



Point Loma Resources Announces Brokered Private Placement of CEE Flow-Through Common Shares and Updates Production Increases

Calgary, Alberta, September 26, 2016: Point Loma Resources Ltd. (TSX VENTURE: PLX) (the "Corporation" or "Point Loma") is pleased to announce that it has entered into an agreement with Mackie Research Capital Corporation (the "Agent"), whereby the Agent has agreed to offer, on a reasonable commercial efforts private placement basis (the "Offering"), up to \$1.7 million in common shares of the Company to be issued on a "flow-through" basis (the "FT Common Shares") under the Income Tax Act (Canada) (the "Tax Act") with respect to Canadian Exploration Expense "CEE" at a price of \$0.35 per FT Common Share. This price represents an at market offering price for the FT Common Shares with no premium.

Management and directors of the Corporation will also be participating in the offering.

The Agent shall have the option (the "Over-Allotment Option") to increase the size of the Offering up to \$3.0 million by giving written notice of the exercise of the Over-Allotment Option, or a part thereof, to the Company at any time up to 48 hours prior to Closing. The Agent shall be under no obligation whatsoever to exercise the Over-Allotment Option, in whole or in part.

All FT Common Shares issued will be subject to a four month hold period. The Offering is subject to a number of conditions, including, without limitation, receipt of all regulatory approvals and approval of the TSX Venture Exchange.

The closing of the Offering is scheduled to occur in later October or early November 2016 (the "Closing").

Point Loma is also pleased to announce that the tie-in of the Paddle River area assets has been completed and production is now averaging approximately 500 barrels of oil equivalent per day (40% oil & ngl's and 60% natural gas), a 300 percent increase since completing the asset and corporate transactions on June 28, 2016.

Point Loma intends to use the proceeds of the offering and cash on hand as follows:

- Immediately tie-in additional behind pipe oil and natural gas production from a well in the West Cove field. The well was drilled in 2014 and had tested daily flowrates of approximately 325 barrels of oil equivalent per day.
- Drill one horizontal Mannville well on Point Loma's large undeveloped land base in 2016.

- Subject to budget approval and funding, drill additional horizontal development wells in 2017 focused on the Mannville to the Mississippian formations of west central Alberta.

“Point Loma has completed the initial phase and a significant step in our growth plan.” said Terry Meek, President and CEO of Point Loma. “We are now moving into the second phase, focused on the connection of additional existing behind pipe production volumes which is expected to add another step change in production and cash flow in Q4 2016. To provide the next phase of growth, we are also excited to initiate horizontal drilling operations focused on an evolving Mannville oil and gas play which is present throughout Point Loma’s acreage . These field activities are expected to boost production and provide additional funds for future development drilling. ”

This press release shall not constitute an offer of securities for sale in the United States. The securities referred to in this press release have not been, nor will be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an exemption from registration.

About Point Loma

Point Loma is a public oil and gas exploration and development company focusing on conventional oil and gas reservoirs in west central Alberta. Point Loma’s business plan is to utilize its experience to drill, develop and acquire accretive assets with potential for horizontal multi-stage frac technology and exploit opportunities for secondary recovery. For more information and our current presentation please visit Point Loma’s website at www.pointloma.ca or Point Loma’s profile on the System for Electronic Document Analysis and Retrieval website at www.sedar.com.

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A Note Regarding Forward-Looking Information

This press release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws, including without limitation, statements pertaining to Point Loma’s expectations as to production and future potential production increases, as well as increases in

cash flow and the timing thereof, the successful completion of the Offering and timing and completion thereof, the anticipated use of proceeds of the Offering; the receipt of any regulatory approvals in connection with the Offering including approval from the TSX Venture Exchange; future gas processing rates; Point Loma's expectations as to future prices of oil and natural gas; the focus of Point Loma's management team and go-forward strategy.

The use of any of the words "will", "expects", "believe", "plans", "potential" and similar expressions are intended to identify forward-looking statements or information. Although Point Loma believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because Point Loma cannot give assurance that they will prove to be correct.

Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risks associated with the oil and gas industry in general such as operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve and resource estimates; the inability of Point Loma to bring additional production on stream or in the anticipated quantities disclosed herein; the uncertainty of estimates and projections relating to reserves, resources, production, costs and expenses; health, safety and environmental risks; commodity price and exchange rate fluctuations; marketing and transportation; loss of markets; environmental risks; competition; incorrect assessment of the value of acquisitions; failure to realize the anticipated benefits of acquisitions; ability to access sufficient capital from internal and external sources; changes in legislation, including but not limited to tax laws, royalties and environmental regulations, actual production from the acquired assets may be greater or less than estimates. Management has included the above summary of assumptions and risks related to forward-looking information provided in this press release in order to provide security holders with a more complete perspective on Point Loma's future operations and such information may not be appropriate for other purposes.

The forward-looking statements and information contained in this press release are made as of the date hereof and Point Loma does not undertake any obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Oil and Gas Information

"BOEs" may be misleading, particularly if used in isolation. A BOE conversion ratio of six thousand cubic feet of natural gas to one barrel of oil equivalent (6 Mcf: 1 bbl) is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. As the value ratio between natural gas and crude oil based on the current prices of natural gas and crude oil is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

