

FORM 51-101F1
SHOAL POINT ENERGY LTD.
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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this document constitute forward-looking statements. These statements relate to future events or Shoal Point Energy's future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those forward-looking statements. Shoal Point Energy believes that these expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in, or incorporated by reference into, this document should not be unduly relied upon. These statements speak only as of the date of this document.

CONVENTIONS

Unless otherwise indicated, references herein to "\$" or dollars are to Canadian dollars. The abbreviation "MM" stands for million.

CONVERSION

The following table sets forth certain standard conversions from Standard Imperial Units to the International System of Units (or metric units).

To Convert From	To	Multiply By
Mcf	Cubic metres	28.174
Cubic metres	Cubic feet	35.494
Bbls	Cubic metres	0.159
Cubic metres	Bbls oil	6.290
Feet	Metres	0.305
Metres	Feet	3.281
Miles	Kilometres	1.609
Kilometres	Miles	0.621
Acres	Hectares	0.405
Hectares	Acres	2.471



FORM 51-101F1
SHOAL POINT ENERGY LTD.
STATEMENT OF RESERVES DATA AND
OTHER OIL AND GAS INFORMATION

PART 1 – DATE OF STATEMENT

1.1 Preparation Date

This statement was prepared on January 18, 2018

1.2 Effective Date

This statement covers the reporting period from February 1, 2016 to January 31, 2017, hence the effective date is January 31, 2017.

PART 2 – DISCLOSURE OF RESERVES DATA

National Instrument 51-101-Standards of Disclosure for Oil and Gas Activities (“NI 51-101”) requires that reporting issuers engaged in “oil and gas activities” as defined in NI 51-101 file annually a “Statement of Reserves Data and Other Information” in Form 51-101F1 and a “Report of Management and Directors” in Form 51-101F3.

As at January 31, 2017, Shoal Point Energy Ltd. (the Company) had no oil and gas reserves. The Company did not engage an *independent reserves evaluator* to evaluate reserves and associated future net revenue or complete Form 51-101F2 as part of this statement.

PART 3 – PRICING ASSUMPTIONS

Not applicable.

PART 4 – CHANGES IN RESERVES AND FUTURE NET REVENUE

Not applicable.

PART 5 – ADDITIONAL INFORMATION RELATING TO RESERVES DATA

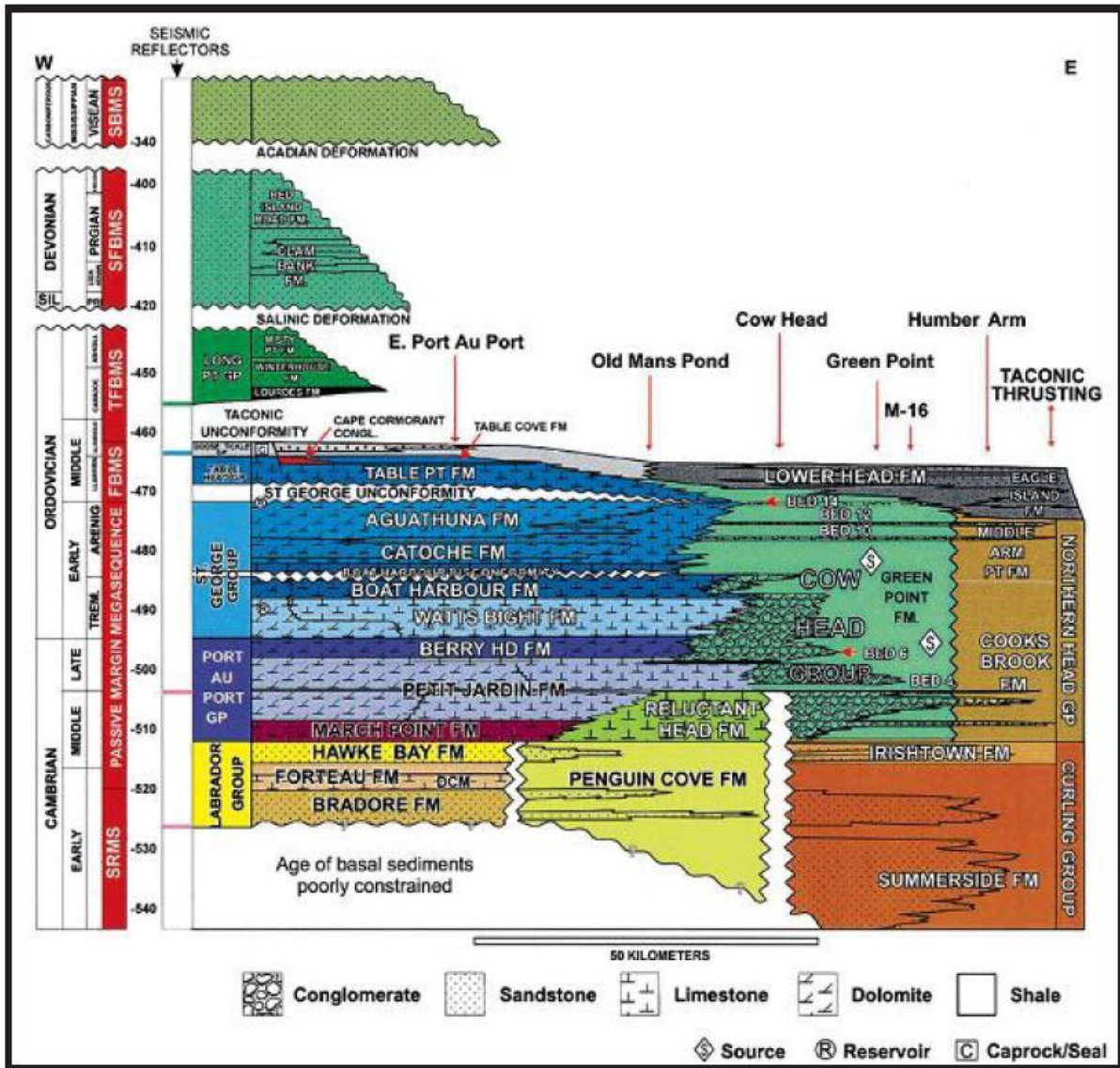
Not applicable.

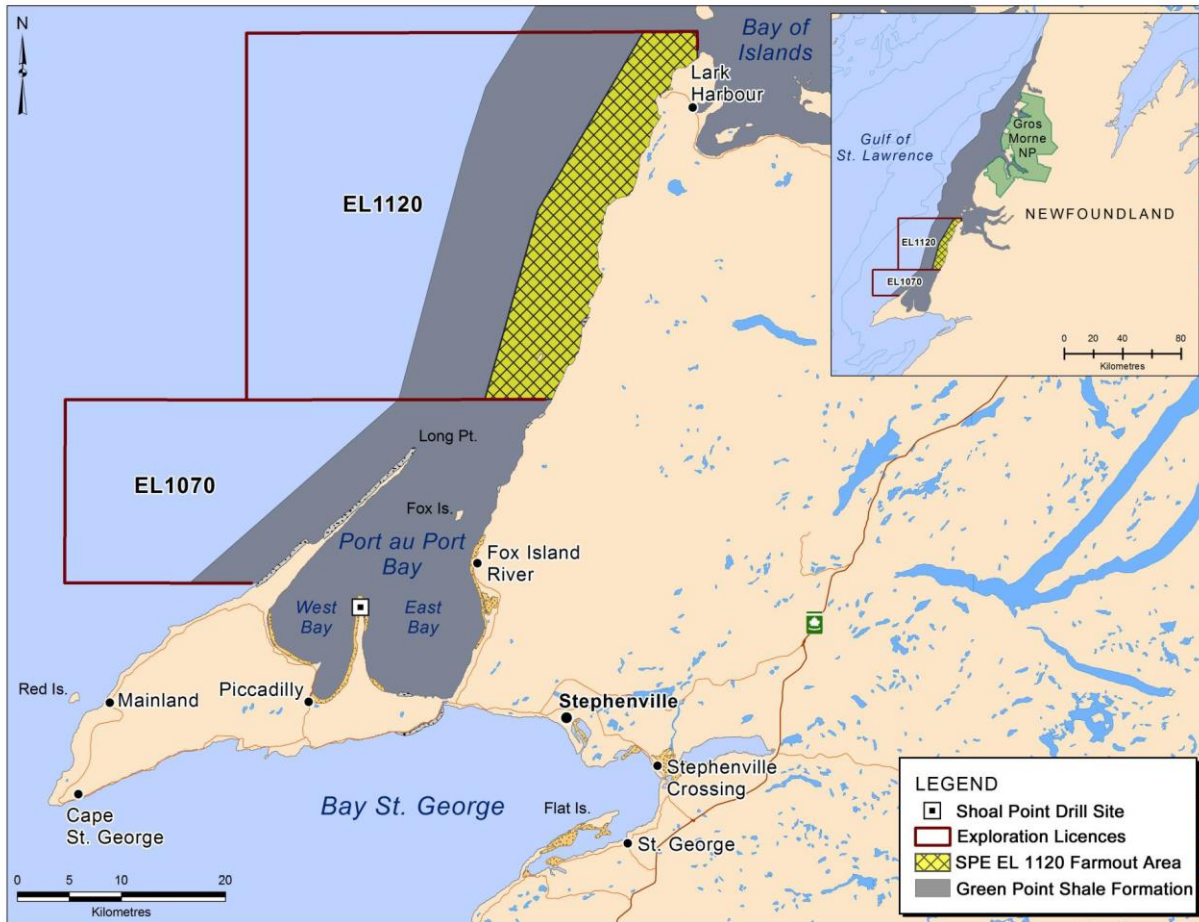
PART 6 – OTHER OIL AND GAS INFORMATION

6.1 Oil and Gas Properties and Wells

West Coast Newfoundland

The Corporation is undertaking exploration for oil and natural gas in Western Newfoundland under Exploration Licenses 1070 and 1120. The two licenses included within this report are currently categorized as Prospective Undiscovered.





The following table contains estimates of Total Undiscovered Petroleum Initially in Place (PIIP) and estimates of Prospective (Recoverable) Resources contained in the Humber Arm Allochthon formation within the Exploration License that Shoal Point Energy has rights to in western Newfoundland:

				Gross			Working Interest		
Resource Class				Low	Best	High	Low	Best	High
				MMstb	MMstb	MMstb	MMstb	MMstb	MMstb
			Cumulative Production	0	0	0	0	0	0
			Remaining reserves	0	0	0	0	0	0
			Surface loss/shrinkage	0	0	0	0	0	0
			Total Commercial	0	0	0	0	0	0
			Contingent resources	0	0	0	0	0	0
			Unrecoverable	0	0	0	0	0	0
			Total sub-commercial	0	0	0	0	0	0
			Total discovered PIIP	0	0	0	0	0	0
			Prospective resources	177.3	428.4	908.6	177.3	428.4	908.6
			Unrecoverable	2,874.5	6,119.7	10,889.7	2,874.5	6,119.7	10,889.7
			Total undiscovered PIIP	3,051.8	6,548.1	11,798.3	3,051.8	6,548.1	11,798.3
			Total PIIP	3,051.8	6,548.1	11,798.3	3,051.8	6,548.1	11,798.3

Prospective resources are defined as those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources are further subdivided in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development and may be sub-classified based on project maturity. Prospective resources have both an associated chance of discovery (geological chance of success) and a chance of development (economic, regulatory, market, facility, corporate commitment or political risks). The chance of commerciality is the product of these two risk components. The Province of Newfoundland and Labrador currently has a moratorium on hydraulic fracturing in place. The prospective resource estimates referred to herein have not been risked for either the chance of discovery or the chance of development. There is no certainty that any portion of the resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources.

The Low Estimate represents the P₉₀ values from the probabilistic analysis (i.e. the value is greater than or equal to the P₉₀ value 90% of the time), while the Best Estimate represents the P₅₀ values and the High Estimate represents the P₁₀. Actual resources may be greater or less than those calculated.

Exploration License 1070

Shoal Point Energy earned a 45.5 percent interest in the eastern portion of the license by drilling the 2K-39 well in 2008. Pursuant to earning, Shoal Point Energy formed an agreement with partners in the license, to trade deep rights for an increased percentage of shallow rights, as a result, Shoal Point Energy became operator of the shallow rights.

As of September 25, 2011, Shoal Point Energy has increased their working interest to 100 percent in the shallow rights, to the base of the Humber Point Allochthon, of Exploration License 1070 ("EL 1070"). Shoal Point Energy has satisfied the "Period 1" term license requirements by drilling and sampling the sediments within the 2K-39 wellbore. The Company has no further responsibilities on the 2K-39 well and has been properly terminated as "Abandoned" as per the regulations of the license agreement. EL 1070 is now subject to an extended "Period 2" term of the license requirements under the "diligent pursuit" clause of the legislation. Shoal Point Energy continued to advance the Humber Point Allochthon prospect by drilling the 3K-39 well. Shoal Point had a farm-out agreement with Black Spruce Energy, whereby Black Spruce could earn 40% of Shoal Point's interests in Western Newfoundland by drilling and completing 3 wells; increase its' interest to 50% by drilling and completing a 4th well; and would then have the option to earn an additional 10% (to a total of 60%) by drilling and completing an additional 8 wells (for a total of 12 wells). Shoal Point would participate in all cash flow from first production. On September 22, 2014, the Company and BSE mutually agreed to dissolve their farm-out agreement.

Exploration License 1120

The Company has the right to earn up to an 80% working interest in the Shallow Rights in the 67,298 acre block in Offshore Exploration License 1120 ("EL 1120"). In order to earn its working interest in EL 1120, the Company was originally required on or before December 31, 2012, to spud a test well and thereafter drill the test well to assess the petroleum potential of the Green Point formation. At the time the Company spuds the well, the Company was required to make a payment of \$300,000 within two business days of such date. In January 2013, the Company paid cash of \$300,000 and issued 500,000 warrants for total fair value consideration of \$332,173, to extend the drilling date on which they were required to spud a test well on the Green Point formation from December 31, 2012 to January 15, 2015. On January 19, 2015, the Company was informed by the EL 1120 license holders that a drilling deposit was filed with the C-NLOPB to extend the requirement to spud a test well to January 15, 2016. As at the date of this Report, the Company had not earned any working interest in EL 1120.

6.2 Properties with No Attributed Reserves

See section 6.1.

6.3 Forward Contracts

There are no forward contracts.

6.4 Additional Information Concerning Abandonment and Reclamation Costs

The Company has no further responsibilities or obligations for well 2K-39 as it has been properly terminated as “Abandoned” as per regulations. Well 3K-39 is terminated as “Suspended” and is now subject to an extended “Period 2” term of the license requirements under the “diligent pursuit” clause of the legislation.

6.5 Tax Horizon

The Company was not required to pay income taxes during the year ended January 31, 2017. The Company is currently in exploration stage and does not currently have reserves. No reasonable estimate may be made as to when the Company will be required to pay income taxes.

6.6 Costs Incurred

The costs incurred by the Company in relation to the two Exploration Licenses for exploration and maintenance costs was \$99,302.

6.7 Exploration and Development Activities

In November of 2013, the Minister of Natural Resources announced that applications for hydraulically fracturing wells would be not be accepted which effectively imposed a moratorium. Our property may require hydraulic fracturing to achieve commercial production. In October 2014, the Government of Newfoundland appointed five members to the Newfoundland and Labrador Hydraulic Fracturing Review Panel (“NLFRP”) to study the socio-economic and environmental impacts of hydraulic fracturing in western Newfoundland. The report was made public on May 31, 2016. The Company is disappointed in the report, which recommends, among other things, significant further study before hydraulic fracturing could be considered.

Shoal Point Energy Ltd. submitted a summary planning document to the applicable regulators in Newfoundland and Labrador (“C-NLOPB”) which did not involve hydraulic fracturing. The Board of the C-NLOPB met on July 25, 2017 and voted to reject our application to drill a new well. The Company has received a written response as to why the planning document was rejected and is currently assessing the Board’s decision.

6.8 Production Estimates

Not applicable.

6.9 Production History

Not applicable.