



## **Point Loma Resources Announces Agreement to Acquire Oil & Gas Assets**

**Calgary, Alberta, January 24, 2017:** Point Loma Resources Ltd. (TSX VENTURE: PLX) (the “**Corporation**” or “**Point Loma**”) is pleased to announce that it has entered into a definitive agreement to acquire oil & gas assets from a private oil and gas company (the “**Acquisition**”) for the consideration of \$1.6 million with the issuance of four million shares of Point Loma. The Acquisition will be subject to customary closing conditions and regulatory approvals including the approval of the TSX Venture Exchange, and is anticipated to close in February 2017.

### **Highlights:**

- The assets are concentrated in the west central area of Alberta contiguous to Point Loma’s existing area of focus.
- Production of approximately 410 boe/d, comprised of 95 percent natural gas.
- Approximately 55,000 net acres of land contiguous to Point Loma’s current assets in the area with an average working interest of 78 percent.
- Purchase price of Cdn. \$1.6 million paid with the issuance of four million common shares of Point Loma.
- The acquired properties have identified upside for future exploitation and exploration.

“This acquisition will continue Point Loma’s growth in size and strength as a junior oil and gas company. We continue to seek quality assets that will extend our core focus area at favorable metrics.” said Terry Meek, President and CEO of Point Loma. “The expansion of our focus area will continue to build shareholder value as Point Loma develops the Mannville trend in west central Alberta.”

### ***About Point Loma***

Point Loma is a public oil and gas development and exploration company focused on horizontally exploiting 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](http://www.pointloma.ca) or Point Loma’s profile on the System for Electronic Document Analysis and Retrieval website at [www.sedar.com](http://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 the closing of the Acquisition; Point Loma's expectations as to production and future potential production increases, as well as increases in cash flow and the timing thereof; 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.*