

## SHOAL POINT ENERGY LTD.

January 28, 2011

For Immediate Distribution  
CNSX: SHP

### Shoal Point 3K-39 Well Update Western Newfoundland

*Toronto, ON:* Shoal Point Energy Ltd. (“Shoal Point”) (SHP on CNSX) announce takes pleasure in presenting the following information on the Green Point oil-in-shale project in the Port au Port Bay area in Western Newfoundland:

- **Drilling:** The DLMC et al Shoal Point 3K-39 well is currently at the surface casing point. The surface hole is on target and the next operation will be to run and cement 244.5mm casing to surface. Since the current well is twinning the earlier 2K-39 well, the geology in the two wells correlates very closely, as expected.
- **Project Research:** In order to maximize our understanding of the Green Point shale play, and to plan the current well, the project group has conducted or commissioned a number of investigations. These include outcrop sampling; petro-physical re-interpretation of well logs; geophysical re-mapping; resource estimating and a re-evaluation of the K-39 drillstem test.

As part of this program, we have examined closely the information provided by the 2K-39 well. In the course of so doing, it has been noted that certain statements to the effect that 2K-39 flowed some 54 bbls of oil into the wellbore are not substantiated by the well records. In fact no oil flowed from the formation into the wellbore and the well was at all times under control. The source of the oil which was observed in the mud was from oil liberated by cuttings from the thick oil-bearing shale being penetrated by the drill.

“We are pleased that the drilling of 3K-39 is progressing well and confirming the results of the earlier 2K-39 borehole, and look forward to our complete evaluation of the Green Point target over the next days and weeks. Our geological team in Calgary has recently completed a comprehensive review of data from wells and outcrop in the area of Port au Port Bay and we are very pleased with the results. 3K-39 is designed to greatly enhance that database and provide us with key information on the amount of oil that may be recovered from the unconventional Green Point reservoir” said George Langdon,” CEO of Shoal Point Energy Ltd.

Suite 501, 65 Queen Street West  
Toronto, ON M5H 2M5

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

Shoal Point Energy Ltd is a public company earning 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 137,910,330 common shares issued and outstanding.

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

**For further information, please contact:**

R. Brian Murray, CFO – 416-985-7810

*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.*

**Suite 501, 65 Queen Street West  
Toronto, ON M5H 2M5**