



SHAMARAN ANNOUNCES SUCCESSFUL RIGHTS OFFERING DETAILS

May 25, 2022

VANCOUVER, BRITISH COLUMBIA – ShaMaran Petroleum Corp. (“ShaMaran” or the “Company”) (SNM: TSX-V and Nasdaq First North Growth Market (Sweden)) is pleased to announce further details following the Company’s news release of May 20, 2022 with respect to the Company’s rights offering (the “Rights Offering”) that was oversubscribed by the Company’s shareholders and no call on the standby commitment of Nemesia S.à.r.l.¹ was required. ShaMaran has issued 558,242,414 common shares of the Company (the “Common Shares”) at the price of CAD \$0.06825 (SEK 0.52) per Common Share being the maximum number of Common Shares approved for the Rights Offering for a total gross proceeds of approximately US \$30.15 million. The Company intends to use the Rights Offering proceeds for the purposes disclosed in ShaMaran’s rights offering circular dated April 5, 2022, as amended April 12, 2022, available for review under the Company’s profile on SEDAR at www.sedar.com.

A total of 515,028,830 Common Shares were issued pursuant to the basic subscription privilege of the Rights Offering. Of these, approximately 143,072,380 Common Shares were issued to insiders of ShaMaran and 371,956,450 Common Shares were issued to all other persons.

A total of 43,213,584 Common Shares were issued pursuant to the additional subscription privilege of the Rights Offering. Of these, approximately 553,725 were issued to insiders of ShaMaran and 42,659,859 Common Shares were issued to all other persons.

Following completion of the Rights Offering, ShaMaran has 2,793,492,072 Common Shares issued and outstanding.

To the knowledge of ShaMaran, after reasonable inquiry, no person has become an insider of ShaMaran from the distribution under the Rights Offering.

Adel Chaouch, President and CEO commented: “I am very pleased to announce today’s details regarding our recent Rights Offering that demonstrates the exceptionally strong shareholder support for ShaMaran. This Rights Offering has been a success for the Company and these funds, together with ShaMaran’s growing unrestricted cash held in our bank account, will provide a basis for continuing the Company’s future growth plans.”

Pareto Securities AB (“Pareto”) acted as technical advisor in Sweden and Computershare Investor Services, Inc. (“Computershare”) acted as rights agent in Canada. A fee in the amount of approximately US \$750 thousand will be paid to Pareto and approximately CAD \$16 thousand will be paid to Computershare in connection with this Rights Offering. Pareto is not registered as a dealer in any Canadian jurisdiction and, accordingly, has not, directly or indirectly, solicited offers to purchase or sell Common Shares or Rights in Canada.

OTHER

This information was submitted for publication, through the agency of the contact persons set out below, on May 25, 2022 at 5:30 p.m. Eastern Time. Arctic Securities AS (Swedish branch), is the Company’s Certified Adviser on Nasdaq First North Growth Market (Sweden) +46 844 68 61 00, certifiedadviser@arctic.com.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

IMPORTANT INFORMATION

The information in this news release may not be released, distributed or published, directly or indirectly, in or into the United States of America, Australia, Hong Kong, Japan, New Zealand, Singapore, South Africa, Switzerland, or any other jurisdiction in which the release, distribution or publication would be unlawful or require any other measures than required by Swedish or Canadian law. Actions in violation of these restrictions may constitute a violation of applicable securities laws.

The subscription rights for the Company's shares, and any shares that have been issued upon exercise of such subscription rights, have not been and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or any state securities laws, and may not be directly or indirectly offered, sold, resold or exercised, as applicable, in the United States or to, or for the account or benefit of, any U.S. person (as those terms are defined in Regulation S under the 1933 Act) unless they are registered under, or the transaction is exempt from the registration requirements of, the 1933 Act and applicable state securities laws.

FORWARD LOOKING STATEMENTS

This news release contains statements and information about expected or anticipated future events and financial results that are forward-looking in nature and, as a result, are subject to certain risks and uncertainties, such as legal and political risk, civil unrest, general economic, market and business conditions, the regulatory process and actions, technical issues, new legislation, competitive and general economic factors and conditions, the uncertainties resulting from potential delays or changes in plans, the occurrence of unexpected events and management's capacity to execute and implement its future plans.

Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking information. Forward-looking information typically contains statements with words such as "may", "will", "should", "expect", "intend", "plan", "anticipate", "believe", "estimate", "projects", "potential", "scheduled", "forecast", "outlook", "budget" or the negative of those terms or similar words suggesting future outcomes. The Company cautions readers regarding the reliance placed by them on forward-looking information as by its nature, it is based on current expectations regarding future events that involve a number of assumptions, inherent risks and uncertainties, which could cause actual results to differ materially from those anticipated by the Company. Forward-looking statements in this news release may include, without limitation, statements relating to the use of proceeds from the Rights Offering, the Company's growing unrestricted cash held in ShaMaran's bank account and the Company's potential future growth.

The Covid-19 virus as well as the Russia-Ukraine conflict and the related restrictions and disruptions that followed have had a drastic adverse effect on the world demand for, and prices of, oil and gas as well as the market price of the shares of oil and gas companies generally, including the Company's common shares. There can be no assurance that these adverse effects will not continue or that commodity prices will not decrease or remain volatile in the future. These factors are beyond the control of ShaMaran and it is difficult to assess how these, and other factors, will continue to affect the Company and the market price of ShaMaran's common shares. In light of the current situation, as at the date of this news release, the Company continues to review and assess its business plans and assumptions regarding the business environment, as well as its estimates of future production, cash flows, operating costs, and capital expenditures.

Actual results may differ materially from those projected by management. Further, any forward-looking information is made only as of a certain date and the Company undertakes no obligation to update any forward-looking information or statements to reflect events or circumstances after the date on which such

statement is made or reflect the occurrence of unanticipated events, except as may be required by applicable securities laws. New factors emerge from time to time, and it is not possible for management of the Company to predict all of these factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking information.

ABOUT SHAMARAN

ShaMaran is a Kurdistan focused oil development and exploration company which holds a 27.6% interest, through its wholly-owned subsidiary General Exploration Partners, Inc., in the Atrush Block and as announced in the Company's news release of July 12, 2021 upon successful closing of the acquisition from a TotalEnergies' affiliate will then also hold an 18% interest through its then wholly-owned subsidiary TEPKRI Sarsang A/S in the Sarsang Block.

ShaMaran is a Canadian oil and gas company listed on the TSX Venture Exchange and the Nasdaq First North Growth Market (Sweden) under the symbol "SNM" and is part of the "Lundin Group of Companies".

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Note:

⁽¹⁾ Nemesia S.à.r.l. and Zebra Holdings and Investment S.à.r.l. , who report their security holdings as joint actors, are private companies ultimately controlled by a trust whose settlor is the Estate of the late Adolf H. Lundin.