

CALGARY, AB--(Marketwired - May 24, 2017) - [Point Loma Resources Ltd.](#) (TSX VENTURE: PLX) (the "Corporation" or "Point Loma") is pleased to announce an investment agreement with Everenergy Company Limited ("Everenergy") for Everenergy to acquire 8,375,000 common shares of Point Loma for \$4,020,000 representing a purchase price of \$0.48 per share (the "Investment").

Highlights

- The Investment is expected to close in two tranches subject to certain regulatory approvals;
- The first tranche is anticipated to close May 29, 2017 in the amount of \$1,797,541 in exchange for 3,744,878 common shares of Point Loma, representing a purchase price of \$0.48 per share, subject to TSXV conditional approval;
- The second tranche of \$2,222,459 in exchange for an additional 4,630,122 shares of Point Loma, representing a purchase price of \$0.48 per share, is anticipated to close on the third business day following receipt of TSX Venture Exchange approvals;
- Upon completion of the second tranche Point Loma will have 42,078,907 common shares outstanding;
- Point Loma will utilize the funds to accelerate drilling and facilities plans previously announced; and
- Everenergy will have the right to nominate one director to the Board of Directors of the Corporation and the right to participate in future equity issuances of the Corporation to maintain its pro rata interest on the terms set out in the investment agreement.

With this investment agreement Point Loma has attracted another strategic investor that will allow Point Loma to accelerate currently identified opportunities and provides additional capital options to pursue opportunities in the core focus area of west central Alberta. Point Loma has been able to efficiently acquire certain strategic assets for accretive terms in the region and the Everenergy transaction will inject capital to further accelerate the Corporation's drilling program and acquisition and exploitation opportunities through the remainder of 2017.

"Point Loma is excited to add to our capital programs in 2017 with this injection of capital at a key time in our growth cycle," said Terry Meek, President and CEO of Point Loma. "Everenergy is an organization seeking further investment opportunities with Point Loma that, in conjunction with Salt Bush Energy, will allow for strong access to capital in this challenging energy market we face today. With this combination of capital sources Point Loma can look to strong growth in 2017 and beyond."

GMP Securities LP and Mackie Research Capital Corporation have acted as the respective financial and strategic advisors to Point Loma in regards to this investment transaction.

Point Loma is currently producing approximately 700 boe/d (post-closing of the Salt Bush joint venture). The Corporation anticipates the acceleration of its development plan and the increase of production with the deployment of the proceeds through certain identified acquisitions, re-activations, development drilling and new pool drilling opportunities.

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.

About Everenergy

Everenergy is a long term strategic investor targeting high quality oil and gas assets. Everenergy is a Hong Kong registered company, a subsidiary of Zhongcheng Group, one of the largest privately owned independent petroleum refinery, oil products and LPG distribution and retail companies in China.

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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