



January 17, 2013

## **SHOAL POINT ENERGY EXTENDS TERMS ON WEST NEWFOUNDLAND EXPLORATION LICENCES 1120 AND 1097R**

Toronto, Ontario: Shoal Point Energy Ltd. (“Shoal Point” “SPE” or the “Company”) (SHPNF on OTCQX) (SHP on CNSX) announces that it has been able to successfully extend the time period during which it is allowed to drill exploration wells on each of EL 1120 and EL 1097R. Both of these licences are offshore exploration licences located on the west coast of Newfoundland.

### **EL 1120**

Shoal Point has signed an amending agreement with Ptarmigan Energy Inc. whereby the date by which SPE must drill an exploration well on EL 1120 has been extended from December 31, 2012 to January 15, 2015. In consideration for this extension, Shoal Point has agreed to immediately pay to Ptarmigan the balance of \$300,000 which was due to Ptarmigan but originally not payable until the spudding of a well on EL 1120. In addition, Shoal Point has granted to Ptarmigan a warrant which entitles Ptarmigan to purchase up to 500,000 common shares of Shoal Point at a price of \$0.06 until January 15, 2015.

### **EL 1097R**

Shoal Point has paid an additional \$1 million refundable deposit to the CNLOPB to obtain an extension of the term during which it is allowed to drill exploration wells on EL 1097R by one year until January 15, 2014. The deposit previously put in place was forfeited by Shoal Point as it did not drill an exploration well by January 15, 2013.

### **Future Exploration Plans**

As stated in the press release issued on January 14, 2013, Shoal Point has executed a farmout agreement with Black Spruce Exploration Corp. (“BSE”). Under the terms of the farmout agreement, Black Spruce has the right to earn, through two phases of earning between 2013 and 2015, up to 60% of SPE’s working interest in its three Exploration Licences, EL 1070, EL 1120 and EL 1097R.

Black Spruce has indicated that it plans to drill up to four exploration wells in 2013 as part of its Phase I Earning Program and this would include at least one well on each of EL 1120 and on EL 1097R in addition to the planned sidetrack from 3K-39 on EL 1070.

## **About Black Spruce Exploration Corp.**

Black Spruce Exploration Corp., (“BSE”), with offices in Calgary, Alberta and Richmond Hill, Ontario, is an exploration and production company with property rights, licenses and interests in the province of Newfoundland. Black Spruce is a wholly-owned subsidiary of Foothills Capital Corp. ([www.foothillscapcorp.com](http://www.foothillscapcorp.com)).

As operator, Black Spruce Exploration has the mandate to determine the best methodology for the extraction of hydrocarbons from an extensive oil-in-shale play on the west coast of Newfoundland, ranging 180 kilometres from Port au Port Bay northward to just past the Parsons Pond area. To achieve this objective, Black Spruce Exploration, under the direction of its board of directors, and in conjunction with Shoal Point Energy, will determine the best strategy to safely and effectively drill and develop these hydrocarbon energy reserves on the west coast of Newfoundland.

Full details of the officers and directors of BSE will be provided on the BSE website at [www.blspexp.com](http://www.blspexp.com) which is expected to be fully updated by January 21, 2013.

## **About Shoal Point Energy Ltd.**

Shoal Point Energy Ltd is a Canadian-listed public company (SHP:CNSX) with a large working interest position in a regionally-extensive “tight” oil play within the Cambro-Ordovician Green Point Formation (“Shale”) of western Newfoundland. The Green Point is an approximate stratigraphic equivalent, within the northernmost Appalachians, of the well-known Utica Formation currently under development in the United States. The company’s technical database, in addition to third-party analysis, indicates that the Green Point contains a very large resource in the oil window, and the Company has dedicated itself, in cooperation with its partners, to bringing this resource to production over the next several years.

SPE’s current holdings in western Newfoundland consist of: (1) a 100% working interest in the Green Point shale rights (“shallow rights”) in EL 1070, comprising approximately 150,000 acres of prospective shale area, (2) a right to earn an 80% working interest in the “shallow rights” within a nearshore portion of EL 1120, held by Ptarmigan Energy Inc., comprising approximately 67,000 acres, and (3) a 100% working interest in all rights in EL 1097R, comprising approximately 500,000 acres, for a total exposure of approximately 720,000 gross acres to the Green Point “Shale” play.

Shoal Point currently has 335,631,959 common shares issued and outstanding.

Visit our website at [www.shoalpointenergy.com](http://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.*