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Shoal Point and Partner respond to Government of Newfoundland and Labrador announcement regarding hydraulic fracturing

Mark Jarvis, CEO of Shoal Point Energy, announced today that farmout partner and operator Black Spruce Exploration made the following press release. An excerpt of the press release is quoted below; the full release can be viewed at www.blspexp.com.

“ In response to the recent announcement made in the House of Assembly by the Honourable Derrick Dalley, Minister of Natural Resources, that the *“government will not be accepting applications for onshore and onshore to offshore petroleum exploration using hydraulic fracturing”* at this point in time (<http://www.releases.gov.nl.ca/releases/2013/nr/1104n06.htm>), Black Spruce Exploration Corp. (BSE) offers the following comments:

- We respect the government’s decision and desire to ensure public consultation as part of its review and research on hydraulic fracturing. We believe it is vital to have an informed community and we will continue to work cooperatively with government officials and community leaders in order to build public understanding of hydraulic fracturing technology and processes.
- We recognize that hydraulic fracturing technology is new to the province and we are encouraged that the government intends to examine the rules and regulations employed in other jurisdictions where this technology has been used. There have been 1.4 million wells hydraulically fractured in North America.
- BSE fully supports the proper implementation of effective industry regulations to ensure the safe development of the energy resources of Western Newfoundland and to ensure public safety and protection of the environment.

As President & CEO David Murray states: “We acknowledge the government’s desire to ensure that it has all of the facts before issuing regulatory guidance on hydraulic fracturing, and we will continue to work collaboratively with regulators and government officials throughout this process. We are confident that this technology can be used responsibly to the economic benefit of the people of Western Newfoundland, without compromising their health and protection of the environment, as it has been done in many other jurisdictions throughout the world.”

“We agree with our partner that the public needs to be fully informed about hydraulic fracturing,” said Mark Jarvis, CEO of Shoal Point Energy. “We support the government’s ongoing studies and the due diligence they have done in other jurisdictions to look at the issue from a science based perspective. It is our belief that the only way to dispel the fears that some members of the public feel about this commonly used technique is to give them all the facts and to answer all the questions.”

For further information, please contact Mark Jarvis @ 416 637 2181 extension 310.

ON BEHALF OF THE BOARD OF DIRECTORS OF SHOAL POINT ENERGY LTD.

“Mark Jarvis”

CEO of Shoal Point Energy Ltd.

This press release contains “forward looking statements”. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the company’s plans to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements.

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