



Point Loma Resources Announces Two Well Farm-out to Further Delineate the Wizard Lake Rex Oil Discovery

Calgary, Alberta, May 30, 2019: Point Loma Resources Ltd. (TSX VENTURE: PLX) (the "Corporation" or "Point Loma") is pleased to announce a farm-out on the Corporation's evolving Wizard Lake Rex oil discovery and provides an operational update.

Highlights:

- Point Loma's current 30% working interest partner, Salt Bush Energy Ltd. ("Salt Bush"), has agreed to a two well farm-in transaction with Point Loma at Wizard Lake whereby Salt Bush will incur 100% of the costs to drill, complete and equip up to two wells.
- The current plan for the two earning wells would be to drill from existing pad locations to reduce time and cost to bring the wells on stream.
- A test well and an option well are planned on Point Loma's Wizard Lake property as follow-up to the successful Rex oil discovery well 16-17-48-27W4M HZ drilled in Q4-2018.
- Both the test well and option well will be horizontally drilled with respective targeted lateral minimum lengths of 1400 meters and 1800 meters and will utilize multi-stage frac completions.
- The test well is to spud by August 15, 2019 and Point Loma will retain a 25% working interest before payout ("BPO") and 60% after payout ("APO").
- The option well, upon Salt Bush's election to proceed, is to be drilled by December 31, 2019 and Point Loma will retain a 25% working interest BPO and 50% APO.
- Once earning is complete in both wells, Point Loma and Salt Bush will be 50/50 working interest partners in the Wizard Lake Rex oil development and Point Loma will retain operatorship.
- The Wizard Lake discovery well 16-17-48-27W4 HZ is expected to commence production in early June 2019 upon completion of facilities construction.

Wizard Lake Rex Oil (70% WI) – Commencing First Oil Production Early June and Horizontal Drilling Update

A successful fully completed 2 well farm-out would result in three producing oil wells. Point Loma would be the operator with a 50% working interest in the Rex oil discovery well, a 25% BPO / 50% APO working interest in both the test well and the earning well and a 50% working interest in the remaining lands. A total of approximately \$5 million of gross capital would be spent on the two well farm-out to delineate the pool at no cost to Point Loma.

Point Loma commenced construction of production facilities at its recently drilled and tested Rex oil discovery well in Q2-2019. Production is currently expected to commence in early June 2019. As disclosed in the press release of January 21, 2019 the 16-17-48-27W4 well tested at rates in excess of 300 bpd of oil with increasing oil cuts through the end of the testing period which has led to substantial reserve bookings for the pool net to Point Loma. Also of note, after the flow test, actual oil sales were 55% above field measured amounts (actual oil sales of 2,849 bbls vs field measurements of 1,847 bbls).

In addition to proved plus probable non-producing reserves of 150 mbbbl (105 mbbbl working interest) the Corporation received three additional proven undeveloped and one additional probable locations booked to the pool. In total the net proven and probable reserves booked were 525 mbbbl of oil with a net present value discounted at 10% of \$8.8 million.

This property represents a key oil discovery for Point Loma and could increase the oil production weighting for the Corporation significantly. At tested rates this would represent a corporate shift of oil and ngl product weighting from approximately 30% to approximately 40-45% of the Corporation's total net production. Follow-up drilling could further move the production split to an even higher oil weighting.

The farm-out with Salt Bush will delineate the pool with a 1400m horizontal and a 1800m horizontal wells to be completed with multi-stage fracs. This is expected to assist in confirmation of pool size and also oil productivity and will test the application of extended reach wells for further development of the pool. With success on the two farm-out wells Point Loma will not only receive additional revenues but should be able to demonstrate the economics of full field development.

Upper Mannville Oil (PLX 80% Working Interest) – Expansion Opportunity to the North of Existing Oil Development

Point Loma has internally identified and captured a Mannville pool target north of the Corporation's Paddle River Lower Mannville oil producing property. The target is analogous to the Rex oil discovery at Wizard lake that is operated by Point Loma. This could result in 15-20 follow-up opportunities with success. This opportunity has pipeline connection to a deep cut gas facility in the area which could accelerate on-stream timing and future development.

Lower Mannville Oil (PLX 80% Working Interest) – Expansion Opportunity to the South of Existing Oil Development

Point Loma has also internally identified and captured a Mannville pool target south of the Corporation's analogous Paddle River Lower Mannville oil producing property. The target zone is thicker and has similar reservoir quality to the existing Paddle River oil development that is operated by Point Loma. This could result in 10 to 12 follow-up opportunities with success. This opportunity has pipeline connection to a deep cut gas facility in the area which could accelerate on-stream timing and future development.

Banff Oil Exposure (PLX 80% Working Interest) – Two High Impact Targets

Based on proprietary 3D seismic shot by the Corporation, Point Loma has internally identified two Banff oil targets in the West Cove area located to the east of Paddle River. As interpreted, these pools are analogous to developments in the offsetting Cherhill and St. Anne areas which have accumulations of up to 90 MMbbls of original oil in place. The Corporation is looking to utilize horizontal multi-stage completions to develop these pools upon success. The only previous horizontal wells drilled in the region utilized dated technology and were completed as open holes yet achieved initial production rates ranging from 200 to 800 barrels of oil per day. Point Loma anticipates that the application of current drilling and completion technology could significantly improve these results.

About Point Loma

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 150,000 net acres (230 net sections) and has a deep inventory of oil opportunities in the Mannville (Upper and Lower), Banff 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 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 the anticipated timing of production from the Corporation's Wizard Lake well and the anticipated increase in oil and ngl production weighting for the Corporation, the anticipated timing of completion of the drilling and tie-in of the two farm-out wells at Wizard Lake, the anticipated results of the two farm-out wells and operational activities related therewith, anticipated capital to be spent on the two proposed farm-out wells, potential future targets and opportunities. 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.