

FORM 51-101F2
REPORT ON RESERVES DATA BY INDEPENDENT QUALIFIED
RESERVES EVALUATOR OR AUDITOR
SHOAL POINT ENERGY LTD.

Terms to which a meaning is ascribed in National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities have the same meaning in this form.

This form was prepared on May 30, 2022 and covers the reporting period February 1, 2021 to January 31, 2022. The effective date of this form is January 31, 2022.

Shoal Point Energy Ltd. (the Company) has certain oil and gas exploration licenses within the Province of Newfoundland and Labrador. The Company had no proven or probable oil and gas reserves during the reporting period for the Exploration Licenses 1070 and 1120.

The Exploration License 1070 was granted in 2008 while the Exploration License 1120 was granted in 2012. The Company drilled the 2K-39 well in 2008 and drilled the 3K-39 well in 2012. To date the 2K-39 well has been properly terminated as “Abandoned” as per the Consolidated Newfoundland and Labrador Petroleum Drilling Regulations under the Petroleum and Natural Gas Act. The 3K-39 well has been plugged but remains under the “diligent pursuit” clause of an extended Period 2.

In June 2019, Shoal Point U.S.A. Inc., a wholly owned subsidiary of the Company, entered into a farm in agreement to earn a 65% working interest in an 80% net revenue interest in approximately 121 square miles in Kansas USA.

The Company has completed its earn-in obligations in Kansas by funding a 3-D seismic shoot and drilling one well. The well did not perform as expected and has been suspended. In February 2021, the Company along with its partner commenced drilling a second well, but due to disappointing results elected to plug and abandon it. In September 2021, the Company commenced drilling a third well but elected to plug and abandon the well after producing further disappointing results.

In March 2022, the Company announced that it has committed to participate in the first of three oil and gas prospects in Pratt County, Kansas. Participation in the first prospect of 1.25 sections will give Shoal Point the option of participating in the other two prospects in the package. Shoal Point will receive a 6.5% working interest in the prospect in exchange for acquisition and drilling costs of approximately \$50,000.

The Company commenced drilling of the first well in the Pratt County project in March 2022 and in April production casing was installed and a completion program was being designed.

In April 2022, the Company elected to exercise its option to participate in a second well in the Pratt County, Kansas project. Total acquisition and drilling costs of approximately U.S. \$32,000 will earn a working interest of 6.5% of an 81% net revenue interest in the well and possible offset locations.

As such, the Company did not retain (nor was required to retain, under National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities) the services of an independent reserves evaluator, to compile this form NI-51-101F2 with nil values.