

SHOAL POINT ENERGY LTD.

December 9, 2010

For Immediate Distribution

Shoal Point Energy Ltd. Announces Amendment to Farmout Agreement to Increase Interest in EL 1070 to 51.5%

Shoal Point Energy Ltd. (“Shoal Point”) (SHP on the CNSX) announces that it has signed an Amending Letter Agreement to the Farmout Agreement covering CNLOPB – PNG Licence Area EL 1070 (EL 1070) dated August 11, 2010 with Canadian Imperial Venture Corp. (CIVC) and with Dragon Lance Management Corporation (DLMC) and also with Fire Horse Energy Limited (Fire Horse).

The amending letter agreement initially acknowledges that DLMC had assigned its rights and obligations under the original Farmout Agreement to Fire Horse. It further acknowledges that Shoal Point’s interest in EL 1070 is to be set at 51.5% after the completion of the next well (3K-39) which is to be spudded prior to the end of the year.

Originally Shoal Point’s interest was to be reduced from 61.5% to 30.75% and the entire cost of well 3K-39 was to be borne by DLMC or its assignee (Fire Horse). Under the terms of the amended agreement, Shoal Point’s interest will be reduced by only 10% to 51.5% and in consideration for retaining this increased interest in EL 1070, Shoal Point has agreed to pay 41.5% of the drilling costs of the well (estimated to be \$1,867,500 or 41.5% of \$4.5 million), to make the refundable abandonment deposit (estimated not to exceed \$1 million) and to pay 50% of the costs of filing reports and making the application for an Significant Discovery Licence (SDL) on EL 1070. The balance of the costs associated with drilling with 3K-39 and obtaining the SDL are to be paid for by Fire Horse.

George Langdon, the President of Shoal Point stated: “We are pleased that Shoal Point was able to negotiate to maintain a larger interest in EL 1070. Our technical analysis of the area and our interpretation of results from prior work done on the property lead us to believe the potential for significant oil production from the Green Point shale formation is great and justifies the increased cost to Shoal Point”.

After the completion of the next well, 3K-39, the interests in EL 1070 will be as follows:

Shoal Point	51.50%
CIVC	19.25%
Fire Horse	29.25%

Suite 501, 65 Queen Street West
Toronto, ON M5H 2M5

Other matters:

Shoal Point announces that it has engaged the services of James Couldrey & Associates based in Leicestershire, U.K. to assist with marketing the Company's story to investors in Europe. The Company has agreed to grant James Couldrey 200,000 stock options for a period of 2 years at a price of \$0.25 and to pay a monthly fee of \$3,000 Cdn.

About Shoal Point Energy Ltd.

Shoal Point Energy Ltd is a public company with an interest in Exploration Licence #1070 in the Province of Newfoundland comprising approximately 137,000 acres of oil-in-shale. In addition, Shoal has a 14% interest in a gas prospect in the Province of New Brunswick. Shoal Point currently has 114,625,428 common shares issued and outstanding.

Visit our website at www.shoalpointenergy.com

For further information, please contact:

George Langdon, President – 403-973-1378

R. Brian Murray, CFO – 416-985-7810

Except for historical information contained herein, this news release contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially from those currently anticipated due to a number of factors and risks. The forward looking statements contained in this press release are made as of the date hereof and Shoal Point Energy Ltd. undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Suite 501, 65 Queen Street West
Toronto, ON M5H 2M5