

## **Crescent Point Energy Announces Strategic U.S. Acquisitions, Increase in 2011 Exit Guidance and a \$375 Million Bought Deal Financing**

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CALGARY, Aug. 31, 2011 /CNW/ - Crescent Point Energy Corp. ("Crescent Point" or the "Company") is pleased to announce that it has acquired approximately 750 boe/d of production and more than 78 net sections of lower-risk land in North Dakota, U.S., through two strategic acquisitions (the "Acquisitions").

As a result of the Acquisitions, Crescent Point is upwardly revising its 2011 capital expenditure plans and production guidance. Capital expenditures are expected to increase by \$50 million to \$1.05 billion, with 100 percent of the increase allocated to development capital on the acquired assets. In conjunction with the Acquisitions, the Company has entered into a two-year agreement with a leading U.S. fracture stimulation company with operations in North Dakota to secure access to equipment and services for the Company's expanded development plans in 2012. Crescent Point is also upwardly revising its 2011 exit production rate to more than 77,500 boe/d from 76,500 boe/d.

The Company also announces that it has entered into an agreement, on a bought deal basis, with a syndicate of underwriters co-led by BMO Capital Markets and CIBC, and including Scotia Capital Inc., RBC Capital Markets, FirstEnergy Capital Corp., TD Securities Inc., National Bank Financial Inc., GMP Securities L.P., Macquarie Capital Markets Canada Ltd. and Peters & Co. Limited for an offering of 8,625,000 Crescent Point shares at \$43.50 per share to raise gross proceeds of approximately \$375 million. Closing is expected to occur on or about September 21, 2011, and is subject to customary regulatory approvals. Crescent Point has also granted the underwriters an over-allotment option to purchase, on the same terms, up to an additional 1,293,750 Crescent Point shares. This option is exercisable, in whole or in part, by the underwriters at any time up to 30 days after closing. The maximum gross proceeds raised under this offering will be approximately \$431 million, should this option be exercised in full.

### **NORTH DAKOTA ACQUISITIONS AND INCREASED 2011 EXIT GUIDANCE**

In third quarter 2011, Crescent Point closed two agreements to acquire approximately 750 boe/d of Bakken light oil production and more than 78 net sections of land in North Dakota. Crescent Point believes the land to be prospective for the lower-risk Bakken and Three Forks zones. The majority of the lands are in a highly prospective area of the Bakken and are adjacent to existing Crescent Point properties, further consolidating the Company's land position in North Dakota. Combined consideration for the Acquisitions was approximately CDN\$164 million of cash.

#### *Key attributes of the Acquisitions:*

- Bakken light oil production of approximately 750 boe/d;
- More than 78 net sections of land, of which the majority are operated;
- Average land acquisition cost of approximately \$2,500 per acre, net of value for production; and
- More than 140 net internally identified low-risk drilling locations in the Bakken and Three Forks zones.

The Acquisitions are expected to be accretive to Crescent Point on a debt-adjusted per share basis to cash flow, reserves and production and to the Company's long-term drilling inventory.

Pro forma the Acquisitions, Crescent Point now has more than 165 net sections of lower-risk land within the main productive areas of the North Dakota Bakken. The Company has internally identified approximately 260 net low-risk drilling locations on these lands. Currently, Crescent Point's production in the U.S. is approximately 1,000 boe/d.

To date in 2011, the Company has participated in the drilling of 16 (2.2 net) non-operated North Dakota Bakken/Three Forks horizontal oil wells and has drilled its first operated North Dakota Bakken horizontal oil well, which the Company expects to complete in September. In addition, the Company has entered into a two-year agreement with a leading U.S. fracture stimulation company with operations in North Dakota to secure access to equipment and services for the Company's expanded development plans in 2012. The agreement is effective in 2012 and will provide the Company with full access to fracture stimulation equipment to complete wells and put production on in a timely manner.

In total, the Company now expects to drill 10 net wells in North Dakota in 2011, up from previous plans of 3 net wells. As a result of the Acquisitions, the Company is upwardly revising its expected year-end 2011 exit production rate to more than 77,500 boe/d.

As previously announced, on August 1, 2011, Crescent Point took possession of new office space in Denver, Colorado, which will enable the Company to continue to pursue its business strategy of acquiring, exploiting and developing high-quality, long-life light and medium oil and natural gas properties in the United States.

## **BOUGHT DEAL FINANCING**

Crescent Point has entered into an agreement, on a bought deal basis, with a syndicate of underwriters co-led by BMO Capital Markets and CIBC, and including Scotia Capital Inc., RBC Capital Markets, FirstEnergy Capital Corp., TD Securities Inc., National Bank Financial Inc., GMP Securities L.P., Macquarie Capital Markets Canada Ltd. and Peters & Co. Limited for an offering of 8,625,000 Crescent Point shares at \$43.50 per share to raise gross proceeds of approximately \$375 million. Closing is expected to occur on or about September 21, 2011, and is subject to customary regulatory approvals. Crescent Point has also granted the underwriters an over-allotment option to purchase, on the same terms, up to an additional 1,293,750 Crescent Point shares. This option is exercisable, in whole or in part, by the underwriters at any time up to 30 days after closing. The maximum gross proceeds raised under this offering will be approximately \$431 million, should this option be exercised in full.

The offering will be a bought underwritten public issue in all provinces of Canada by way of a short form prospectus. The offering will be offered for sale to Qualified Institutional Buyers in the United States, pursuant to the registration exemptions provided by Rule 144A of the Securities Act of 1933 and internationally, as permitted.

The net proceeds of the offering will be used to fund the increased capital expenditures, to fund the Acquisitions and to reduce corporate debt.

Consistent with the Company's strategy of maintaining significant financial flexibility to execute its business strategy, Crescent Point's balance sheet remains strong, with projected net debt to cash flow of less than 1.0 times and substantial unutilized credit capacity. With a strong balance sheet, robust hedging position and secured access to services, Crescent Point is well positioned to continue generating strong operating and financial results in both Canada and the U.S. in 2012 and beyond.

## **FORWARD-LOOKING STATEMENTS**

Certain statements contained in this press release constitute forward-looking statements. All forward-looking

statements are based on Crescent Point's beliefs and assumptions based on information available at the time the assumption was made. The use of any of the words "could", "should", "can", "anticipate", "expect", "believe", "will", "may", "projected", "sustain", "continues", "strategy", "potential", "projects", "grow", "take advantage", "estimate", "well-positioned" and similar expressions are intended to identify forward-looking statements. By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Crescent Point believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this report should not be unduly relied upon. These statements speak only as of the date of this press release or, if applicable, as of the date specified in those documents specifically referenced herein.

In particular, this press release contains forward-looking statements pertaining to the following: the performance characteristics of Crescent Point's oil and natural gas properties; oil and natural gas production levels; capital expenditure programs; drilling programs; the quantity of drilling locations in inventory; expectations regarding the ability to raise capital and to continually add to reserves through acquisitions and development; expected debt levels and credit facilities; and availability of fracture stimulation services and equipment availability.

By their nature, such forward-looking statements are subject to a number of risks, uncertainties and assumptions, which could cause actual results or other expectations to differ materially from those anticipated, including those material risks discussed in our annual information form under "Risk Factors" and our Management's Discussion and Analysis for the year ended December 31, 2010, under the headings "Risk Factors" and "Forward-Looking Information." The material assumptions are disclosed in the Management's Discussion and Analysis for the year ended December 31, 2010, under the headings "Dividends", "Capital Expenditures", "Asset Retirement Obligation", "Liquidity and Capital Resources", "Critical Accounting Estimates", "New Accounting Pronouncements" and "Outlook", and in Management's Discussion and Analysis for the period ended June 30, 2011, under the headings "Dividends", "Capital Expenditures", "Decommissioning Liability", "Liquidity and Capital Resources", "Critical Accounting Estimates" and "Outlook". The actual results could differ materially from those anticipated in these forward-looking statements as a result of the material risks set forth under the noted headings, which include, but are not limited to: financial risk of marketing reserves at an acceptable price given market conditions; volatility in market prices for oil and natural gas; delays in business operations, pipeline restrictions, blowouts; the risk of carrying out operations with minimal environmental impact; industry conditions including changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced; uncertainties associated with estimating oil and natural gas reserves and Discovered Petroleum Initially in Place; economic risk of finding and producing reserves at a reasonable cost; uncertainties associated with partner plans and approvals; operational matters related to non-operated properties; increased competition for, among other things, capital, acquisitions of reserves and undeveloped lands; competition for and availability of qualified personnel or management; incorrect assessments of the value of acquisitions and exploration and development programs; unexpected geological, technical, drilling, construction and processing problems; availability of insurance; fluctuations in foreign exchange and interest rates; stock market volatility; failure to realize the anticipated benefits of acquisitions; general economic, market and business conditions; uncertainties associated with regulatory approvals; uncertainty of government policy changes; uncertainties associated with credit facilities and counterparty credit risk; and changes in income tax laws, tax laws, crown royalty rates and incentive programs relating to the oil and gas industry.

A barrel of oil equivalent ("boe") is based on a conversion rate of six thousand cubic feet of natural gas to one barrel of oil.

Additional information on these and other factors that could affect Crescent Point's operations or financial results are included in Crescent Point's reports on file with Canadian securities regulatory authorities. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date it is expressed herein or otherwise and Crescent Point undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, unless required to do so pursuant to applicable law.

Crescent Point Energy Corp. is a conventional oil and gas producer with assets strategically focused in properties comprised of high-quality, long-life, operated light and medium oil and natural gas reserves in United States and Canada.

**CRESCENT POINT ENERGY CORP.**

Scott Saxberg,  
President and Chief Executive Officer

For further information:

**FOR MORE INFORMATION ON CRESCENT POINT ENERGY, PLEASE CONTACT:**

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**Crescent Point shares are traded on the Toronto Stock Exchange under the symbol CPG.**

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