



Point Loma Resources Announces Receipt of Well Licenses and Commencement of Drilling Program

Calgary, Alberta, November 19, 2018: Point Loma Resources Ltd. (TSX VENTURE: PLX) (the “Corporation” or “Point Loma”) is pleased to announce, further to the Corporation’s recent entrance into the Rex (Upper Mannville) oil play in the Leduc area of Alberta and additional work-up of a new Lower Mannville oil pool opportunity to the south of its existing Paddle River development, it has now received two well licenses, has commenced lease building activities in the field and intends to commence a two well drilling program shortly.

Highlights

- Point Loma has received well licenses to kick-off the drilling of two of the Corporation’s high impact oil opportunities in the Rex (Upper Mannville) and Lower Mannville oil plays and intends to commence drilling in the next 7-10 days.
- Point Loma as operator and Salt Bush Energy as its joint venture partner are together initiating these drilling activities focused on unlocking key upside from these two new oil prospects.
- Each target has the potential to significantly increase current oil and ngl production, enhance the Corporation’s growing reserves base and open up new oil development opportunities for Point Loma.

Rex Oil (PLX 80% WI) – First Horizontal to Spud on Recently Captured Lands

The Rex target at Wizard lake will be the first horizontal well drilled in the multi-well program and is analogous to the offsetting Leduc area Rex production which has attracted the attention of other key industry operators. Recent activity by other operators in the area has resulted in highly commercial wells (250-300 boepd, 80% oil) as this large oil discovery continues to be exploited. The target zone on the Point Loma lands is thicker and has similar porosity than the offset development. Point Loma intends to drill a 1,300 metre lateral with 30+ completion ports. Internal mapping indicates a potential pool size of approximately 40 to 60 million barrels of original oil in place (‘OOIP’). This would result in 15 to 20 follow on opportunities with success.

Lower Mannville Oil (PLX 80% WI) – Second Horizontal Targets Expansion to the South of Existing Oil Development

The Mannville target south of Paddle River is analogous to the offsetting Paddle River Lower Mannville oil production. The target zone is thicker and has similar porosity to the existing Paddle River oil development that is operated by Point Loma. The Corporation intends to drill a 1,400 metre lateral with

30+ completion ports and multi-stage fracs planned. Internal mapping indicates a potential pool size of approximately 30 to 40 million barrels of OOIP. This would result in 10 to 12 follow-up opportunities with success.

Banff Oil (PLX 80% WI) – Advancing Additional Technical Work on Two New Pool Opportunities

Based on recently shot 3D seismic data, the Corporation is currently conducting additional technical interpretation and analysis work on two identified Banff oil opportunities in the West Cove area with the plan to license its initial locations for drilling in 2019. As interpreted, each of these pools are analogous to developments in the offsetting Cherhill and St. Anne areas, which have accumulations of up to 90 million barrels of OOIP.

“With the Rex, Lower Mannville, Banff and Duvernay Shale exposure and a large land position of over 250 net sections, Point Loma has captured a series of high impact oil plays that have significant upside. We are excited to kick-off the drilling in Q4 focused on the first two targets (Rex and Lower Mannville) with both having the potential for a step change in Point Loma’s oil production levels.” said Terry Meek, President and CEO of Point Loma. *“With success both wells open up exciting new oil plays for the Company and could lead to a sizeable development inventory. With no bank debt, joint venture partnerships and a focus on lowering operating costs, Point Loma looks forward to executing on its strategic plan over the coming months.”*

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 Corporation 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 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 Corporation’s anticipated drilling program in the fourth quarter, opportunities and locations; the expected timing and anticipated results of the Corporation’s drilling program, including anticipated increases in oil and NGL production and reserves; the Corporation’s expectations and interpretations of analogous

information; the characteristics of the Corporation's properties and associated reservoirs; the Corporation's anticipated inventory of drilling locations and opportunities; 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 risks that the conditions to closing of the Acquisition are not satisfied, 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.

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.

