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**For Immediate Distribution  
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## **SHOAL POINT ENERGY LTD. REPORTS TEST RESULTS OF WELL 3K-39**

### *Shoal Point 3K-39 well update*

*Toronto, ON:* Shoal Point Energy Ltd. (“Shoal Point”) is pleased to report the results of a closed-chamber drillstem test in the Shoal Point 3K-39 borehole. This test straddled a zone that displayed some of the best hydrocarbon shows in the well, as observed from Weatherford gas chromatography, NuTech log analysis, and core and cuttings descriptions. The test demonstrates that the well has significant flow capability from natural fractures. By the same token, this has allowed invasion of heavy drilling fluid into the formation, as the borehole at this depth has been open for a period of approximately 105 days. This fluid was produced back into the drillstring at substantial rates on test. The testing program is ongoing and will attempt to remove all the drilling fluid in order to produce formation fluid, and to further assess the contribution of the matrix (formation away from the fractures) to the flow rates. Upon completion of testing operations, casing will be run to retain the 3K-39 well for future re-entry and re-completion as a potential producing well. However, prior to establishing production from the 3K-39 well, a satisfactory well test program must be completed and a Significant Discovery License along with a Development and Benefits Plan must be approved by the regulator, and all relevant safety and environmental impact regulations must be adhered to.

The test was conducted across a fracture set in the interval 1287m – 1331.1m (approximately 924 metres true vertical depth), and produced 2.67 m<sup>3</sup> (17 barrels) of load fluid (drilling fluid invaded into the formation) over a combined flow period of 9 minutes. Buildup analysis and Horner extrapolation suggest initial linear flow behaviour (characteristic of a fracture system) followed by radial flow (characteristic of contribution of matrix to the fracture system) with reservoir pressure extrapolated at 8856 kPa. Since the well was still in the process of cleaning up, no significant live oil was recovered from the test fluid samples.

The importance of natural fractures to the Green Point play has been emphasized in recent company presentations and news releases (SEPAC presentation of 31 May 2011, and news release of 21 June, 2011). Such fractures have now been corroborated in a recent NuTech petrophysical report, and as interpreted on logs occur regularly as sets or swarms throughout the well. Our recent work has also indicated that fractures occur on all scales from macro- to micro-scale, and it is this pervasive micro-fracturing, identified particularly in cores, which we may be reading as matrix contribution to flow in the closed chamber test.

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“With this test we continue to amass information pointing to the potential of the Green Point shale as a petroleum producer”, said George Langdon, President and CEO of Shoal Point Energy Ltd. “Further testing will continue to add to this data set”.

**About Shoal Point Energy Ltd.**

Shoal Point Energy Ltd is a public company earning an 80.75% interest in Exploration Licence #1070 in the Province of Newfoundland comprising approximately 150,000 acres of oil-in-shale and the right to earn a net 48% interest in approximately 67,285 acres in Exploration Licence #1120.

Shoal Point’s partner in EL 1070 is Canadian Imperial Venture Corp. (“CIVC”) (CQV.V on TSX Venture) as to 19.25%. In addition, CIVC has the right to participate in EL 1120 for up to 40% of Shoal Point’s interest pursuant to an agreement regarding Areas of Mutual Interest.

In addition, Shoal Point has a 6 - 14% interest in a gas prospect in the Province of New Brunswick.

Shoal Point currently has 164,304,734 common shares issued and outstanding.

Visit our website at **[www.shoalpointenergy.com](http://www.shoalpointenergy.com)**

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*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.*

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