



Point Loma Resources Announces 2017 Year End Financial and Operating Results

Calgary, Alberta, April 20, 2018: Point Loma Resources Ltd. (TSX VENTURE: PLX) (the "Corporation" or "Point Loma") is pleased to report financial and operating results for the three months and year ended December 31, 2017. Highlights of the period and additional updates are summarized below:

HIGHLIGHTS

Financial	Year ended December 31, 2017	Year ended December 31, 2016 ⁽³⁾	Three Months ended December 31, 2017
<i>(\$ thousands, except share amounts)</i>			
Petroleum and natural gas revenue	4,821	1,599	1,114
Cash used in operating activities	(3,285)	(638)	(1,368)
Funds used in operations ⁽¹⁾	(3,080)	(1,248)	(1,566)
Per share - basic	(0.08)	(0.08)	(0.04)
Net loss	(7,508)	(4,429)	(4,365)
Per share - basic	(0.20)	(0.27)	(0.11)
Capital expenditures	6,631	4,809	2,937
Working capital deficit	371	1,491	371
Share capital			
Weighted average shares outstanding for period	37,658,693	16,506,608	43,556,180
Outstanding shares at end of period	52,533,452	27,353,325	52,533,452
Operations			
<u>Daily average production</u>			
Crude oil and liquids (bbls/d)	132	67	107
Natural gas (mcf/d)	2,584	450	2,771
Total production (boe/d at 6:1)	591	142	608
<u>Average sales price</u>			
Crude oil and liquids (\$/bbl)	50.76	46.33	56.14
Natural gas (\$/mcf)	1.97	2.80	1.41
Equivalent (\$/boe)	22.37	30.77	19.92

	Year ended December 31, 2017	Year ended December 31, 2016 ⁽³⁾	Three Months ended December 31, 2017
Netback ⁽²⁾			
Revenues (\$/boe)	22.37	30.77	19.92
Royalties (\$/boe)	(3.05)	(5.18)	(2.77)
Net operating expense (\$/boe)	(19.58)	(21.93)	(22.58)
Transportation expense (\$/boe)	<u>(0.92)</u>	<u>(1.73)</u>	<u>(0.68)</u>
Netback (\$/boe) ⁽²⁾	<u>(1.18)</u>	<u>1.93</u>	<u>(6.11)</u>

(1) Funds used in operations is cash flow used in operating activities less changes in non-cash working capital.

(2) Netback is determined by deducting royalties, net operating expenses and transportation expenses from petroleum and natural gas revenue.

(3) The Company commenced operations July 1, 2016.

Fourth Quarter Summary

During the fourth quarter of 2017, Point Loma was negatively impacted by the combination of low natural gas prices as well as having to incur considerable workover expenses, resulting in lower netback than anticipated, despite increased production. It is expected in 2018 that a combination of reduced operating costs, more stabilized commodity prices, together with increased production volumes will help to improve overall netback.

Exit rate production for the 2017 year was approximately 630 boe/d was realized, consisting of approximately 130 boe/d of crude oil and liquids and 3.0 mmcf/d of natural gas.

Outlook

In March 2018, Point Loma announced the entering of a purchase and sale agreement to acquire certain oil and gas properties in Alberta for cash consideration of \$1.3 million. The acquisition is expected to provide incremental production of 315 boe/d, consisting of 120 boe/d of crude oil and liquids and 1,170 mcf/d of natural gas.

In addition, Point Loma raised \$0.7 million through a private placement with Everenergy in the first quarter of 2018, and may seek to raise incremental funds through further private placements, joint operating agreements or other transactions beneficial to the Corporation to further develop its large asset base.

Point Loma will reactivate several formerly producing wells through pipeline re-connection to Point Loma owned and operated processing facilities in Thornbury. Point Loma also intends to increase liquids production with the recent processing agreement signed to re-direct gas to a deep cut facility in the Paddle River area. In total, the Corporation's production is expected to exceed 1,000 boe/d during the second quarter of 2018.

Additional Information

Point Loma has filed its annual audited financial statements, Management's Discussion and Analysis (MD&A) and Annual Information Form (AIF) for the year ended December 31, 2017 with Canadian securities regulators. These filings, and additional information including the Corporation's recently updated

corporate presentation can be found at Point Loma's website at www.pointloma.ca or at Point Loma's profile on the System for Electronic Document Analysis and Retrieval website at www.sedar.com.

The Annual General Meeting of the shareholders of Point Loma will be held at 11a.m. on Friday May 25, 2018 at the Conference Centre, First Canadian Centre, 350 – 7th Avenue SW, Calgary, Alberta, T2P 3N9.

Personnel Changes

Point Loma announces the departure of Dan Boyko, VP of Engineering, effective March 29, 2017. The Corporation thanks Dan for his contributions and wishes him success in his future endeavors.

Board of Director Changes

Jay Reid will not stand for re-election to the Board of Directors at the Company's upcoming Annual General Meeting. The Corporation would like to thank Jay for his contributions to Point Loma and wish him all the best.

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.

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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; future gas processing rates; the anticipated closing of the purchase of oil and gas assets and expected production therefrom; the Corporation's anticipated fund raising activity; potential well reactivations and gas processing arrangements. 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.