



October 6, 2017

CSE: SHP

## Shoal Point Energy provides corporate update

(Vancouver, B.C.) – Mark Jarvis, CEO of Shoal Point Energy, trading symbol: SHP; today provided an update to shareholders of the Company’s plans. Mr. Jarvis commented:

“The fracing moratorium imposed by the provincial government in 2012 frustrated our efforts to develop our unconventional shale play on the west coast of Newfoundland. However, our recent analysis of the data and our research into naturally fractured reservoirs worldwide, indicate that it would be possible to develop the Humber Arm Allochthon (HAA) without hydraulic fracturing, due to the naturally fractured nature of the reservoir.

“Our tenure of Exploration Licence (EL) 1070 is maintained by our diligent pursuit of well 3K-39, which was suspended pending receipt of permits to perform a limited hydraulic fracturing operation, and receipt of such permits has not been possible to date. We remain in diligent pursuit of that well.

“We recently applied to the Canada – Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB), the relevant regulator, for permission to move our diligent pursuit to well 2K-39, which is a twin well of 3K-39. We applied to drill a sidetrack out of 2K-39 rather than 3K-39 because 2K is in better shape than 3K and has larger diameter casing than 3K. The C-NLOPB declined our application and the reasons for their decision are posted on our website at [http://www.shoalpointenergy.com/assets/docs/news/2017-08-09\\_jarvis\\_letter\\_enclosing\\_reasons\\_for\\_decision.pdf](http://www.shoalpointenergy.com/assets/docs/news/2017-08-09_jarvis_letter_enclosing_reasons_for_decision.pdf)

“Our only way forward in pursuit of a Significant Discovery on EL 1070 remains within 3K-39. Accordingly, our current engineering focus is on what activities in this bore hole, that are consistent with our regulatory approvals and licence rights, have a good likelihood of resulting in a Significant Discovery without hydraulic fracturing. We expect to be able to report on our plans in the near future.”

### **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 near offshore of western Newfoundland.

For further information, please contact:

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