

Point Loma Resources

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Point Loma Resources to potentially sell its interest in Wizard Lake oil asset

Point Loma Resources Ltd (CVE:PLX) has unveiled plans to potentially sell its interest in the Wizard Lake Rex oil asset in Alberta.

The junior oiler has struck a deal with broker Mackie, which will canvas potentially interested parties in a transaction to acquire the firm's 70% working interest (WI).

The funds realized will be used to address the group's working capital deficit and to advance additional oil opportunities in the firm's existing inventory on its 230 net section land position in the province of Alberta.

READ: Point Loma Resources expects first farm-out well at Wizard Lake to spud this month

"The corporation is pleased to be working with Mackie Research Capital to assist us in realizing the value of the Wizard Lake oil property. The drilling of the two farm-out wells, starting later in July, continues the development of the Rex oil pool and is anticipated to increase the overall value of the asset," said Terry Meek, the group's chief executive.

The Wizard Lake property consists of one producing Rex oil well, which began output on June 5, with production for the month of June estimated at 4,280 bbls (barrels).

Salt Bush agreement

Wizard also hosts a 3,385 acre development with Point Loma's partner Salt Bush Energy which includes a two well farm-out agreement in-place whereby Salt Bush will drill two wells before the end of 2019, resulting in a 50% WI for both parties in the property and Point Loma remaining as the operator.

As reported previously, C\$5 million could be spent on the two well farm-out to further delineate the oil pool at no cost to Point Loma

The firm expects that the farm-out deal with Salt Bush will further delineate the pool with a 1500m horizontal well and a 1800m horizontal well to be completed with multi-stage fracs.

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Price: 0.015

Market Cap: \$1.36 m

1 Year Share Price Graph



April 2019 September 2019 March 2020

Share Information

Code: PLX

Listing: TSX-V

52 week	High	Low
	0.24	0.01

Sector: Oil & Gas

Website: www.pointloma.ca

Company Synopsis:

Point Loma Resources is new publicly traded Oil and Gas company that has captured a large position on the Mannville oil and liquids rich gas trend in west central Alberta. As a new company we have no bank debt, a solid balance sheet and an experienced team focussed on creating shareholder value.

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