

July 26, 2017

CSE: SHP

C-NLOPB declines Shoal Point application

In a Board meeting held on July 25, 2017, the Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB) declined an application by Shoal Point Energy under Section 70 (3) of the Accord Act. The Board will issue written reasons for its decision in due course.

Shoal Point Energy is currently in “diligent pursuit” of well 3K-39, which was suspended on July 17, 2012 with the intention of re-entering to perform hydraulic fracturing operations. However, hydraulic fracturing was put under a moratorium by the government of NL and remains under a moratorium to this day.

The application under Section 70 (3) of the Accord Act was to change the diligent pursuit of 3K-39 to re-entry and testing of well 2K-39, which is a “twin” well of 3K-39. The intention was to re-enter 2K-39, sidetrack and drill fresh, undamaged hole and attempt a completion without using hydraulic fracturing.

“We are disappointed by this outcome,” said Mark Jarvis, CEO of Shoal Point Energy. “We await the written reasons for the Board’s decision.”

Shoal Point remains in diligent pursuit of well 3K-39.

About Shoal Point Energy Ltd.

Shoal Point Energy Ltd. is a public company listed on the CSE exchange under the symbol “SHP”. The core assets of the Company are its oil and gas interests in the Port au Port Bay area in western Newfoundland.

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The Canadian Securities Exchange (CSE) has neither approved nor disapproved the contents of this news release.