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***Point Loma Closes \$3.44 Million in Proceeds with Oil Focused Drilling Program to Commence in Fourth Quarter 2018***

**Calgary, Alberta – October 25, 2018:** Point Loma Resources Ltd. (TSX-V: PLX) ("**Point Loma**" or the "**Company**") is pleased to announce the closing of its previously announced short form prospectus marketed financing of: (i) 5,954,300 units of the Company (the "**Units**"); and (ii) 4,356,059 common shares of the Company ("**Common Shares**") issued as "flow-through shares" within the meaning of the *Income Tax Act* (Canada) (the "**Flow-Through Shares**"), for aggregate gross proceeds of approximately \$3.16 million (the "**Offering**"). Mackie Research Capital Corporation ("**MRCC**") acted as agent for and on behalf of the Company in connection with the Offering.

Each Unit consists of one Common Share and one Common Share purchase warrant of the Company (a "**Warrant**"). Each Warrant entitles the holder thereof to acquire, subject to adjustment in accordance with the indenture governing the Warrants, one Common Share (each, a "**Warrant Share**") at an exercise price of \$0.39 per Warrant Share, at any time prior to the date that is 24 months following the closing date of the Offering (the "**Closing Date**").

Point Loma intends to use the net proceeds of the Offering for: (i) the drilling of a high impact program starting in Q4 2018 focused on unlocking the Company's *Banff oil exposure*, a *Rex (Upper Mannville) oil play* that was recently captured (see press release dated September 24, 2018) and/or a new *Lower Mannville oil pool* to the south of the Company's existing oil development; (ii) qualified Canadian exploration expenses as defined in the *Income Tax Act* (Canada) ("**CEE**"); and (iii) general corporate purposes.

As previously announced on October 9, 2018, the Company has recently disposed of non-core assets which will total net proceeds of approximately \$673,000 (\$275,000 closed to date). The funds from the dispositions, in addition to the proceeds of the Offering, for a total of approximately \$3.84 million (\$3.44 million closed to date), are expected to be directed towards drilling of the Company's Banff oil play, a Rex (Upper Mannville) oil play and the Company's new Lower Mannville oil opportunity. In addition, the Company continues to evaluate options to unlock shareholder value from its strategic land position in the Duvernay shale oil fairway and continues to evaluate ongoing non-core property dispositions across the Company's extensive 160,000 net acres (250 net section) land base.

Point Loma currently has no bank debt and is experiencing increasingly positive cash flow from operations.

### **Fall and Winter Drilling Program – Drilling to Commence in Q4 2018**

Point Loma is moving forward with its high impact drilling program targeting oil targets in the Rex (Upper Mannville), Banff and Lower Mannville in its west central Alberta core area. The Company currently has one well licensed and is coordinating the survey and licensing activities of additional wells focused on these plays. Point Loma plans to mobilize a drilling rig as soon as possible to drill two of the wells in Q4 2018 with further activities to continue into 2019.

The Company has captured two Banff oil pools that are defined on 3D seismic which Point Loma believes are analogous to offsetting pools in the Cherhill and St. Anne regions that have original oil in place of up to 90 million barrels and recoveries of up to 40%.

In addition, Point Loma has secured lands on a new Rex (Upper Mannville) oil opportunity analogous to a large oil discovery currently being successfully developed by other operators in the Leduc area. The type wells anticipated in the analogous pool have strong economics in today's price environment.

Further, Point Loma has identified a new Lower Mannville oil pool south of the Company's existing Paddle River oil development, targeting a thicker pay column than the existing development.

***"Our drilling program which is focused on the Company's high impact oil opportunities will commence shortly in Q4 2018 and is geared towards making a step change in Point Loma's oil production and unlocking shareholder value" said Terry Meek, President and CEO of Point Loma.***

The proceeds from the issue and sale of the Flow-Through Shares will be used to incur CEE after the Closing Date and prior to December 31, 2019. The Company will renounce the CEE to subscribers of Flow-Through Shares for the year ended December 31, 2018.

The securities described herein have not been registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the U.S. Securities Act) absent registration or an applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction where such offer, solicitation, or sale would be unlawful.

### **About Point Loma Resources Ltd.**

Point Loma is a public oil and gas exploration and development company focused on conventional and unconventional oil and gas reservoirs in west central Alberta. The Company controls over 160,000 net acres (250 net sections) and has a deep inventory of oil opportunities in the Mannville (Upper and Lower), Banff, Nordegg, and Duvernay Shale formations. 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, 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).

**For further information, please contact:**

Terry Meek  
President and CEO  
Telephone: (403) 705-5051 ext. 444  
[tmeek@pointloma.ca](mailto:tmeek@pointloma.ca)

Kevin Angus  
Vice President, New Ventures  
Telephone: (403) 705-5051 ext. 440  
[kangus@pointloma.ca](mailto:kangus@pointloma.ca)

Randall Boyd  
Vice President Finance and CFO  
Telephone: (403) 705-5051 ext. 443  
[rboyd@pointloma.ca](mailto: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 anticipated use of proceeds of the Offering; Point Loma's intended incurring and renunciation of CEE; the closing of Point Loma's non-core asset dispositions and the use of the proceeds derived therefrom; and Point Loma's proposed drilling program and the ability to achieve results from such drilling program similar to analogous properties.*

*The use of any of the words "will", "expects", "plans", "potential", "intend", "may", "believe", 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 inability of Point Loma to achieve results similar to analogous properties; 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; inability to retain drilling rigs and other services; 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; general economic conditions; changes in legislation, including but not limited to tax laws, royalties and environmental regulations; and estimates being greater or less than actual production from any acquired assets. 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.*

***Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.***