

SHOAL POINT ENERGY LTD.

January 14, 2011

For Immediate Distribution

Shoal Point 3K-39 Well Update Western Newfoundland

Shoal Point Energy Ltd. (“Shoal Point”) (SHP on CNSX) announce that it has been informed by the Operator, Dragon Lance Management Corporation (“DLMC”) that operations have commenced on the Shoal Point 3K-39 well in Western Newfoundland. The 3K-39 well will be directionally drilled from an onshore surface location on the northern tip of Shoal Point to a subsurface target beneath Port au Port Bay and is designed to test the Green Point Oil-in-Shale Resource Play in Permit EL 1070.

Drilling, using the Nabor’s #112 drill rig, is estimated to take between 20 and 30 days. The planned total drilled depth of the 3K-39 well is 2200m (1450m total vertical depth). The drilling of the 3K-39 well will be conducted as a “tight hole”.

About Shoal Point Energy Ltd.

Shoal Point Energy Ltd is a public company with an 80.75% interest in Exploration Licence #1070 in the Province of Newfoundland comprising approximately 147,000 acres of oil-in-shale. In addition, Shoal has a 14% interest in a gas prospect in the Province of New Brunswick. Shoal Point currently has 137,866,330 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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