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CSE: SHP

Shoal Point reports on Mount Evans project

(Vancouver) – Mark Jarvis, CEO of Shoal Point Energy Ltd. (CSE: SHP), today provided an update to operations at the Maresch Unit #1-18 well, the first well in the Mount Evans project in Kansas, and to plans for future drilling at the Mount Evans project.

“Our first well in the Mount Evans project has not performed as expected,” said Mr. Jarvis. “We think that, due to reservoir damage caused by mud and cement invasion in the high porosity, high permeability upper zone, we have failed to establish communication with that zone and our fluid production is from the secondary zone, which has been producing mostly water with a minor oil cut. Oil production has been as high as 35 barrels per day, but recently has been less than 5 barrels per day.”

Along with partner Shelby Resources, Shoal Point is planning to drill a second well at Mount Evans, expected to spud in February 2021.

“Production testing of our first well was inconclusive for a long time as we tried various methods to break through to the upper reservoir, but we plan to apply what we have learned to our second well,” said Mr. Jarvis. “We feel that the first well does not condemn the project. Our partner is enthusiastic about several targets within our acreage and we are currently undergoing a process to select our second location.”

Shoal Point has a 65% working interest in the Mount Evans project and Shelby Resources a 35% working interest.

About Shoal Point Energy Ltd.

Shoal Point Energy Ltd. is a public company listed on the CSE exchange under the symbol “SHP”. The company is focused on its Mount Evans project in Kansas and retains its oil and gas interests in the Humber Arm Allochthon play in western Newfoundland.

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

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