

CALGARY, AB--(Marketwired - May 01, 2017) - [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, 2016. Highlights of the period and additional updates are summarized below:

HIGHLIGHTS

Financial	Year ended December 31, 2016 ⁽¹⁾	Three Months ended December 31, 2016
(\$ thousands, except share amounts)		
Gross revenue	1,599	970
Cash used in operating activities	(638)	) (168)
Funds used in operations ⁽²⁾	(1,248)	) (618)
Per share - basic	(0.07)	) (0.02)
Net loss	(4,429)	) (2,522)
Per share - basic	(0.26)	) (0.10)
Capital expenditures	4,809	2,258
Working capital deficit	1,491	1,491
Share capital		
Weighted average shares outstanding for period	17,366,757	21,655,040
Outstanding shares at end of period	27,353,325	27,353,325
Operations		
Daily average production		
Crude oil and liquids (bbls/d)	67	146
Natural gas (mcf/d)	450	1,171
Total production (boe/d at 6:1)	142	341
Average sales price		
Crude oil and liquids (\$/bbl)	46.33	48.18
Natural gas (\$/mcf)	2.80	3.02
Equivalent (\$/boe)	30.72	30.91
Netback		
Revenues (\$/boe)	30.72	30.91
Royalties (\$/boe)	(5.16)	) (5.47)
Operating expense (\$/boe)	(21.89)	) (26.81)
Transportation expense (\$/boe)	(1.70)	) (0.80)
Netback (\$/boe)	1.97	(2.17)

1. Twelve months ended December 31, 2016 includes only the operations for the period from July 1, 2016 to December 31, 2016.
2. Funds used in operations is cash flow used in operating activities less changes in non-cash working capital and transaction costs paid.

Fourth Quarter Summary

The fourth quarter of 2016 was challenging operationally for Point Loma as several wells had pumping and operational problems that were further magnified by wet conditions. As a result, the Corporation was unable to gain access to wellsites with the equipment required to rectify the operations in normal short order. This prevented Point Loma from producing at expected rates through the period resulting in higher operating costs per boe.

In addition Point Loma has worked through some issues related to repair and maintenance in the Paddle River area that resulted in additional costs in the fourth quarter.

It is expected in 2017 that improved run time and a return to expected levels of maintenance costs will result in improved volumes, revenues and netbacks.

With the return to production of the majority of wells that experienced operating challenges and the tie-in of a new Nordegg

producer, Point Loma was able to achieve an exit rate for the quarter of 570 boe/d.

Outlook

In January 2017, Point Loma announced two transactions that have increased the Corporation's production to approximately 900 boe/d. These acquisitions also include additional production that Point Loma can re-activate with a negotiation of egress and some minor pipeline activity. Point Loma will pursue these opportunities in 2017.

In April 2017, Point Loma has announced a disposition and joint venture with Salt Bush Energy Ltd. that will see Point Loma sell a 20 percent interest in operating assets and receive cash consideration of \$5 million upon closing which is expected prior to June 9, 2017. This capital will be utilized to accelerate activity on the Point Loma properties through drilling, facilities additions and certain targeted acquisitions.

Point Loma plans to begin drilling its large opportunity base which should include development locations and new pool targets.

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, 2016 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.

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.

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; 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.

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