



Point Loma Resources Announces 2017 Year-End Reserves and Year-End Reserve Evaluation of Recent Transaction

Calgary, Alberta, March 19, 2018: Point Loma Resources Ltd. (TSX VENTURE: PLX) (the "Corporation" or "Point Loma") is pleased to report the results of its 2017 year-end reserves as evaluated by McDaniel and Associates Ltd. ("McDaniel") and provide an update regarding its recently announced acquisition.

Highlights:

- Total proved plus probable ("2P") reserves of 4,452 mboe and proved ("1P") reserves of 3,500 mboe for the Corporation, an increase of 119 percent and 128 percent, respectively, since 2016 year-end.
- Discounted at 10% estimated 2P reserve value of \$30.6 million and 1P reserve value of \$22.0 million for the Corporation, an increase of 55 percent and 63 percent, respectively, since 2016 year-end.
- On March 1, 2018, Point Loma announced that it had entered into an agreement to acquire certain oil and gas assets ("Gilby") in joint venture with Salt Bush Energy Ltd. ("Salt Bush"). The transaction is anticipated to close in late March 2018 and is subject to standard closing conditions.
- Pro-forma estimate, for the Corporation, including the post year end acquisition of the properties in the Gilby area of Alberta 2P reserves of 7,347 mboe and 1P reserves of 4,569 mboe.
- Pro-forma estimated net present value discounted at 10% for the Corporation, upon closing the Gilby transaction, as of December 31, 2017, would be \$41.3 million on 2P reserves and \$26.6 million on 1P reserves.
- Accretion reserves of the Gilby assets of 65 percent per share on a 2P reserve basis.

SUMMARY OF PRO-FORMA RESERVES^(1,2,4)

As per the subsequent tables of reserves and values for Point Loma and Gilby (proposed closing late March 2018) properties, the Corporation has prepared the following summary tables of reserves and values. The summary tables are illustrative of the potential combined reserves of the Corporation upon closing of the Gilby property acquisition but have been evaluated separately for Point Loma by Sproule Associates Ltd. ("Sproule") and not included in the Point Loma 2017 year-end evaluation (summarized later in this release as "Summary of Corporate Reserves") due to timing of the acquisition occurring post year-end 2017.

The following table is a summary of the combined estimated reserves as at December 31, 2017, based on the McDaniel reserve estimates of Point Loma and Sproule reserve estimates of the Gilby properties.

Reserve Category	Light and Medium Oil	Conventional Natural Gas	Natural Gas Liquids	Barrels of Oil Equivalent ⁽³⁾
	(mdbl)	(mmcf)	(mdbl)	(mboe)
Proved				
Producing	297	9,581	257	2,150
Non-Producing	19	8,117	159	1,531
Undeveloped	458	2,081	84	889
Total proved	774	19,779	500	4,569
Probable	401	11,260	499	2,778
Total proved plus probable	1,175	31,039	999	7,347

Notes:

(1) Reserves are presented on a "company gross" basis, which is defined as Point Loma's working interest (operating and non-operating) share before deduction of royalties and without including any royalty interest of the Company.

(2) Based on McDaniel's and Sproule's December 31, 2017 forecast prices and costs. The forecast of commodity prices used in the McDaniel report can be found at www.mcdan.com and the forecast prices used in the Sproule report can be found at www.sproule.com. See also 'Price Forecast' below.

(3) Oil equivalent amounts have been calculated using a conversion ratio of six thousand cubic feet of natural gas to one barrel of oil. See "Cautionary Statements - Barrels of oil equivalent" below.

(4) Columns may not add due to rounding of individual items

Net Present Values of Future Net Revenue Before Income Taxes Discounted at (%/year) ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾

The following table is a summary of the estimated net present values of future net revenue (before income taxes) associated with Point Loma's reserves in combination with the estimated year end reserves of the acquired Gilby properties as at December 31, 2017.

Reserve Category	0%	5%	10%	15%	20%
	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)
Proved					
Producing	19.3	16.9	14.6	12.8	11.3
Non-Producing	10.2	8.1	6.5	5.3	4.5
Undeveloped	12.4	8.3	5.5	3.7	1.3
Total proved	41.9	33.3	26.6	21.8	17.1
Probable	33.5	21.8	14.7	10.2	7.2
Total proved plus probable	75.4	55.1	41.3	32.0	24.3

Notes:

(1) Based on McDaniel's and Sproule's December 31, 2017 forecast prices and costs. The forecast of commodity prices used in the McDaniel report can be found at www.mcdan.com and the forecast prices used in the Sproule report can be found at www.sproule.com. See also 'Price Forecast' below.

- (2) Estimated future net revenues are stated without any provision for interest costs, other debt service charges or general and administrative expenses, and after deduction of royalties, operating costs, estimated well abandonment and reclamation costs and estimated future development costs.
- (3) Estimated future net revenue, whether discounted or not, may not represent fair market value.
- (4) Columns may not add due to rounding of individual items.

SUMMARY OF CORPORATE RESERVES^(1,2,4)

The following table is a summary of the estimated reserves as at December 31, 2017, based on the McDaniel report.

Reserve Category	Light and Medium Oil (mdbl)	Conventional Natural Gas (mmcf)	Natural Gas Liquids (mdbl)	Barrels of Oil Equivalent ⁽³⁾ (mboe)
Proved				
Producing	229	6,461	113	1,419
Non-Producing	19	8,028	157	1,514
Undeveloped	397	819	33	567
Total proved	645	15,308	303	3,500
Probable	266	3,633	80	952
Total proved plus probable	911	18,941	383	4,452

Notes:

- (1) Reserves are presented on a "company gross" basis, which is defined as Point Loma's working interest (operating and non-operating) share before deduction of royalties and without including any royalty interest of the Company.
- (2) Based on McDaniel's December 31, 2017 forecast prices and costs. The forecast of commodity prices used in the McDaniel report can be found at www.mcdan.com. See also 'Price Forecast' below.
- (3) Oil equivalent amounts have been calculated using a conversion ratio of six thousand cubic feet of natural gas to one barrel of oil. See "Cautionary Statements - Barrels of oil equivalent" below.
- (4) Columns may not add due to rounding of individual items

Net Present Values of Future Net Revenue Before Income Taxes Discounted at (%/year)⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾

The following table is a summary of the estimated net present values of future net revenue (before income taxes) associated with Point Loma's reserves as at December 31, 2017.

Reserve Category	0%	5%	10%	15%	20%
	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)
Proved					
Producing	13.4	11.5	10.0	8.8	7.8
Non-Producing	10.0	7.9	6.4	5.2	4.4
Undeveloped	10.5	7.6	5.6	4.1	3.1
Total proved	33.9	27.0	22.0	18.1	15.3
Probable	17.5	11.9	8.7	6.6	5.3
Total proved plus probable	51.4	38.9	30.7	24.7	20.6

Notes:

(1) Based on McDaniel's December 31, 2017 forecast prices and costs. The forecast of commodity prices used in the McDaniel report can be found at www.mcdan.com/priceforecast. See also 'Price Forecast' below.

(2) Estimated future net revenues are stated without any provision for interest costs, other debt service charges or general and administrative expenses, and after deduction of royalties, operating costs, estimated well abandonment and reclamation costs and estimated future development costs.

(3) Estimated future net revenue, whether discounted or not, may not represent fair market value.

(4) Columns may not add due to rounding of individual items

Price Forecast

The following table summarizes McDaniel's commodity price forecast and foreign exchange rate and inflation rate ⁽¹⁾ assumptions as at December 31, 2017, as applied in the McDaniel report.

Year	Exchange Rate	WTI Crude Oil	Edmonton Light	Edmonton	Natural gas
			Crude Oil	Butane	Alberta AECO Spot
	\$US/\$Cdn	\$US/bbl	\$Cdn/bbl	\$Cdn/bbl	\$Cdn/MMBtu
2018	0.790	58.50	70.10	51.40	2.25
2019	0.790	58.70	71.30	52.20	2.65
2020	0.800	62.40	74.90	54.90	3.05
2021	0.825	69.00	80.50	59.00	3.40
2022	0.850	73.10	82.50	60.70	3.60

Note:

(1) Inflation rate is accounted for at 2% per year.

Future Development Costs ("FDC")

The following table provides a summary of the estimated FDC required to bring Point Loma's 1P and 2P undeveloped reserves to production, which have been deducted in the estimation of future net revenue attributable to such reserves.

Future Development Costs (\$millions)	Total Proved	Total Proved plus Probable
2018	7.8	7.8
2019	3.2	4.9
2020	0.0	0.0
2021	0.0	0.0
2022	0.0	0.0
Remainder	0.0	0.0
Total FDC undiscounted	11.0	12.7
Total FDC discounted at 10%	10.2	11.8

Note:

(1) FDC as per McDaniel report, based on McDaniel's December 31, 2017 forecast prices and costs.

SUMMARY OF ACQUIRED GILBY RESERVES^(1,2,4,5)

Point Loma has entered into an agreement to acquire certain assets in the Gilby area of Alberta. The transaction is anticipated to close in late March 2018 and is subject to standard closing conditions and the subsequent Alberta Energy Regulator approval of the transfer of licenses. The following is a summary of the reserve evaluation prepared by Sproule in respect of the Gilby assets for Point Loma as at December 31, 2017.

The following table is a summary of the estimated acquired reserves as at December 31, 2017, based on the Sproule report.

Reserve Category	Light and Medium Oil (mdbl)	Conventional Natural Gas (mmcf)	Natural Gas Liquids (mdbl)	Barrels of Oil Equivalent⁽³⁾ (mboe)
Proved				
Producing	68	3,190	144	732
Non-Producing	-	90	2	17
Undeveloped	61	1,262	50	322
Total proved	129	4,472	196	1,071
Probable	136	7,627	419	1,826
Total proved plus probable	265	12,099	615	2,896

Notes:

(1) Reserves are presented on a "company gross" basis, which is defined as Point Loma's working interest (operating and non-operating) share before deduction of royalties and without including any royalty interest of the Company.

(2) Based on Sproule's December 31, 2017 forecast prices and costs. The forecast of commodity prices used in the Sproule report can be found at www.sproule.com. See also 'Price Forecast' below.

(3) Oil equivalent amounts have been calculated using a conversion ratio of six thousand cubic feet of natural gas to one barrel of oil. See "Cautionary Statements - Barrels of oil equivalent" below.

(4) The property reserves have been prepared by Sproule for Point Loma as an extraction of a Corporate report prepared by Sproule.

(5) Columns may not add due to rounding of individual items.

Net Present Values of Future Net Revenue Before Income Taxes Discounted at (%/year) ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾

The following table is a summary of the estimated net present values of future net revenue (before income taxes) associated with the Gilby properties reserves as at December 31, 2017.

Reserve Category	0%	5%	10%	15%	20%
	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)
Proved					
Producing	5.9	5.3	4.6	4.0	3.5
Non-Producing	0.2	0.2	0.2	0.1	0.1
Undeveloped	1.9	0.7	(0.1)	(0.5)	(0.7)
Total proved	8.0	6.2	4.7	3.6	2.9
Probable	16.1	9.9	6.1	3.6	1.9
Total proved plus probable	24.1	16.1	10.8	7.2	4.8

Notes:

(1) Based on Sproule's December 31, 2017 forecast prices and costs. The forecast of commodity prices used in the Sproule report can be found at www.sproule.com. See also 'Price Forecast' below.

(2) Estimated future net revenues are stated without any provision for interest costs, other debt service charges or general and administrative expenses, and after deduction of royalties, operating costs, estimated well abandonment and reclamation costs and estimated future development costs.

(3) Estimated future net revenue, whether discounted or not, may not represent fair market value.

(4) Columns may not add due to rounding of individual items.

Reserves

Point Loma's 2017 year-end reserves evaluation was prepared by, the Corporation's independent qualified reserves evaluator, and the 2017 year-end reserves evaluation of the Gilby assets was prepared by Sproule, each in accordance with definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation Handbook and National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities ("NI 51-101").

Additional information regarding the Corporation's reserve data and other oil and gas information will be included in the Corporation's Annual Information Form ("AIF") for the year ended December 31, 2017, which will be filed under the Corporation's profile at www.sedar.com.

See also cautionary statements below for further explanations and discussions.

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.

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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 the satisfaction of the conditions to close the acquisition of the Gilby assets and the completion thereof; and anticipated timing to complete the acquisition of the Gilby assets. Statements relating to "reserves" are also deemed to forward-looking statements, as they involve the implied assessment based on certain estimates and assumptions, that the reserves can be profitably produced in the future.

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.