

## SHOAL POINT ENERGY LTD.

May 22, 2013

For Immediate Distribution  
CNSX: SHP

### **Shoal Point Provides Operational Update and Announces Proposed Changes to Management and Board of Directors**

Toronto, ON: Shoal Point Energy Ltd. (“SHP” or the “Company”) (SHP on CNSX) (SHPNF on OTCQX) announces a further update on the progress being made by its farmin partner, Black Spruce Exploration Corp. (“BSE”) with regards to finalizing and obtaining regulatory approval for its exploration plans on Exploration Licence 1070 and also on Exploration Licences 1120 & 1097R.

In January 2013 the Company (‘SHP’) announced that it had completed a farm-out agreement with Black Spruce Exploration Ltd (‘BSE’), under which BSE undertook to drill and test a number of wells to earn an interest in SHP’s exploration licences offshore West Newfoundland.

Over the past few months BSE has been taking the necessary steps to assume the role of operator, and is making encouraging progress in advancing the status of this exciting project. BSE has obtained an approved Operating Licence and Proof of Financial Responsibility from the regulatory authorities and is working with the authorities to finalize the process for approval for operations (‘OA’).

The first well of the drilling programme will be drilled on licence EL-1070. BSE has obtained approval from the offshore regulator (‘C-NLOPB’) to drill a new well identified as 4K-39 well on EL-1070, which will be drilled with a rig acquired specifically to test the Green Point Shale, which will maximize the opportunity for obtaining geological and test data. BSE have also filed a Project Description for a New Environmental Assessment for any future wells post the drilling of 4K-39 and is preparing for the submission of the necessary provincial applications that need to be approved prior to the start of drilling operations.

The Government of Newfoundland and Labrador (‘NL’) is considering the introduction of regulations or rules for hydraulic fracturing in NL. The timing is not specified at this time, but the board of SHP believes that these regulations are likely to be in place to permit the drilling campaign to commence in the second half of 2013.

The drilling rig, which was acquired to support the drilling campaign, is currently being modified to satisfy regulatory and operational requirements and is scheduled for delivery to Newfoundland prior to the regulatory approvals being obtained.

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## **Proposed changes to the Board of Directors and Management**

As a consequence of the transition of SHP to its new role as a non-operating company it has been agreed to make changes to the Board and management of SHP, which are aimed to improve our operating efficiency and reduce costs.

We have today mailed materials for a shareholders meeting to be held on 28<sup>th</sup> June 2013 in Toronto. At that meeting Brian Murray, Director and Chief Financial Officer, and Don Sheldon, Director will not be seeking re-election to the Board. George Langdon, President has also agreed to step aside at that time, but he will continue to provide his invaluable geological expertise to the joint venture and remains a significant shareholder in the Company.

It is proposed that the vacancies to the Board will be filled by Mark Jarvis and Eric Schneider. Mark Jarvis was formerly Director responsible for Corporate Finance at Ultra Petroleum, as it developed a significant unconventional gas deposit to the benefit of its shareholders, and is CEO and President of Hard Creek Nickel Corp. Eric Schneider is a Partner in the law firm Miller Thomson LLP of Waterloo, Ontario, and was formerly Vice-President, Secretary and General Counsel with Schneider Corporation. Immediately following the Annual Meeting Mark Jarvis will be appointed President and CEO of SHP. We believe that these two appointments will add considerable strength and expertise to the Board as the Company moves to the next stage of its development.

Norman Davidson Kelly, Chairman said:

“I would also like to thank our departing colleagues for their outstanding contribution to the company during the past several years.

The Green Point Shale remains one of the most exciting undeveloped resource plays in North America and we are looking forward with keen anticipation to the results of the forthcoming drilling programme”.

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

Shoal Point Energy Ltd is a public company with a 100% interest, subject to a 1.38% gross overriding royalty, 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 also has an agreement with Black Spruce Exploration Corp (BSE) whereby BSE can earn up to 60% of Shoal Point's interest in these three Exploration Licences by drilling a total of 12 wells over the next 2 years.

Shoal Point currently has 385,523,347 common shares issued and outstanding.

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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.*

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