production and commit to a \$26.8 million (\$13.4 million net to Crown Point) work program which includes well work overs, infrastructure optimization and a multi-well drilling program that must be fulfilled by August 2028. The PPCO Concession is operated jointly with the CH Concession by Aconcagua.

The acquisition of the 50% working interest in the PPCO Concession was accounted for as a business combination in accordance with IFRS 3 Business Combinations whereby the assets acquired and liabilities assumed were recorded at their estimated fair values on the acquisition date as follows:

Fair value of net assets:	
Property and equipment	\$ 8,180,582
Inventory	8,948
Working capital	109,772
Decommissioning provision	(89,021)
Deferred tax liability	(1,082,047)
	<u>7,128,234</u>
Gain on acquisition of working interest	(1,046,626)
	<u>\$ 6,081,608</u>
Consideration:	
Cash	\$ 5,000,000
Working capital	141,654
Contingent consideration liability (Note 11)	939,954
	<u>\$ 6,081,608</u>

The preliminary estimates of fair value were made by management at the time of preparation of these consolidated financial statements based on available information and may be adjusted as the amounts subject to estimates are finalized.

Aconcagua was awarded the PPCO Concession in August 2018 through a bid-process based on cash consideration and a committed work program to invest in the Province of Mendoza. In order to commence the \$26.8 million committed work program and fulfill it by August 2028, Aconcagua sought a working interest partner to share the commitment. As a result, the fair value of the net assets acquired by the Company is in excess of the acquisition consideration, thereby resulting in the recognition of a \$1.1 million gain on acquisition working interest.

During the nine months ended September 30, 2022, the Company incurred \$39,142 of costs related to the acquisition which are included in general and administrative expenses.

Since July 1, 2022, the PPCO Concession contributed \$0.7 million of oil and gas sales revenue and \$0.3 million of net operating income. Had the acquisition occurred on January 1, 2022, the Company estimates that revenue from oil and gas sales would have increased by approximately \$2.1 million and net operating income would have increased by approximately \$0.8 million. The pro forma information is not necessarily representative of future revenue and operations.

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(Unaudited)

(United States dollars)

5. TRADE AND OTHER RECEIVABLES:

The Company's trade and other receivables are exposed to the risk of financial loss if the counterparty fails to meet its contractual obligations. The Company's trade and other receivables include amounts due from the sale of crude oil and natural gas. The majority of the Company's oil production is exported by the Company to four international traders and to five Argentine companies; the majority of the Company's natural gas production is sold by the Company to several Argentine companies.

Three major purchasers that represent 91% of oil revenue reported in the nine months ended September 30, 2022 comprise \$2,093,156 of accounts receivable at September 30, 2022 (December 31, 2021 – three major purchasers, 100% of oil revenue, \$2,674,905 of accounts receivable) and three major purchasers that represent 54% of natural gas revenue reported in the three months ended September 30, 2022 comprise \$469,822 of accounts receivable at September 30, 2022 (December 31, 2021 – three major purchasers, 43% of natural gas revenue, \$241,877 of accounts receivable) (Note 16).

The Company's maximum exposure to credit risk in respect of trade and other receivables consists of:

	September 30 2022	December 31 2021
Due from Argentine companies	\$ 2,639,085	\$ 1,893,440
Due from an international company	716,666	1,658,327
Due from related parties (Note 20)	157,212	–
Other receivables	95,445	80,201
Allowance for credit losses	(318,378)	(319,070)
Total trade and other receivables	\$ 3,290,030	\$ 3,312,898

The Company's trade and other receivables are aged as follows:

	September 30 2022	December 31 2021
Not past due (less than 90 days)	\$ 3,327,182	\$ 3,306,349
Past due (more than 90 days)	281,226	325,619
	3,608,408	3,631,968
Allowance for credit losses	(318,378)	(319,070)
Total trade and other receivables	\$ 3,290,030	\$ 3,312,898

6. PREPAID EXPENSES AND OTHER CURRENT ASSETS:

	September 30 2022	December 31 2021
Prepaid expenses	\$ 1,760,869	\$ 1,587,047
Value Added Tax	1,729,609	1,869,289
	\$ 3,490,478	\$ 3,456,336

CROWN POINT ENERGY INC.
NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2022

(Unaudited)

(United States dollars)

7. PROPERTY AND EQUIPMENT:

	Argentina			Canada	
	Development and Production Assets	Right-of-Use Assets	Other Assets	Other Assets	Total
Cost:	\$	\$	\$	\$	\$
Balance, December 31, 2021	102,867,626	367,468	538,617	308,465	104,082,176
Additions	8,367,695	–	81,030	–	8,448,725
Acquisition of working interest (Note 4)	8,180,582	–	–	–	8,180,582
Government grants	(58,951)	–	–	–	(58,951)
Decommissioning additions (Note 12 and 8)	1,312,590	–	–	–	1,312,590
Right-of-use asset revision	–	11,541	–	–	11,541
Effect of change in exchange rates	–	(77,136)	–	(23,619)	(100,755)
Balance, September 30, 2022	120,669,542	301,873	619,647	284,846	121,875,908
Accumulated depletion and depreciation:					
Balance, December 31, 2021	67,712,043	59,085	477,674	297,032	68,545,834
Depletion and depreciation	5,360,829	43,563	35,672	2,531	5,442,595
Right-of-use asset revision	–	(9,706)	–	–	(9,706)
Effect of change in exchange rates	–	(10,485)	–	(22,906)	(33,391)
Balance, September 30, 2022	73,072,872	82,457	513,346	276,657	73,945,332
Net carrying amount:					
At December 31, 2021	35,155,583	308,383	60,943	11,433	35,536,342
At September 30, 2022	47,596,670	219,416	106,301	8,189	47,930,576

Government grants:

In December 2020 and July 2021, respectively, the Province of Mendoza created the Mendoza Activa Hydrocarbons Program (“Program I”) and the Mendoza Activa Hydrocarbons II Program (“Program II”) (collectively, the “Activa Programs”) to promote and increase the development and reactivation of hydrocarbon activity in the Province. The Activa Programs will provide a refund (“government grant”) of up to 40% of amounts invested in Province prior to December 31, 2022 that meet certain technical and economic requirements. Government grants are paid as follows:

- 50% in the form of a turnover tax credit that is freely transferable and may be applied against up to 10% of the holder’s monthly turnover tax balance; and
- 50% in the form of a royalty credit that can be applied against provincial royalties on incremental production obtained from the related investment.

Government grants received under Program 1 expire on December 31, 2023; government grants received under Program II expire on December 31, 2025 and may be extended for up to three years if certain criteria are met.

In July 2022, the Company received ARS 7.7 million (\$0.06 million) of Program 1 turnover tax and royalty credits of related to investments in the CH Concession.

Right-of-use assets:

The Company recognizes right-of-use assets and corresponding lease liabilities (Note 13) related to certain office premises and equipment in Argentina. Right-of-use assets are depreciated on a straight-line basis over the 10-year term of the related leases.

During 2022, the Company renewed an office lease for which the related lease liability and right-of-use asset was determined to be \$35,413 on the renewal date. The remaining right-of-use asset net book value of the original office lease was \$14,166 with a corresponding lease liability of \$18,319 (Note 13), resulting in a \$4,153 gain reported in net finance expense in the consolidated statement of income (loss) and comprehensive income (loss).

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NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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(Unaudited)

(United States dollars)

Future development costs:

The depletion expense calculation for the nine months ended September 30, 2022 included \$51.9 million (December 31, 2021 – \$45.9 million) for estimated future development costs associated with proved and probable reserves in Argentina.

8. EXPLORATION AND EVALUATION ASSETS (“E&E”):

Carrying amount, December 31, 2021	\$	12,210,949
Additions		2,553,818
Decommissioning revisions (Note 12)		(2,859)
Loss on decommissioning (Note 12)		(78,576)
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Carrying amount, September 30, 2022	\$	14,683,332

E&E assets consist of the Company’s intangible exploration projects in Argentina which are pending the determination of proven or probable reserves.

During the nine months ended September 30, 2022, the Company fulfilled the decommissioning obligation for an E&E well that was written-off in a previous year. The loss on decommissioning represents the write-off of the carrying amount of decommissioning revisions related to the previously written-off well.

9. BANK DEBT:

A continuity of the Company’s bank debt is as follows:

Balance, December 31, 2021	\$	–
Proceeds		11,746,249
Repayment		(7,427,133)
Interest accrued (Note 17)		1,263,294
Interest paid		(818,044)
Effect of change in exchange rates		(1,453,051)
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Balance, September 30, 2022	\$	3,311,315

(a) Banco Hipotecario S.A.

On February 23, 2022, the Company obtained an overdraft loan of up to ARS 150 million (\$1.4 million) with Banco Hipotecario at an interest rate of 40.5% to 45% per annum for a maximum term of six months. On April 11, 2022, the overdraft limit was increased to ARS 460 million (\$3.7 million) for a one-year term at an interest rate of 43% to 79% per annum. The overdraft is guaranteed by ST Inversiones S.A. under the agreement with Banco Hipotecario (Note 20).

As at September 30, 2022, ARS 14.6 million (\$0.1 million) was drawn on the overdraft loan. During the nine months ended September 30, 2022, the Company recognized \$503,979 of interest on the overdraft loan, of which \$355,603 was paid and \$148,377 is included in bank debt as at September 30, 2022.

(b) Sociedad de Bolsa Centaurus S.A.

On January 14, 2022, the Company obtained a \$0.5 million working capital loan with Sociedad de Bolsa Centaurus S.A. at an interest rate of 4% per annum and a fee of 0.5% of the loan principal. The loan plus \$384 of accrued interest was repaid on January 21, 2022.

On April 13, 2022, the Company obtained a \$0.25 million working capital loan with Sociedad de Bolsa Centaurus S.A. at an annual interest rate of 4% and a commission fee of 0.5% of the principal of the loan. The loan plus \$384 of accrued interest was paid on April 27, 2022.

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(Unaudited)

(United States dollars)

(c) Banco CMF S.A.

On February 18, 2022, the Company obtained an ARS 30 million (\$0.3 million) working capital loan with Banco CMF S.A. repayable on August 18, 2022 and bearing interest at a variable rate calculated and payable monthly. The interest rate is 46% for the first month and thereafter will be calculated based on the BADLAR Corregida plus 4.5% per annum (68.76%). The Company paid a structuring fee of 0.5% of the loan principal.

The loan plus \$70,918 of accrued interest was repaid on August 18, 2022.

(d) Banco Galicia S.A.U.

On March 18, 2022, the Company obtained an ARS 30 million (\$0.3 million) working capital loan with Banco Galicia S.A.U. repayable on October 23, 2022 and at an interest rate of 41% calculated and payable monthly. The working capital loan was repaid on September 19, 2022.

On April 6, 2022, the Company obtained an overdraft loan for up to ARS 10 million (\$0.1 million) with Banco Galicia S.A.U., at an annual interest rate of 55% to 67%. The Company drew ARS 9.9 million (\$0.1 million) on the overdraft loan, all of which was repaid on July 7, 2022.

During the nine months ended September 30, 2022, the Company recognized \$61,767 of interest on the Banco Galicia S.A.U. working capital loan and overdraft, all of which was paid on or before September 19, 2022.

(e) Banco Macro S.A.

On April 12, 2022, the Company obtained an ARS 250 million (\$2.3 million) working capital loan with Banco Macro S.A. at an annual interest rate of 48.5%. The loan plus \$161,196 of accrued interest was repaid on June 11, 2022. The loan was guaranteed by ST Inversiones S.A. (Note 20).

On July 7, 2022, the Company obtained an ARS 300 million (\$2.4 million) working capital loan with Banco Macro S.A., at an annual interest rate of 58% and guaranteed by ST Inversiones S.A. (Note 20). The loan was repaid on October 5, 2022 (Note 23).

During the nine months ended September 30, 2022, the Company recognized \$436,892 of interest on the Banco Macro S.A. loans, of which \$161,196 was paid and \$275,696 is included in bank debt as at September 30, 2022.

(f) Banco Supervielle S.A.

On May 19, 2022, the Company obtained an ARS 40 million (\$0.3 million) working capital loan with Banco Supervielle S.A. at an annual interest rate of 57.5% and repayable on November 11, 2022.

During the nine months ended September 30, 2022, the Company recognized \$64,599 of interest on the Banco Supervielle S.A. loan, of which \$56,856 was paid and \$7,743 is included in bank debt as at September 30, 2022.

(g) Banco de la Nación Argentina

On June 7, 2022, the Company obtained an ARS 110 million (\$0.9 million) working capital loan with Banco Nación S.A. repayable in five equal installments commencing on September 5, 2022 until the maturity date of June 2, 2023 and bearing interest at a variable rate, calculated and payable quarterly. The interest rate is calculated based on the BADLAR (69.125% at September 30, 2022) plus 6% per annum.

During the nine months ended September 30, 2022, the Company repaid ARS 27.5 million (\$0.2 million) and recognized \$116,456 of interest on the Banco Nación S.A. loan, of which \$103,021 was paid and \$13,435 is included in bank debt as at September 30, 2022.

(h) HSBC Bank Argentina S.A.

On June 9, 2022, the Company obtained a \$1 million export financing loan with HSBC Bank Argentina S.A. at an annual interest rate of 3% all of which was repaid on August 4, 2022.

On June 22, 2022, the Company obtained an overdraft loan of up to ARS 50 million (\$0.4 million) with HSBC Bank Argentina S.A. at an interest rate of 54% per annum, of which 38.5 million (\$0.3 million) was drawn on the overdraft loan and repaid on July 7, 2022.

During the nine months ended September 30, 2022, the Company recognized \$7,915 of interest on the export financing loan and overdraft loan, all of which was paid on or before August 4, 2022.

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10. NOTES PAYABLE:

In 2021, Crown Point Energía issued \$3.38 million principal amount of Series I notes payable ("Series I Notes") and ARS 190 million (\$2.07 million) principal amount of Series II notes payable ("Series II Notes") for aggregate gross proceeds of \$5.45 million. Series I Notes were guaranteed, denominated in USD integrated in ARS at the initial exchange rate and repayable in ARS at the applicable exchange rate. Series II Notes were guaranteed, denominated in ARS and repayable in ARS.

The Series I Notes and Series II Notes were repayable in eight equal installments commencing on July 1, 2022 until the maturity date of June 30, 2024 and bear interest at 8% per annum and BADLAR Privados (69.125% at September 30, 2022) plus 6.75% per annum, respectively, payable quarterly.

On July 1, 2022, the Company made the first quarterly installment payments in respect of the Series I Notes and Series II Notes in the amount of ARS 52,308,725 (\$422,321) and ARS 23,750,000 (\$189,651), respectively.

On August 8, 2022, Crown Point Energía issued a total of \$14.7 million principal amount of Series III secured fixed-rate notes ("Series III Notes"), of which: \$10.2 million principal amount of Series III Notes were issued for cash consideration, payable in ARS; \$3.1 million principal amount of Series III Notes were issued in exchange for the surrender and cancellation of \$3.38 million principal amount of Series I Notes an exchange ratio of \$93.77 principal amount of Series III Notes for every \$100 principal amount of Series I Notes; and \$1.3 million principal amount of Series III Notes were issued in exchange for the surrender and cancellation of ARS 190,000,000 (\$1.4 million) principal amount of Series II Notes at an exchange ratio of \$90.31 principal amount of Series III Notes for every \$100 principal amount of Series II Notes.

Series III Notes are denominated in USD and payable in ARS, due 36 months after the issue date. The principal amount of Series III Notes will be repaid in seven quarterly equal installments, starting on February 10, 2024 and ending on August 10, 2025. Series III Notes will accrue interest at a fixed rate of 4% per annum, payable every three months in arrears from the issue date.

Following closing of the Series III Notes, the Company repurchased the remaining \$50,000 principal amount outstanding of Series I Notes. All Series I Notes and Series II Notes were cancelled.

A continuity of the Company's notes payable is as follows:

Balance, December 31, 2021	\$	5,379,245
Repayment of Series I Notes and Series II Notes		(657,820)
Issue of Series III Notes for cash consideration		10,240,930
Transaction costs		(224,340)
Cost of exchange Series I Notes and Series II Notes (Note 17)		250,409
Amortization of notes payable transaction costs (Note 17)		117,658
Interest accrued (Note 17)		720,047
Interest paid		(882,394)
Effect of change in exchange rates		(420,311)
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Balance, September 30, 2022	\$	14,523,424
Current portion of notes payable		(7,128)
<hr/>		
Long-term notes payable	\$	14,516,296

Restricted cash

As at September 30, 2022, \$265,468 (ARS 39.1 million) (December 31, 2021 – \$299,560 (ARS 30.7 million)) was reported as restricted cash. The restricted cash is assigned as collateral for the notes payable and has been deposited in a trust account with Banco de Servicios y Transacciones S.A., the beneficiary of which is Crown Point Energía. The trust account funds are invested as prescribed by the related escrow agreement; these funds are restricted and cannot be used by the Company other than for the purpose stated in the escrow agreement. The amount of funds held in trust is based on the Company's estimate of the next upcoming quarterly interest payment. The trust account is required to be in place until the maturity date of the notes payable.

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11. CONTINGENT CONSIDERATION (LIABILITY) RECEIVABLE:

A reconciliation of the contingent consideration (liability) receivable is as follows:

	Liability (a)	Receivable (b)	Net
Balance, December 31, 2021	\$ (81,259)	\$ 53,034	\$ (28,225)
Acquisition of working interest (Note 4)	(939,954)	—	(939,954)
Fair value adjustment	(138,150)	90,116	(48,034)
Balance, September 30, 2022	(1,159,363)	143,150	(1,016,213)
Current portion	219,409	(143,150)	76,259
Long-term portion	\$ (939,954)	\$ —	\$ (939,954)

(a) Contingent consideration liability

Acquisition of St. Patrick Oil & Gas S.A.

Pursuant to the 2018 acquisition of St. Patrick Oil & Gas S.A. (formerly Apco Austral S.A.) ("St. Patrick"), the Company makes quarterly payments to the vendor until December 31, 2027 equal to 10% of the amount by which net revenue (oil and gas revenue less provincial royalties) received by the Company in respect of St. Patrick's participating interest in the TDF Concessions for the quarter exceeds certain base net revenue thresholds for such quarter. If in any quarter the net revenues received by the Company in respect of St. Patrick's participating interest do not exceed the base net revenue threshold for that quarter, then no royalty payment will be payable.

The forecast net revenues based on the externally prepared December 31, 2021 reserve report did not exceed the base net revenue for future quarters. As a result, the estimated fair value of the contingent consideration liability at December 31, 2021 was \$nil.

As at September 30, 2022, the Company estimated a contingent consideration liability related to the current year for an amount of \$219,409 and it is included in trade and other payables.

Acquisition of working interest

On July 1, 2022, the Company recognized a liability of \$939,954 representing the estimated fair value of the contingent consideration liability associated with the acquisition of the 50% working interest in the PPCO Concession (Note 4 (b)). The fair value of the contingent consideration liability as at September 30, 2022, was estimated based on \$2 million of undiscounted cash flows over 21 years at a discount rate of 15.4%.

The \$939,954 contingent consideration liability is included in the non-current portion of trade and other payables.

(b) Contingent consideration receivable

As part of the consideration for the disposition of a 16.8251% participating interest in the TDF Concessions to its UTE partners in April 2019 (the "ROFR Sale"), the UTE partners make payments to the Company equal to their proportionate share of contingent royalty payments that accrue following the closing of the ROFR Sale.

The forecast net revenues based on the externally prepared December 31, 2021 reserve report did not exceed the base net revenue for future quarters. As a result, the estimated fair value of the contingent consideration receivable at December 31, 2021 was \$nil.

As at September 30, 2022, the Company estimated a contingent consideration receivable related to the current year for an amount of \$143,150 and it is included in trade and other receivables.

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12. DECOMMISSIONING PROVISION:

As at September 30, 2022, the estimated total undiscounted inflation-adjusted amount of cash flows required to settle the Company's obligations were approximately \$18.1 million to be incurred in the next 1 to 23 years (December 31, 2021 – \$15.2 million). A risk-free interest rate of 2.0% to 3.7% (December 31, 2021 – 1.2% to 1.9%) and an inflation rate of 2.1% to 4.2% (December 31, 2021 – 1.8%) was used to calculate the fair value of the decommissioning provision.

A reconciliation of the decommissioning provision is provided below:

Balance, December 31, 2021	\$	11,952,279
Addition		36,607
Acquisition of working interest (Note 4)		89,021
Expenditures		(130,217)
Gain on settlement		(24,348)
Revisions		1,273,124
Accretion (Note 17)		136,902
<hr/>		
Balance, September 30, 2022		13,333,368
Current portion of decommissioning provision		(441,033)
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Long-term portion of decommissioning provision	\$	12,892,335

The gain on settlement represents the difference between the decommissioning provision and the actual expenditures made to settle the obligation. The gain on settlement has been net against the loss on decommissioning (Note 8) resulting in the recognition of a \$54,228 loss on decommissioning provision.

13. LEASE LIABILITIES:

The Company incurs lease payments related to certain office premises and equipment in Argentina. Leases are entered into and exited in coordination with specific business requirements which includes the assessment of the appropriate durations for the related leased assets.

Balance, December 31, 2021	\$	319,913
Addition (Note 7)		35,413
Revision (Note 7)		(18,319)
Interest (Note 17)		15,594
Payments		(52,492)
Effect of change in exchange rates		(68,794)
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Balance, September 30, 2022		231,315
Current portion of lease liabilities		(47,969)
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Long-term lease liabilities	\$	183,346

Total expected payments under lease agreements for office and equipment are \$5,151 per month (\$61,810 per year) until December 31, 2026.

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NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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14. SHARE-BASED PAYMENTS:

As at September 30, 2022 and December 31, 2021, the Company had 4,350,000 stock options outstanding. Information about stock options outstanding as at September 30, 2022 is as follows:

Expiry Date	Number of Options Outstanding	Weighted Average Exercise Price (CAD)	Weighted Average Life Remaining (Years)	Number of Options Exercisable
April 3, 2024	2,175,000	\$ 0.75	1.5	2,175,000
May 31, 2026	2,175,000	\$ 0.20	3.7	1,450,000
	4,350,000	\$ 0.48	2.6	3,625,000

During the three and nine months ended September 30, 2022, the Company recognized \$10,165 and \$64,961 (three and nine months ended September 30, 2021 –\$31,611 and \$155,928), respectively, of share-based payment expense. As at September 30, 2022, the balance of unvested share-based payments was \$25,567.

15. PER SHARE AMOUNTS:

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Net (loss) income for the period	\$ (884,657)	\$ 1,408,708	\$ (3,194,246)	\$ 9,032,322
Weighted average number of shares – basic:				
Issued common shares, beginning and end of period	72,903,038	72,903,038	72,903,038	72,903,038
Net (loss) income per share – basic	\$ (0.01)	\$ 0.02	\$ (0.04)	\$ 0.12
Weighted average number of shares – diluted:				
Basic weighted average number of shares	72,903,038	72,903,038	72,903,038	72,903,038
Effect of outstanding stock options	– ⁽¹⁾	44,970	– ⁽¹⁾	54,900
	72,903,038	72,948,008	72,903,038	72,957,938
Net (loss) income per share – diluted	\$ (0.01)	\$ 0.02	\$ (0.04)	\$ 0.12

⁽¹⁾ All stock options were excluded from the diluted per share amounts as their effect is anti-dilutive in loss periods.

For the purposes of calculating the dilutive effect of stock options for the three and nine months ended September 30, 2021, the Company used an average market price for its shares of CAD 0.21 and CAD 0.22 per share, respectively, based on quoted market prices for the period that in-the-money stock options were outstanding.

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16. OIL AND NATURAL GAS SALES:

The following table represents the Company's oil and natural gas sales disaggregated by commodity:

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Oil	\$ 8,858,920	\$ 5,336,399	\$ 20,018,169	\$ 14,633,989
Natural gas liquids	53,362	50,201	110,904	90,290
Natural gas	1,839,502	1,559,918	4,324,805	3,600,388
	\$ 10,751,784	\$ 6,946,518	\$ 24,453,878	\$ 18,324,667

During the three and nine months ended September 30, 2022, 43% and 47%, respectively, of oil sales revenue was for domestic sales to five purchaser (three and nine months ended September 30, 2021 – 48% and 32%; two purchasers) and 57% and 53%, respectively, of oil sales revenue was for export sales to four purchasers (three and nine months ended September 30, 2021 – 52% and 68%; one purchaser). As at September 30, 2022, \$2,223,052 (December 31, 2021 – \$2,674,905) of oil sales revenue was in accounts receivable.

All of the Company's revenue from natural gas sales earned in the three and nine months ended September 30, 2022, was for domestic sales, of which 54% was to three major purchasers (three and nine months ended September 30, 2021 – domestic sales of which 41% was to three major purchasers). As at September 30, 2022, \$742,352 (December 31, 2021 – \$241,877) of natural gas sale revenue was in accounts receivable.

The following table represents the Company's oil and natural gas sales disaggregated by market:

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Export	\$ 5,087,520	\$ 2,772,952	\$ 10,605,328	\$ 9,947,730
Domestic	5,664,264	4,173,566	13,848,550	8,376,937
	\$ 10,751,784	\$ 6,946,518	\$ 24,453,878	\$ 18,324,667

17. NET FINANCE EXPENSE:

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Interest income	\$ 112,800	\$ 73,013	\$ 231,751	\$ 145,151
Financing fees and bank charges	(309,778)	(124,323)	(684,695)	(292,056)
Interest on bank debt (Note 9)	(695,115)	(18,136)	(1,263,294)	(222,092)
Interest on notes payable (Note 10)	(190,731)	(268,618)	(720,047)	(543,635)
Amortization of notes payable transaction costs (Note 10)	(94,323)	(12,005)	(117,658)	(24,126)
Cost of exchange Series I Notes and Series II Notes (Note 10)	(250,409)	–	(250,409)	–
Accretion of decommissioning provision (Note 12)	(50,179)	(20,086)	(136,902)	(54,348)
Interest on lease liabilities (Note 13)	(4,720)	(2,580)	(15,594)	(8,128)
Gain on disposition of right-of-use assets and lease liabilities (Note 7)	4,153	–	4,153	27,000
	\$ (1,478,302)	\$ (372,735)	\$ (2,952,695)	\$ (972,234)

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18. TAXES:

A continuity of the Company's deferred tax liability is as follows:

Balance, December 31, 2021	\$	4,038,821
Acquisition of working interest (Note 4)		1,082,047
Deferred tax provision		589,334
Balance, September 30, 2022	\$	5,710,202

The Company's tax provision is comprised of the following current and deferred taxes:

	Three months ended September 30		Nine months ended September 30	
	2022	2021	2022	2021
Current tax	\$ -	\$ -	\$ -	\$ -
Deferred tax recovery (provision)	(415,151)	348,429	(589,334)	(281,608)
Tax recovery (provision)	\$ (415,151)	\$ 348,429	\$ (589,334)	\$ (281,608)

Crown Point Energía S.A.'s has sufficient non-capital loss and other tax pools available to reduce taxable income in Argentina to \$nil. The deferred tax provision reported in the nine months ended September 30, 2022 and 2021 is related to changes in the Company's ARS denominated tax pools combined with the effect of an increase in the Argentine corporate income tax rate applied to certain temporary tax differences and the devaluation of the ARS during the period on the translation of ARS denominated tax pools to USD.

19. SUPPLEMENTAL CASH FLOW INFORMATION:

As of September 30, 2022, the Company has a \$257,308 working capital surplus (December 31, 2021 – \$2,926,658 working capital surplus) which includes \$4,019,485 (December 31, 2021 – \$6,543,016) of financial assets comprised of cash and trade and other receivables and \$9,057,839 (December 31, 2021 – \$6,737,831) of financial liabilities comprised of trade and other payables, bank debt, current portion of notes payable and current portion of lease liabilities with a contractual maturity of less than one year. During the nine months ended September 30, 2022, the Company reported net cash provided by operating activities in the amount of \$1,164,437 (nine months ended September 30, 2021 – \$4,791,202 of net cash provided by operating activities).

(a) Change in non-cash working capital items

For the nine months ended September 30	2022	2021
Trade and other receivables	\$ 112,984	\$ 362,104
Inventory	(1,476,104)	(688,619)
Prepaid expenses and other current assets	24,809	(289,908)
Trade and other payables	1,066,491	1,986,461
Taxes payable	(78,278)	(92,852)
Effect of change in exchange rates	(333)	24
	\$ (350,431)	\$ 1,277,210
Attributable to:		
Operating activities	\$ (1,711,172)	\$ 58,946
Investing activities	1,360,741	1,218,264
	\$ (350,431)	\$ 1,277,210

(b) As at September 30, 2022, the Company held \$729,455 (December 31, 2021 – \$3,221,118) of cash in Canadian, United States and Argentine banks.

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- (c) During the nine months ended September 30, 2022, the Company paid \$1,700,438 (nine months ended September 30, 2021 – \$507,927) of interest expense on bank debt and notes payable (Notes 9 and 10).
- (d) During the nine months ended September 30, 2022, the Company paid \$45,300 (ARS 5,466,417) (nine months ended September 30, 2021 – \$92,852 (ARS 5,466,852)) to Argentine tax authorities related to corporate income tax.

20. RELATED PARTY TRANSACTIONS:

During the nine months ended September 30, 2022, the Company sold a portion of natural gas production from the TDF Concession to Energía y Soluciones S.A., a company controlled by Gabriel Obrador, who is the President, Chief Executive Officer and a director of the Company, for which the Company recognized \$737,748 (ARS 97.6 million) (nine months ended September 30, 2021 – \$nil) of oil and gas revenue. Included in trade and other receivables as at September 30, 2022 is \$157,212 (ARS 23.1 million) (nine months ended September 30, 2021 – \$nil) in respect of this revenue.

Mr. Pablo Peralta is a director of the Company and is the President and a director of Liminar Energía S.A. (“**Liminar**”) and Vice-President and a director of ST Inversiones S.A. and controls 30% and 50% of the voting shares, respectively. Liminar owns approximately 59.5% of the Company’s outstanding common shares.

ST Inversiones S.A. has provided a guarantee of Banco Hipotecario overdrafts and Banco Macro working capital loan (Note 9(a) and (e)) for which the Company is charged a loan guarantee fee of 1% of the loan balance per annum and 1% of the loan, respectively. During the three and nine months ended September 30, 2022, ST Inversiones S.A. charged the Company \$26,224 and \$52,396 (three months ended September 30, 2021 – \$nil and \$4,457), respectively, in loan guarantee fees. Included in trade and other payables as at September 30, 2022 is \$3,339 (December 31, 2021 – \$nil) payable to ST Inversiones S.A..

During the nine months ended September 30, 2021, the Company was charged a \$41,665 guarantee fee for a guarantee provided by Liminar in respect of the \$4.17 million owed to the Province of Mendoza in connection with the Company’s acquisition of the 50% working interest in the CH Concession (Note 4(a)).

Transactions with related parties are conducted and recorded at the exchange amount.

21. FOREIGN CURRENCY EXCHANGE RISK:

A substantial portion of the Company’s exploration and development activities are conducted in foreign jurisdictions and a portion of the Company’s cash is denominated in CAD and ARS. The Company has not entered into foreign exchange rate contracts to mitigate this risk.

- (a) Foreign currency denominated financial instruments held by the Company:

As at September 30, 2022	Balance denominated in		Total USD equivalents
	CAD	ARS	
Cash	\$ 1,360	\$ 73,560,894	\$ 500,998
Restricted cash	\$ –	\$ 39,108,746	\$ 265,468
Trade and other receivables	\$ 10,746	\$ 20,431,101	\$ 146,713
Trade and other payables	\$ (255,066)	\$ (611,896,531)	\$ (4,339,617)
Bank debt	\$ –	\$ (487,822,778)	\$ (3,311,315)
Current and long-term taxes payable	\$ –	\$ (8,503,255)	\$ (57,717)
Lease liabilities	\$ –	\$ (23,173,533)	\$ (157,301)

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As at December 31, 2021	Balance denominated in		Total USD equivalents
	CAD	ARS	
Cash	\$ 1,920	\$ 328,003,537	\$ 3,200,927
Restricted cash	\$ —	\$ 30,710,927	\$ 299,560
Trade and other receivables	\$ 5,497	\$ 8,878,853	\$ 90,949
Trade and other payables	\$ (300,489)	\$ (302,193,747)	\$ (3,179,334)
Current and long-term taxes payable	\$ —	\$ (13,969,672)	\$ (135,995)
Notes payable	\$ —	\$ (198,587,585)	\$ (1,933,286)
Lease liabilities	\$ —	\$ (24,150,899)	\$ (235,114)

(b) Currency devaluation:

Exchange rates as at	September 30 2022	December 31 2021
CAD to USD ⁽¹⁾	0.7296	0.7901
ARS to USD ⁽²⁾	0.0068	0.0098
USD to ARS ⁽²⁾	147.22	102.62

⁽¹⁾ Source Bank of Canada ⁽²⁾ Source BNA (National Bank of Argentina)

Currency devaluation in Argentina partially impacts the cost of ARS denominated items which are translated to the USD functional currency of the Argentine subsidiaries. A portion of the TDF, CH and PPCO concessions operating costs and general and administrative expenses incurred in Argentina are denominated in ARS and are also subject to inflation adjustments. During the nine months ended September 30, 2022, the devaluation of ARS resulted in lower TDF, CH and PPCO operating costs and general and administrative expenses incurred in Argentina by approximately 18% (nine months ended September 30, 2021 – devaluation of ARS; lower by approximately 10%), without considering cost increases related to inflation.

During the nine months ended September 30, 2022, the devaluation of ARS since the previous year end date resulted in a decrease in the USD equivalent of ARS denominated foreign currency denominated financial instruments, excluding bank debt and notes payable, by approximately \$0.7 million (nine months ended September 30, 2021 – devaluation of ARS; reduction by approximately \$0.03 million).

The effect of currency devaluation on ARS denominated bank debt and notes payable during the nine months ended September 30, 2022 was a \$1,877,362 reduction (nine months ended September 30, 2021 – \$308,460 reduction of bank debt and notes payable) in the USD equivalent amount (Notes 9 and 10).

(c) Sensitivity analysis:

The following table presents an estimate of the impact on net loss for the market risk factors discussed above and is calculated based on the noted change in exchange rates applied to balances as at September 30, 2022:

	Change in exchange rates	Impact on net income
Foreign exchange - effect of strengthening USD:		
CAD denominated financial assets and liabilities	5%	\$ 8,860
ARS denominated financial assets and liabilities	10%	\$ 678,100

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22. COMMITMENTS:

(a) TDF Concessions

As at September 30, 2022, the Company's share of expenditure commitments with respect to the Rio Cullen exploitation concession in TDF is \$0.62 million which must be completed by August 2026.

(b) CH Concession

As at September 30, 2022, the Company's share of expenditure commitments with respect to the CH Concession is \$37.7 million, consisting of a work program for well work overs, infrastructure optimization and a multi-well drilling program to be fulfilled by March 2031.

(c) PPCO Concession

As at September 30, 2022, the Company's share of expenditure commitments with respect to the PPCO Concession is \$13.4 million, consisting of a work program for well work overs, infrastructure optimization and a multi-well drilling program to be fulfilled by August 2028.

23. SUBSEQUENT EVENTS:

On October 4, 2022, the Company obtained a \$0.9 million export financing loan with HSBC Bank Argentina S.A. at an annual interest rate of 4% repayable on December 4, 2022.

On October 5, 2022, the Company repaid the ARS 300 million (\$2 million) working capital loan with Banco Macro S.A. plus \$288,179 of accrued interest (Note 9(e)).