



Point Loma Resources Announces Acquisition of Private Oil and Gas Company

Calgary, Alberta, December 21, 2016: Point Loma Resources Ltd. (TSX VENTURE: PLX) (the "Corporation" or "Point Loma") is pleased to announce that it has completed the acquisition of a private oil and gas company with producing assets in central Alberta for the consideration of 1,250,000 common shares of Point Loma.

Highlights:

- Production of approximately 40 boe/d, comprised of 50% oil and ngl.
- Purchase price of \$500,000 paid with the issuance of 1,250,000 common shares of Point Loma
- The acquired properties have identified upside for future exploitation

"With this acquisition Point Loma has again demonstrated the ability to find quality assets in line with our previous deal metrics." said Terry Meek, President and CEO of Point Loma. "Transactions of this nature will continue to build shareholder value as Point Loma develops the Mannville trend in west central Alberta."

Other Business

In a separate transaction Point Loma has cancelled the previous senior secured convertible debenture maturing on June 28, 2021 (the "Convertible Debenture") issued to Madalena Energy Ltd. (TSXV:MVN "Madalena") in the principal amount of \$3,000,000.00 Cdn. and has issued two convertible debentures in the amount of \$1,250,000.00 Cdn.(the "New Convertible Debentures"). New Convertible Debentures having substantially the same terms as the previous Convertible Debenture. The cancellation of the Convertible Debenture and issuance of the New Convertible Debentures is a result of the sale by Madalena to two independent parties. As a result of this sale, the principal amount owing by the Corporation under the New Convertible Debentures has been reduced by \$500,000.00 Cdn.

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 or Point Loma's profile on the System for Electronic Document Analysis and Retrieval website at www.sedar.com.

For further information, please contact:

Terry Meek
President and CEO
Telephone: (403) 705-5051 ext.101
tmeek@pointloma.ca

Kevin Angus
Executive Vice-President Business Development
Telephone: (403) 705-5051 ext. 103
kangus@pointloma.ca

Randall Boyd
Vice President Finance and CFO
Telephone: (403) 705-5051 ext. 105
rboyd@pointloma.ca

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 anticipated use of proceeds of the Offering; 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.