

SHOAL POINT ENERGY LTD.

July 26, 2012

For Immediate Distribution
CNSX: SHP

Shoal Point Files Preliminary Prospectus

Toronto, ON: Shoal Point Energy Ltd. (“Shoal Point”) (SHP on CNSX) announces that it has filed and obtained receipt on July 5th, 2012 for a preliminary prospectus (the “**Preliminary Prospectus**”) in connection with a proposed best efforts offering of units and flow-through shares (the “**Offering**”). Each unit consists of one common share of Shoal Point and one-half of a share purchase warrant. Each whole warrant will entitle the holder to acquire one additional common share of Shoal Point for a period of 18 months from the date of issuance of the warrant at an exercise price to be determined. Shoal Point has granted the agent, Kingsdale Capital Markets Inc. (the “**Agent**”), an over-allotment option to purchase such number of additional units or flow-through shares that is equal to 15% of the number of units or flow-through shares, or a combination thereof, sold under the Offering, exercisable by the Agent in whole or in part for a period of 30 days from closing of the maximum offering.

The net proceeds of the Offering will be used to perform exploration work on Shoal Point’s properties and for general working capital and corporate purposes.

This press release does not constitute an offer to sell or the solicitation of an offer to buy the securities in the United States, in any province or territory of Canada or in any other jurisdiction. The securities to be offered have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any U.S. state securities laws and may not be offered or sold in the United States absent registration or absent an applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. There shall be no sale of the securities in any jurisdiction in which an offer to sell, a solicitation of an offer to buy or a sale would be unlawful. The preliminary prospectus has not yet become final for the purpose of a distribution to the public and there shall not be any sale or any acceptance of an offer to buy these securities in any province or territory of Canada prior to the time a receipt for the final prospectus or other authorization is obtained from the securities commission or similar authority in such province or territory.

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About Shoal Point Energy Ltd.

Shoal Point Energy Ltd is a public company earning a 100% interest in Exploration Licence 1070 in the Province of Newfoundland comprising approximately 150,000 acres of oil-in-shale. In addition, Shoal Point has an agreement to earn a net 80% interest in the 67,298 acres of Green Point Shale (shallow rights) of EL 1120 which is owned by Ptarmigan Energy Corp. It also has a 100% working interest in the 502,000 acres in EL 1097R, subject to a 2% gross overriding royalty. The total potential gross acreage in the Green Point Shale is approximately 720,000 acres.

Shoal Point currently has 272,709,463 common shares issued and outstanding.

Visit our website at www.shoalpointenergy.com

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Except for historical information contained herein, this news release contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially from those currently anticipated due to a number of factors and risks. The forward looking statements contained in this press release are made as of the date hereof and Shoal Point Energy Ltd. undertakes no 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.

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