



Shoal Games Ltd.
Hansa Bank Building, Ground Floor
Landsome Road, The Valley
AI 2640, Anguilla, BWI
Ph: +1 264 461-2646
Fax: +1 264-498-3805

Shoal Games Ltd. Announces 2014 Year End Results

ANGUILLA, B.W.I., February 19, 2015 / Shoal Games Ltd. (OTCQB: SGLDF) <http://www.shoalgames.com> (previously Bingo.com, Ltd.) ("the Company"), owner of Trophy Bingo, an innovative, non-gambling, social bingo game, <http://www.trophybingo.com>, today announced its unaudited financial results for the fourth quarter and the year ended December 31, 2014. All amounts are presented in United States dollars and in accordance with United States Generally Accepted Accounting Principles.

Shoal Games 2014 highlights include:

- Total income for the year ending December 31, 2014 was \$5,062,233 compared to a loss of \$787,863 for the year ending 2013.
- Total revenue from continuing operations increased to \$32,470 for the year ended December 31, 2014, an increase of 23% over revenue from continuing operations of \$26,398 for the same period in the prior year.
- Sale of the URL www.bingo.com and gambling business to Unibet Group plc for \$8 million.
- Three separate financings in 2014 for a total of 2,750,000 common shares raising \$1,400,000 in total.
- Soft Launch of Trophy Bingo, our social casino game in the fourth quarter of 2014.

"2014 was a busy and pivotal year for Shoal Games," commented Jason Williams, the Company's CEO. "We successfully divested the Company of the domain name www.bingo.com and the associated online gambling business in exchange for \$2,000,000 cash and the return of 15,000,000 of Shoal Games' common shares which have since been cancelled. This transaction allowed us to successfully exit the online gambling industry which we believe to be mature and facing increasing threats from taxation, regulation, and competition."

"Additionally we changed our name from Bingo.com, Ltd. to Shoal Games Ltd. to more accurately reflect the Company's new focus which is the high growth sector of social and mobile games," continued Williams. "The Company's social bingo game, Trophy Bingo, is currently live in the Apple App Store and Google Play Store. While revenues from the game have been low and will continue to be low for the first half of 2015 as the next version of the game completes development, the performance metrics for Trophy Bingo are very strong. Despite the live version not being feature complete, Trophy Bingo's player retention figures are near industry highs, conversion performance from free player to premium player is high, and the ARPDAU (average revenue per daily active user) performance is improving. Trophy Bingo's performance metrics indicate that we may have a hit game in development which will provide significant value to the Company in the coming years. We are projecting that the next version of Trophy Bingo will be released early in the second half of 2015 with a large co-ordinated marketing effort. The cash that we secured in the sale of our online gambling assets enables the Company to devote the necessary resources to complete and market Trophy Bingo at that time."

Total revenue from continuing operations increased to \$32,470 for the year ended December 31, 2014, an increase of 23% over revenue from continuing operations of \$26,398 for the same period in the prior year. Revenue from Trophy Bingo increased to \$9,815 for the year ended December 31, 2014, over revenue from Trophy Bingo of \$1,265 for the same period in the prior year. During the year ended December 31, 2014, the Company soft launched Trophy Bingo in the Google Play and Apple App Store. Advertising Revenue decreased to \$22,655 for the year ended December 31, 2014, a decrease of 10% over revenue of \$25,133 for the same period in the prior year.

Operating costs from continuing operations before interest, and depreciation expenses, including sales and marketing and general and administrative expenses increased to \$2,283,193 for the year ended 2014, an increase over operating expenses of \$776,879 for the year ended 2013. The increase in operating expenses compared to the year ended 2013 is due to the Company ceasing to capitalize the development of Trophy Bingo and the commencement of expensing the current development costs in 2014.

Sales and marketing expenses from continuing operations were \$247,258 for the year ended 2014, an increase of 25% over expenses of \$197,441 for the year ended 2013. This increase in sales and marketing expenses from continuing operations in 2014 was due to the increase in the test marketing expense for the soft launch of Trophy Bingo in the Google play and iOS stores.

The net loss after taxation from continuing operations for the twelve months ended December 31, 2014, amounted to \$2,736,544, a loss of (\$0.04) per share, compared to a net loss from continuing operations of \$755,182 or (\$0.01) per share in the twelve months ending December 31, 2013.

Effective December 31, 2014, the Company sold its URL www.bingo.com and its online gambling business to Unibet Group plc ("Unibet") for total consideration of \$8,000,000. The Company received cash consideration of \$2,000,000 and redemption of the 15,000,000 common shares of the Company, which were held by Unibet. The 15,000,000 common shares held by Unibet have been returned to the Company's treasury and cancelled. The Company recorded a gain from the sale of \$6,742,759.

Gaming revenue from discontinued operations decreased to \$1,684,047 for the year ended December 31, 2014, a decrease of 12% over gaming revenue of \$1,912,301 for the same period in the prior year. This decrease compared to the prior year was due to a decrease in players to the website

Sales and marketing expenses from discontinued operations were \$628,029 for the year ended December 31, 2014, a decrease of 68% over expenses of \$1,944,982 for the year ended December 31, 2013. This decrease in sales and marketing expenses from discontinued operations was due to a decrease in marketing campaigns during the 2014 fiscal year.

The net income after taxation for the twelve months ended December 31, 2014, amounted to \$5,062,233, an income of \$0.07 per share, compared to a net loss of (\$787,863) or (\$0.01) per share in the twelve months ending December 31, 2013.

We had cash of \$2,876,386 and working capital of \$2,856,230 at December 31, 2014. This compares to cash of \$491,203 and working capital of \$646,014 at December 31, 2013.

For full details of the Company's operations and financial results, please refer to the Securities and Exchange Commission website at www.sec.gov or the Shoal Games Ltd. corporate website at <http://investor.shoalgames.com>.

About Shoal Games Ltd. (formerly Bingo.com, Ltd.)

Shoal Games Ltd. (OTCQB: SGLDF) <http://www.shoalgames.com> is the parent company of the group of companies, which owns Trophy Bingo, an innovative, non-gambling social bingo game, live in the Google Play Store and the Apple App Store. Trophy Bingo is a puppy themed bingo adventure where players must win their way through 120 levels of bingo challenges. The game is free to download and supports in-app purchases for players who find themselves in need of extra bingos or want to engage with the premium power plays contained in the game. Shoal Games Ltd. (OTCQB: SGLDF) trades on the OTCQB, the venture

marketplace for companies that are current in their reporting with the U.S. regulator. Investors can find real time quotes and market information for the Company at <http://www.otcmarkets.com/stock/BNGOF/quote>.

The Private Securities Litigation Reform Act of 1995 provides a “safe harbor” for forward-looking statements. Certain information included in this press release (as well as information included in oral statements or other written statements made or to be made by the company) contains statements that are forward-looking, such as statements relating to anticipated future success of the company. Such forward-looking information involves important risks and uncertainties that could significantly affect anticipated results in the future and, accordingly, such results may differ materially from those expressed in any forward-looking statements made by or on behalf of the company. For a description of additional risks and uncertainties, please refer to the company’s filings with the Securities and Exchange Commission. Specifically, readers should read the Company’s Annual Report on Form 10-K, filed with the SEC on March 25, 2014, and the prospectus filed under Rule 424(b) of the Securities Act on March 9, 2005 and the SB2 filed July 17, 2007, for a more thorough discussion of the Company’s financial position and results of operations, together with a detailed discussion of the risk factors involved in an investment in Shoal Games Ltd.

For more information contact:

Henry Bromley

CFO

ir@shoalgames.com

(888) 374-2163

SHOAL GAMES LTD. and subsidiaries

Unaudited Consolidated Balance Sheets

As at December 31,	2014	2013
Assets		
Current assets:		
Cash	\$ 2,876,386	\$ 491,203
Accounts receivable, less allowance for doubtful accounts		
\$nil (2013 - \$nil)	122,056	281,257
Prepaid expenses	14,367	112,095
Total Current Assets	3,012,809	884,555
Equipment, net	9,269	7,770
Other assets	964,025	1,446,038
Security deposits	10,642	11,519
Domain name rights and intangible assets	-	1,257,241
Deferred tax asset, less valuation allowance of \$17,907 (2013 - \$17,201)	-	-
Total Assets	\$ 3,996,745	\$ 3,607,123
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 35,013	\$ 159,891
Accrued liabilities	72,898	67,374
Accounts payable and accrued liabilities - related party	48,668	11,275
Total Current Liabilities	156,579	238,540
Stockholders' equity :		
Common stock, no par value, unlimited shares authorized, 55,682,703 shares issued and outstanding (December 31, 2013 - 67,877,703)	19,257,040	20,097,690
Accumulated deficit	(15,441,454)	(16,753,687)
Accumulated other comprehensive income:		
Foreign currency translation adjustment	24,580	24,580
Total Stockholders' Equity	3,840,166	3,368,583
Total Liabilities and Stockholders' Equity	\$ 3,996,745	\$ 3,607,123

SHOAL GAMES LTD. and subsidiaries

Unaudited Consolidated Statements of Operations

For the periods ended December 31, 2014 and 2013

	Year ended December 31, 2014 (Unaudited)	Year ended December 31, 2013 (Unaudited)	Three Months ended December 31, 2014 (Unaudited)	Three Months ended December 31, 2013 (Unaudited)
Advertising revenue	\$ 22,655	\$ 25,133	\$ 5,105	\$ 6,098
Trophy Bingo revenue	9,815	1,265	7,105	216
Total revenue	32,470	26,398	12,210	6,314
Cost of sales:				
Trophy Bingo amortization	482,013	-	120,503	-
Total cost of sales	482,013	-	120,503	-
Gross (loss) profit	(449,543)	26,398	(108,293)	6,314
Operating expenses:				
Depreciation and amortization	3,470	4,687	976	1,903
Directors fees	12,000	12,000	2,500	2,500
General and administrative	212,649	296,494	57,448	68,040
Salaries, wages, consultants and benefits	585,287	272,496	180,119	63,806
Selling and marketing	247,258	197,441	75,819	66,541
Trophy Bingo development	1,181,382	-	348,668	-
Total operating expenses	2,242,046	783,118	665,530	202,790
(Loss) Income before other income (expense) and income taxes	(2,691,589)	(756,720)	(773,823)	(196,476)
Other income (expense):				
Foreign exchange gain (loss)	(44,617)	1,552	(25,091)	9,726
Profit on sale of subsidiary	-	812	194	143
Interest and other income	510	840	-	812
Loss from continuing operations before income taxes	(2,735,696)	(753,516)	(798,720)	(185,795)
Income tax expense	848	1,666	803	1,666
Loss from continuing operations	\$ (2,736,544)	\$ (755,182)	\$ (799,523)	\$ (187,461)
Discontinued operations:				
Gaming revenue	1,684,047	1,912,301	339,050	398,174
Gain from the sale of the domain name	6,742,759	-	6,742,759	-
Selling and marketing	(628,029)	(1,942,885)	(58,099)	(440,880)
Income/(loss) after tax	5,062,233	(785,766)	6,224,187	(230,167)
Other comprehensive income (loss)	-	-	-	-
Comprehensive income (loss)	\$ 5,062,233	\$ (785,766)	\$ 6,224,187	\$ (230,167)
Basic profit (loss) per common share				
Continuing operations	\$ (0.04)	\$ (0.01)	\$ (0.00)	\$ (0.00)
Discontinued operations	\$ 0.11	\$ (0.00)	\$ (0.00)	\$ (0.00)
Weighted average common shares outstanding, basic	69,564,552	67,165,374	70,682,703	67,877,703

SHOAL GAMES LTD. and subsidiaries

Unaudited Consolidated Statements of Stockholders' Equity

Years ended December 31, 2014 and 2013

	Common stock		Accumulated Deficit	Accumulated Other Comprehensive income	Total Stockholders' Equity
	Shares	Amount		Foreign currency translation adjustment	
Balance, December 31, 2012	65,877,703	\$ 19,197,690	\$ (15,965,824)	\$ 24,580	\$ 3,256,446
Private placement	1,000,000	450,000	-	-	450,000
Private placement	1,000,000	450,000	-	-	450,000
Net loss	-	-	(787,863)	-	(787,863)
Balance, December 31, 2013	67,877,703	20,097,690	(16,753,687)	24,580	3,368,583
Private placement	500,000	200,000	-	-	200,000
Private placement	1,250,000	500,000	-	-	500,000
Private placement	1,000,000	700,000	-	-	700,000
Exercise of stock options	55,000	9,350			9,350
Redemption of shares	(15,000,000)	(2,250,00)	(3,750,000)		(6,000,000)
Net income	-	-	5,062,233	-	5,062,233
Balance, December 31, 2014	55,682,703	\$19,257,040	\$(15,441,454)	\$ 24,580	\$3,840,166

SHOAL GAMES LTD. and subsidiaries

Unaudited Consolidated Statements of Cash Flows

Years ended December 31,	2014	2013
Cash flows from operating activities:		
Net income (loss)	\$ 5,062,233	\$ (787,863)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	3,470	4,687
Trophy Bingo amortization	482,013	-
Profit on the sale of subsidiary	-	(812)
Gain on the sale of the domain name	(6,742,759)	-
Changes in operating assets and liabilities:		
Accounts receivable	159,201	81,609
Prepaid expenses	97,728	394,038
Other assets	877	788
Accounts payable and accrued liabilities	(30,260)	83,361
Net cash used in operating activities	(967,497)	(224,192)
Cash flows from investing activities:		
Acquisition of equipment	(4,969)	(2,177)
Proceeds on disposal of domain name	2,000,000	
Software development	(51,701)	(1,058,432)
Net cash provided by (used in) investing activities	1,943,330	(1,060,609)
Cash flows from financing activities:		
Exercise of stock options	9,350	-
Private placement	1,400,000	900,000
Net cash provided by financing activities	1,409,350	900,000
Change in cash	2,385,183	(384,801)
Cash, beginning of year	491,203	876,004
Cash, end of year	\$ 2,876,386	\$ 491,203
Supplementary information:		
Interest paid	\$ -	\$ -
Income taxes paid	\$ 848	\$ 1,008
Non-cash financing activity	\$ -	\$ -
Non-cash investing activity – other assets incurred through accounts payable	\$ -	\$ 51,701