

June 21, 2011

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**SHOAL POINT ENERGY ENCOURAGED
BY PRELIMINARY RESULTS OF WELL 3K-39**

Shoal Point 3K-39 well update

Toronto, ON: Shoal Point Energy Ltd. ("Shoal Point") has received the preliminary results of a petrophysical analysis from NuTech Energy Alliance Ltd ("NuTech") for the 3K-39 well in the Green Point Shales in the near offshore Newfoundland which has confirmed a thick section of producible unconventional light oil.

Significant hydrocarbon shows were encountered over a gross interval between the surface casing shoe at 400 metres measured depth and current drilled depth of 1745 metres.

The analysis of the 3K-39 logs reflects NuTech's previous analyses of unconventional potential in the Green Point Shales from the Shoal Point 2K-39 and Long Point M16 wells. (See news release of 20 April, 2011). It shows a similar thick section of hydrocarbon pay and, for the first time, have enabled interpretation of an abundance of fractures throughout the borehole.

This analysis will be updated once studies on core collected in the well are complete and assimilated. Approximately 26 metres of core is being shipped to Houston for 3D image analysis, which will provide valuable information on porosity, permeability and hydrocarbon saturations, as well as images of the internal geometry of fractures. Other core-based studies including rock properties, pyrolysis, and porosity-permeability are being concluded and incorporated in the data set.

A series of open-hole tests are being conducted, prior to completion and stimulation to assess the natural producibility of the formation; these tests are warranted by the high proportion of naturally fractured rock, (seen in core and the NuTech log analysis), the possibility of zones of naturally occurring ("conventional") porosity and permeability and of the presence of oil shows throughout the borehole. These shows include (1) gas chromatography, indicating the presence of liquids over roughly 70% of the drilled section, (2) blue-white fluorescence (indicating light oil) in drill cuttings and cores, particularly after application of a solvent, and (3) mobile, visible oil in fractured core.

Operations have been made difficult by the tectonized and fractured nature of the reservoir and therefore considerable effort and time has gone into keeping the borehole open and in good condition for coring, logging and testing, which has been the principal cause for the delay in operations to date. However, this is a positive sign for the potential producibility of the resource.

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The company now expects to proceed to running casing within a number of days and to retain the well for future re-entry and re-completion as a potential producing well.

George Langdon, President of Shoal Point, comments: “Like any first well in a new basin or new play, the operation has met with challenges related to the nature of the rocks. However, the really good news is that, along with very thick matrix pay sections identified now in several wells by our petrophysical specialists, we are seeing a new and important element – pervasive natural fracturing, recognized on various scales – from very fine “spider-web” geometry, all the way up to large scale faults and fractures seen in the field. This fracturing should provide a natural permeability network to complement the artificial stimulation of the formation, which like all resource plays, will be an important part of its development. Operations are continuing on the well to maximise data recovery, and it is expected that the well will be completed shortly.”

Other Business

Shoal Point announces that it has granted, pursuant to the terms of its stock option plan, an additional 200,000 stock options at a price of \$0.50 to consultants of the Company for a term of 3 years.

About NuTech Energy Alliance Ltd.:

NuTech is a privately owned company founded in 1998 by ex-Schlumberger and Numar (now Halliburton) executives who pioneered Nuclear Magnetic Research (NMR) research and development. Headquartered in Humble, TX, with over 80 employees, NuTech has five technical offices in the US and seven offices worldwide. The Company provides advanced petrophysical, geological and engineering solutions to oil and gas companies worldwide while using proprietary software and modeling processes to offer the following service lines: NuLook™, NuStim™, and NuView™. NuTech has evaluated over 40,000 wells while working for more than 500 oil and gas companies worldwide. For more information see www.NuTechEnergy.com.

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 150,000 acres of oil-in-shale and the right to earn a net 48% interest in approximately 67,285 acres in Exploration Licence #1120.

Shoal Point’s partner in EL 1070 is Canadian Imperial Venture Corp. (“CIVC”) (CQV.V on TSX Venture) as to 19.25%. In addition, CIVC has the right to participate in EL 1120 for up to 40% of Shoal Point’s interest pursuant to an agreement regarding Areas of Mutual Interest.

In addition, Shoal Point has a 6 - 14% interest in a gas prospect in the Province of New Brunswick.

Shoal Point currently has 164,304,734 common shares issued and outstanding.

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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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