



SHAMARAN CLOSES US\$ 240 MILLION BOND ISSUE

July 5, 2018

Vancouver, British Columbia – ShaMaran Petroleum Corp. ("ShaMaran" or the "Corporation") (**TSX Venture: SNM**), (**NASDAQ First North: SNM**) is pleased to announce that it has issued the USD 240 million senior unsecured bonds previously announced on June 19th, 2018 under ISIN NO 00108264456 and with settlement date of today.

Proceeds from the new bond issue have been used to retire the existing bonds of the Company's wholly owned subsidiary, General Exploration Partners, Inc.

In connection with the bond issue, Nemesia S.à.r.l. ("Nemesia"), a company controlled by a trust settled by the estate of the late Adolf H. Lundin, has agreed to undertake a guarantee of the Company's obligation to fund, on or before July 5, 2019, 12 month's bond coupon interest in a debt service retention account pledged to the bond trustee (the "Liquidity Guarantee"). In exchange for the Liquidity Guarantee the Company has agreed, subject to obtaining all requisite regulatory body approvals, to issue to Nemesia 2,000,000 common shares of ShaMaran as fully paid shares and, in case of a draw down on the Liquidity Guarantee, a further 50,000 shares of ShaMaran for each USD 500,000 drawn down per month until the drawn amount is repaid.

Pareto Securities AS acted as manager and bookrunner for the bond issue.

OTHER

This information in this release is subject to the disclosure requirements of ShaMaran Petroleum Corp. under the EU Market Abuse Regulation. This information was submitted for publication by the persons below at 2:30 p.m. Pacific time on July 5, 2018.

ABOUT SHAMARAN

ShaMaran Petroleum Corp. is a Kurdistan focused production, development and exploration company with a 20.1% direct interest in the Atrush oil field. As announced in ShaMaran's June 4, 2018 news release, the Company has signed an agreement with Marathon Oil KDV B.V. to acquire its 15% interest in the Atrush Block. The Atrush field is a world-class discovery which commenced production in July 2017.

ShaMaran is a Canadian oil and gas company listed on the TSX Venture Exchange and the NASDAQ Stockholm First North Exchange (Sweden) under the symbol "SNM". 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 release. Pareto Securities AB is the Company's Certified Advisor on NASDAQ Stockholm First North.

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.

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 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.

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