Shoal Point Energy Ltd.

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Management Discussion and Analysis

For The Three Months Ended

April 30, 2013

The following Management Discussion and Analysis of Shoal Point Energy Ltd. ("Shoal Point" or the "Company") is prepared as of June 28, 2013 and should be read in conjunction with the unaudited financial statements for the three months ended April 30, 2013. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Company Profile

Shoal Point Energy Ltd. (the "Company") was incorporated on December 22, 2006 under the Business Corporations Act (Alberta). The Company was incorporated for the purpose of acquisition, exploration and development of oil and natural gas properties in Canada. The Company is headquartered at 65 Queen Street West Toronto, Ontario Canada M5H 2M5. On October 26, 2010, the Company filed articles of continuance in Ontario under the name of Shoal Point Energy Inc.

On October 14, 2010, Allied Northern Capital Corporation ("Allied") a non-operating public enterprise, agreed on a share exchange transaction with Shoal Point Energy Inc. ("SPE"), a non-public operating enterprise, which was completed on November 9, 2010. The transaction has been accounted for as a reverse takeover acquisition, whereby SPE became a wholly owned subsidiary of Allied. On November 23, 2010, the Canadian National Stock Exchange ("CNSX") authorized the completion of the reverse takeover or qualifying transaction and the name change from Allied to Shoal Point Energy Ltd. ("Shoal Point", "SPE" or the "Company"). On November 23, 2010, the Company began trading on the CNSX under the symbol SHP.

Subsequent to the reverse takeover transaction on November 9, 2010, SPE amalgamated with a newly incorporated wholly-owned subsidiary of Allied, 2257054 Ontario Inc. and continued on under the name of Shoal Point Energy Inc. The amalgamation occurred on November 9, 2010. 2257054 Ontario Inc. was incorporated on September 16, 2010.

On October 10, 2012 the Company filed Articles of Amalgamation under the Business Corporations Act (Ontario), whereby the Company was amalgamated with Shoal Point Energy Inc. to form an amalgamated corporation operating under the name of "Shoal Point Energy Ltd." ("Shoal Point", "SPE" or the "Company"). All amounts herein reflect the financial effects of the amalgamation. Comparative figures also reflect the effects of amalgamation.

Exploration Activities and Outlook

During the three months ended April 30, 2013 the Company supplied technical information to Black Spruce Resources and maintained its interest in the three licensed properties

Overall Performance

As at April 30, 2013 the Company's cash position decreased to $631,707 from $2,766,285 as at January 31, 2013, mainly due to spending on oil and gas exploration payables or operating expenses during the three months. Significant amounts were dedicated to the payables relating to the drilling program. The Company will continue to focus on the maintenance of its interest in the three licensed properties.

Financing during the three months ended April 30, 2013 consisted of a sum of $13,990 raised from the issuance of 576,667 shares issued in conjunction with 576,667 warrants.

Selected Quarterly Information

The following table reflects the summary of results for the three months set out.

For the three months ended April 30	**2013**	**2012**
Net loss and comprehensive loss for the year	($1,798,731)	($586,275)
Basic and fully diluted earnings (loss) per share	($0.01)	($0.00)
As at:	**April 30, 2013**	**January 31, 2013**
Assets	$43,060,345	$45,025,109
Liabilities	$2,224,812	$3,738,393

Results of Operations

During the three months ended April 30, 2013, the Company recorded a net loss and comprehensive loss of $1,798,731 ($0.01) per common share compared to a net loss of $586,275 ($0.01) per common share for the three months ended April 30, 2012. During the quarters ended April 30, 2013 and 2012, the Company had no revenues from operations.

For the three months ended April 30, 2013, there were management fees of $140,000 (April 30, 2012 - $120,000), professional fees of $71,274 (April 30, 2013 - $102,693), office, general and administrative expenses of $182,495 (April 30, 2012 - $221,835), stock-based compensation of $1,199,805 (April 30, 2012 - $17,571), and consulting fees of $186,383 (April 30, 2012 - $106,437).

Overall, total expenses in the three quarters ended April 30, 2013 were similar to the three month period ending April 30, 2012, other then a higher stock-based compensation due to the issuance of 18,500,000 options to directors, officers and employees of the Company, higher consulting fees of $186,383 and higher management fees of $140,000 which were offset by lower office, general and administration expenses of $182,495.

Option expense

The fair value of share purchase options granted during the period ended April 30, 2013 of $1,199,805 (April 30, 2012 - $17,571) has been estimated using the Black-Scholes pricing model with the following weighted-average assumptions: market value of underlying stock of $0.10; risk free rate of 1.37%; expected term of 5 years; exercise price of the option of $0.15 per share; volatility of 100% (based on comparable companies); and expected future dividends of nil.

Office, general and administrative

Office, general and administrative was down 18% from $221,835 to $182,494, mostly travel decreasing by $28,289 due to fewer trips overseas and Newfoundland, geologic services down by $50,125 due to no professional services rendered in the quarter, and shareholder relation up by $30,598 due to monthly contractual service for the last quarter.

Consulting fees

Consulting fees increased by 75% or $79,947, due to the increased activity of the corporation.

Summary of Quarterly Results

Quarterly Financial Information (unaudited)

For the three months ended		April 30, 2013		January 31, 2013		October 31, 2012		July 31, 2012
Net Income (loss) (in thousands)	$	(1,798)	$	(587)	$	(501)	$	(423)
Net Income (loss) per share (Basic & Fully Diluted)	$	(0.00)	$	(0.00)	$	(0.00)	$	(0.00)
Total Assets (in thousands)	$	43,060	$	44,714	$	40,738	$	40,620
Shareholders’ equity (in thousands)	$	40,835	$	40,975	$	35,596	$	35,947

For the three months ended		April 30, 2012		January 31, 2012		October 31, 2011		July 31, 2011
Net Income (loss) (in thousands)	$	(586)	$	(98)	$	(775)	$	(639)
Net Income (loss) per share (Basic & Fully Diluted)	$	(0.00)	$	(0.00)	$	(0.00)	$	(0.00)
Total Assets (in thousands)	$	39,420	$	31,327	$	25,990	$	19,834
Shareholders’ equity (in thousands)	$	35,205	$	28,910	$	23,936	$	18,817

Recent accounting pronouncements

The IASB has issued IFRS 9 “Financial Instruments” which proposes to replace IAS 39 "Financial Instruments: Recognition and Measurement". The replacement standard has the following significant components: establishes two primary measurement categories for financial assets-amortized cost and fair value; establishes criteria for classification of financial assets within the measurement category based on business model and cash flow characteristics; and eliminates existing held-to-maturity, available-for-sale, and loans and receivable categories. This standard is effective for annual years beginning on or after January 1, 2015. The Company will evaluate the impact of the change to its financial statements based on the characteristics of its financial instruments at the time of adoption.

IAS 1, “Presentation of Financial Statements” (“IAS 1”) requires grouping of items presented in the Statement of Comprehensive Income on the basis of whether they may be reclassified to earnings subsequent to initial recognition. For those items presented before taxes, amendments to IAS 1 also require that taxes related to the two separate groups be presented separately. The amendments are effective for annual periods beginning on or after July 1, 2012. The Company does not anticipate the amendments to IAS 1 to have a material impact on its financial statements.

The IASB also has issued the following standards, which are effective for annual periods beginning on or after January 1, 2013, for which the Company has not yet determined the impact on its financial statements:

IFRS 10, “Consolidated Financial Statements” (“IFRS 10”), which replaces parts of IAS 27, “Consolidated and Separate Financial Statements” (“IAS 27”) and all of SIC-12, “Consolidation – Special Purpose Entities”, changes the definition of control that is the determining factor in whether an entity should be consolidated. Under IFRS 10, an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. IAS 27, “Separate Financial Statements" was retitled and reissued and now only contains accounting and disclosure requirements for when an entity prepares separate financial statements, as the consolidation guidance is now included in IFRS 10.

IFRS 11, “Joint Arrangements” (“IFRS 11”), which replaces IAS 31, “Interests in Joint Ventures” (“IAS 31”) and SIC-13, “Jointly Controlled Entities – Non-Monetary Contributions by Venturers” (“SIC-13”) requires a venturer to classify its interest in a joint arrangement as either a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting. The existing option to account for joint ventures using proportionate consolidation has been removed. For a joint operation the venture will recognize its share of the assets, liabilities, revenue and expenses of the joint operation.

IFRS 12 “Disclosure of Interests in Other Entities” is a comprehensive standard on disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates, and structured entities. This standard carries forward the disclosures that existed under IAS 27, IAS 28 "Investments in Associates" and IAS 31

"Interest in Joint Ventures", and also introduces additional disclosure requirements that address the nature of, and risks associated with, and entity's interests in other entities.

IFRS 13, "Fair Value Measurement" ("IFRS 13") provides guidance on how fair value should be applied where its use is already required or permitted by other IFRS standards, and includes a definition of fair value and is a single source of guidance on fair value measurement and disclosure requirements for use across IFR

Liquidity

The Company has cash of $637,707 and other current assets to continue to operate during the upcoming year. However, ongoing operating expenditures will ultimately exhaust the resources of the Company. Accordingly, subsequent to the quarter end, the Company raised the following funds:

In February 2013, the Company completed a private placement of 576,667 units at a price of $0.06 per unit for aggregate proceeds of $34,600. Each unit consisted of one common share and one common share purchase warrant where a full warrant entitles the holder to acquire one additional share at a price of $0.15 for a period of 18 months from the date of issuance. In connection with this financing, the Company paid cash commissions of $1,860 and issued 31,000 broker warrants where each broker warrant entitles the holder to acquire one additional common share at a price of $0.10 for a period of 18 months from the date of issuance.

In March 2013, the Company issued 250,000 units valued at $15,000 for service. Each unit consisted of one common share and one common share purchase warrant where a full warrant entitles the holder to acquire one additional share at a price of $0.15 for a period of 18 months vlaued at $8,139.

On April 17, 2013, the Company settled $100,000 of trade payables by issuing 1,000,000 common shares of the Company.

Off-Balance Sheet Transactions

The Company has no off balance sheet transactions.

Commitments and Contingencies

Please refer to note 9 of the financial statements for the Company's commitments with respect to its oil and natural gas property.

The Company also has two stand-by letters of credit in the amount of $1,000,000 each, as disclosed in note 7 of the financial statements. The stand-by letters of credit mature on January 24, 2014 and December 24, 2013, respectively.

The Company was named as a defendant in a lawsuit relating to the NWest transactions (see note 11 of the financial statements) by a third party relating to certain provisions made between Nwest and this third party. Management believes the claim to be frivolous towards the Company and without merit. No accruals have been made as a result**.**

The Company has an expenditure requirements on its flow-through shares of $550,000.

RELATED PARTY TRANSACTIONS

The Company had the following related party transactions:

	April 30, 2013		April 30, 2012	
Management fees and consulting fees expense:				
Management fees charged by officers for corporate administrative and financial management services	**$**	**140,000**	$	120,000
Consulting fees charged by officers for corporate administrative and financial management services	**$**	**47,250**	$	32,250
Director fees:				
Directors fees charged by directors for corporate governance services		**$ -**		$ 5,000
Rental income:				
Rent (office premises) charged to companies with common directors as the Company.	**$**	**11,700**	$	14,400

(a) Included in accounts payable and accrued liabilities is $57,025 (January 31, 2013- $9,424) to directors and companies with common directors as a result of consulting fees and reimbursement expense payable.

Private Placements

Shares issued during quarter ended April 30, 2013

(i) In February 2013, the Company completed a private placement of 576,667 units at a price of $0.06 per unit for aggregate proceeds of $34,600. Each unit consisted of one common share and one common share purchase warrant where a full warrant entitles the holder to acquire one additional share at a price of $0.15 for 18 months. In connection with this financing, the Company paid cash commissions of $1,860 and issued 43,000 broker warrants where each broker warrant entitles the holder to acquire one additional common share at a price of $0.10 for a period of 18 months valued at $1,839 pursuant to the financing.

(ii) In March 2013, the Company issued 250,000 units valued at $15,000 for service. Each unit consisted of one common share and one common share purchase warrant where a full warrant entitles the holder to acquire one additional share at a price of $0.15 for a period of 18 months vlaued at $8,139.

(iii) On April 17, 2013, the Company settled $100,000 of trade payables by issuing 1,000,000 common shares of the Company.

Outstanding Share Data

For additional detail, see Note 11 of the audited financial statements.

	Number Issued and Outstanding April 30, 2013	Number Issued and Outstanding January 31, 2013
Common Shares issued and outstanding	385,411,847	383,585,180
Options to purchase Common Shares	31,500,000	13,000,000
Warrants to purchase Common shares	152,782,117	160,711,156

Subsequent Events

Subsequent to April 30, 2013, $160,000 of the convertible debt was retired through a cash payment and of that, $60,000 was converted into units of the current financing.

Subsequent to the quarter end the Company raised a further $1,168,533 from the issuance of 19,395,556 common share units at $0.06 and 80,000 flow through common share units at $0.06. The common share units are comprised of one common share and one full warrant whereby each warrant entitles the holder to acquire one additional common share at a price of $0.15 for a period of 24 months. The flow through common share units include one flow through common share and one-half warrant whereby a full warrant entitles the holder to acquire one additional common share at a price of $0.15 for a period of 24 months. In connection with this financing, the Company paid $32,492 cash commissions and issued 541,533 broker warrants where each warrant entitles the holder to acquire one common share at a price of $0.10 for a period of 18 months.

Subsequent to the quarter end the company also announces that as a consequence of its transition from operator to the role of a non-operating company, its chairman, Norman Davidson Kelly, will not stand for re-election to the board of directors at the shareholders meeting being held on Friday, June 28, 2013.

Mr. Kelly will remain a major shareholder in Shoal Point and he has played a significant role in identifying and understanding the nature of this oil-in-shale resource. From the time of his becoming involved with Shoal Point, he was able to engage the services of NuTech Energy Alliance, one of the world's leading petrophysical analysis firms based in

Houston, Tex., and utilize its expertise to understand the geology and the potential enormity of the oil resource. The board and management of Shoal Point express their thanks to Mr. Kelly for all of his efforts on behalf of the company.

The company expects to replace Mr. Kelly on the board of directors with a qualified representative from the province of Newfoundland and Labrador.

Brian Murray, director and chief financial officer, and Don Sheldon, director, will also 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.

Risks and Uncertainties

The Company's principal activity is oil and natural gas exploration and development. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, commodity prices, political and economical.

The Company has no significant source of operating cash flow and no revenue from operations. The Company has not determined whether its resource properties contain reserves that are economically recoverable. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish reserves.

The property interests that the Company has or has an option to earn an interest in are in the exploration stage only. Oil and natural gas exploration involves a high degree of risk and few properties, which are explored, are ultimately developed. Exploration of the Company's properties may not result in any discoveries of commercial bodies of resources. If the Company's efforts do not result in any discovery of commercial resources, the Company will be forced to look for other exploration projects or cease operations.

The Company may be subject to risks which could not reasonably be predicted in advance. Events such as labour disputes, environmental issues, natural disasters or estimation errors are prime examples of industry related risks.

The Company is in the business of oil and natural gas exploration and as such, its prospects are largely dependent on movements in the price of oil and natural gas. Prices fluctuate on a daily basis and are affected by a number of factors beyond the control of the Company. The resource exploration industry in general is a competitive market and there is no assurance that, even if commercial quantities of proven and probable reserves are discovered, a profitable market may exist. Due to the current grassroots nature of its operations, the Company does not enter into price hedging programs.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters.

Environmental Risks and Hazards

All phases of the Company's exploration operations are subject to environmental regulations in the jurisdictions it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on the properties on which the Company holds interests, which are unknown to the Company at present and which may have been caused by previous or existing owners or operators of the properties. The Company may become liable for such environmental hazards caused by previous owners and operators of the properties even where it has attempted to contractually limit its liability. Government approvals and permits are currently and may in the future be required in connection with the Company's operations. To the extent such approvals are required and not obtained; the Company may be curtailed or prohibited from proceeding with planned exploration or development of oil and natural gas properties. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities which may cause operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in oil and natural gas operations may be required to compensate those suffering loss or damage by reason of the oil and natural gas activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of oil and natural gas companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures and production costs. They may also cause a reduction in levels of production at producing properties or they may require abandonment or delays in development of new oil and natural gas properties.

To the Company's knowledge, there are no liabilities to date which relate to environment risks or hazards.

Critical Accounting Estimates

The preparation of the Company's financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Significant estimates used in the preparation of these financial statements include, but are not limited to, the recoverability of exploration and evaluation ("E&E") assets, useful lives of capital assets, provision for well suspension, valuation of share-based compensation, deferred income taxes and the premium on flow-through shares issued, as well as the bi-furcation of convertible debt between its debt and equity components. Actual results could differ from management's best estimates.

Management's Evaluation of Disclosure Controls and Internal Controls over Financial Reporting

Management is responsible for the design and effectiveness of disclosure controls and procedures to provide reasonable assurance that

- material information relating to the Company is made known to us by others, particularly during the year in which the annual filings are being prepared, and

- information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation.

Management is responsible for the design of internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements in accordance with IFRS.

There have been no significant changes to the Company's disclosure controls and procedures and internal controls over financial reporting that occurred during the year ended April 30, 2013 that have materially affected, or are reasonably likely to materially affect, the Company's disclosure controls and procedures and internal control over financial reporting.

Due to inherent limitations, internal control over financial reporting and disclosure controls can provide only reasonable assurances and may not prevent or detect misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management has evaluated the effectiveness of the Company's disclosure controls and procedures as well as internal controls over financial reporting at the end of the year covered by this MD&A and has concluded that the above named control processes and procedures are appropriately designed and effective as at April 30, 2013.

Caution Regarding Forward Looking Statements

Except for statements of historical fact relating to the Company, certain information contained in this MD&A constitutes "forward-looking information" under Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the potential of the Company's properties; the future price of oil and natural gas; success of exploration activities; cost and timing of future exploration and development; the estimation of oil and natural reserves and resources;

conclusions of economic evaluations; requirements for additional capital; and other statements relating to the financial and business prospects of the Company.

Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "believes", or variations of such words and phrases. Forward-looking information may also be identified in statements where certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made.

Forward-looking information is inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to risks related to:

- *The Company's goal of creating shareholder value by concentrating on the acquisition and development of properties that have the potential to contain economic resources;*
- *Management's assessment of future plans for the Green Point oil-in-shale, Newfoundland, Canada.*
- *Management's economic outlook regarding future trends;*
- *The Company's ability to meet its working capital needs at the current level in the short term;*
- *Expectations with respect to raising capital;*
- *Sensitivity analysis on financial instruments may vary from amounts disclosed; and*
- *Governmental regulation and environmental liability.*

Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, other factors could also cause materially different results. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

Signed

"*Brian Murray*"

Brian Murray
Chief Financial Officer
June 28, 2013