

## STANDBY COMMITMENT AGREEMENT

THIS AGREEMENT is made as of the 5<sup>th</sup> day of April, 2022.

### BETWEEN:

**SHAMARAN PETROLEUM CORP.**, a corporation organized under the *Business Corporations Act* (British Columbia) with company number BC0778647 and having its registered office at 25<sup>th</sup> Floor, 666 Burrard Street, Vancouver, BC Canada V6C 2X8

(“**Shamaran**”)

### AND:

**NEMESIA S.À.R.L.**, a private company incorporated in Luxembourg with company number RCS B 204 552 and having its registered office at 40, Boulevard Grande Duchesse Charlotte, L-1330 Luxembourg

(the “**Standby Guarantor**”)

### WHEREAS:

- A. ShaMaran proposes to create and issue to holders of record of its issued and outstanding Common Shares (as defined below) as at the Record Date (as defined below), transferable rights (“**Rights**”) entitling the holders thereof to subscribe for and purchase Common Shares (the “**Rights Offering**”), provided that the holders are resident in an Eligible Jurisdiction (as defined below) (or are otherwise able to establish their ability to participate as an Approved Holder (as defined below));
- B. Pursuant to the Rights Offering, each Eligible Holder and Approved Holder will be entitled to receive one (1) Right for each Common Share held by such holder on the Record Date, with four (4) whole Rights entitling the holder to purchase one (1) Common Share at a price of CAD \$0.06825 per Common Share (the “**Subscription Price**”), for an aggregate of 558,242,414 Common Shares offered under the Rights Offering;
- C. As of the date hereof, the Standby Guarantor, together with Zebra Holdings and Investments S.à.r.l., both being private companies ultimately controlled by a trust whose settlor is the Estate of the late Adolf H. Lundin that report their security holding as joint actors, collectively hold 569,817,651 Common Shares;
- D. Any Eligible Holder or Approved Holder who exercises such holder’s right (the “**Basic Subscription Privilege**”) to subscribe for all of the Common Shares that can be initially purchased upon exercise of all Rights issued to such holder shall be entitled to subscribe for additional Common Shares under the Rights Offering at the Subscription Price (the “**Additional Subscription Privilege**”), in the manner set forth in the Rights Offering Notice and the Rights Offering Circular or, in the case of Eligible Holders resident in Sweden, the Prospectus (each as defined below);
- E. Upon and subject to the terms and conditions of this standby commitment agreement (this “**Agreement**”), the Standby Guarantor has agreed that it, or its permitted assignee(s) in accordance

with Section 6.9, will exercise its Basic Subscription Privilege and purchase from ShaMaran such number of Common Shares available to be purchased, but not otherwise subscribed for, under the Rights Offering at the Subscription Price (the “**Standby Commitment**”), so that 558,242,414 Common Shares will have been issued under the Rights Offering, being all of the Common Shares that may be issued under the Rights Offering; and

- F. Under the Standby Commitment, the maximum obligations of the Standby Guarantor will be as to a maximum of 548,879,120 Common Shares, being the equivalent of US\$ 30,000,000.

**NOW THEREFORE THIS AGREEMENT WITNESSES THAT**, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto agree with each other as follows:

## **ARTICLE 1 INTERPRETATION**

- 1.1** Whenever used in this Agreement (including the recitals hereto), unless the subject matter or context requires otherwise, the following words and terms shall have the following meanings:

- (a) “**Applicable Securities Laws**” means, as applicable, the securities laws, regulations, rules, rulings and orders in each of the provinces and territories of Canada, the applicable policy statements issued by the securities regulators in each of the provinces and territories of Canada where ShaMaran is a reporting issuer, the rules and policies of the TSXV, the *Business Corporations Act (British Columbia)*, as applicable, and the rules and policies of the NASDAQ.
- (b) “**Approved Holder**” means an Ineligible Holder who establishes to ShaMaran’s satisfaction that an offering to and subscription by such holder of Rights and Common Shares is lawful and in compliance with all securities and other laws applicable in the Eligible Jurisdictions and in the jurisdiction where such holder is resident and would not require that ShaMaran file any document, take any proceeding, make any application, obtain any approval, give any notice or make any payment, in each case of any kind or nature whatsoever;
- (c) “**Business Day**” means any day other than a Saturday or Sunday on which banks are open for business in Vancouver, Canada, and Luxembourg;
- (d) “**Common Shares**” means the common shares in the capital of ShaMaran as constituted as of the date hereof, and as hereafter adjusted for any subdivisions, consolidations or other capital reorganizations;
- (e) “**Eligible Jurisdictions**” means Sweden, each province and territory of Canada, Denmark, Norway, Finland, Luxembourg, France, The Netherlands and the United Kingdom;
- (f) “**Expiry Time**” means the time of expiration of the Rights Offering, being 2:00 p.m. (Eastern time) on May 20, 2022;
- (g) “**Governmental Entity**” means the government of any nation, or of any political subdivision thereof, whether state, regional or local, and any agency, authority, branch, department, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or



pertaining to government or any subdivision thereof (including any supra-national bodies), and all officials, agents and representatives of each of the foregoing;

- (h) “**Ineligible Holder**” means a person who is or appears to be resident in any jurisdiction that is not an Eligible Jurisdiction;
- (i) “**NASDAQ**” means the NASDAQ First North Growth Market (Stockholm);
- (j) “**NI 45-106**” means National Instrument 45-106 – *Prospectus Exemptins* of the Canadian Securities Administrators;
- (k) “**Prospectus**” means the prospectus of ShaMaran expected to be filed with the Swedish Financial Supervisory Authority in Sweden, to be dated no later than April 20, 2022 in respect of the Rights Offering in Sweden;
- (l) “**Record Date**” means the date and time at which the Shareholders entitled to Rights pursuant to the Rights Offering, and the number of Rights to which each is entitled, is determined, estimated to be the close of business (5:00 p.m.) on or about April 13, 2022;
- (m) “**Rights Offering Circular**” means the circular of ShaMaran to be dated on or about April 5, 2022 in respect of the Rights Offering;
- (n) “**Rights Offering Notice**” means the notice of ShaMaran to be dated on or about April 5, 2022 in respect of the Rights Offering;
- (o) “**Shareholder**” means a registered holder of Common Shares of ShaMaran and “**Shareholders**” means all of them;
- (p) “**TSXV**” means the TSX Venture Exchange;
- (q) “**United States**” means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;
- (r) “**U.S. Person**” has the meaning ascribed to it in Rule 902 of Regulation S under the U.S. Securities Act; and
- (s) “**U.S. Securities Act**” means the United States *Securities Act of 1933*, as amended.

- 1.2 This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. Each party unconditionally and irrevocably submits to the non-exclusive jurisdiction of the courts of the Province of British Columbia regarding all matters arising out of this Agreement.

## ARTICLE 2 STANDBY PURCHASE COMMITMENT

- 2.1 Upon and subject to the terms and conditions of this Agreement, the Standby Guarantor hereby agrees that if less than 558,242,414 Common Shares are subscribed for under the Rights Offering for gross proceeds of CAD \$38,100,045 (being the equivalent of US\$ 30,511,768 based on a currency exchange rate of CAD \$1.2487 to US\$ 1.00), it or its permitted assignee(s) in accordance with Section 6.9, will subscribe for and purchase from ShaMaran and ShaMaran hereby agrees to

issue and sell to the Standby Guarantor, or its respective permitted assignee(s), at the Subscription Price a maximum of 548,879,120 Common Shares for gross proceeds of CAD \$37,461,000 (being the equivalent of US\$ 30,000,000 based on a currency exchange rate of CAD \$1.2487 to US\$ 1.00) so that 558,242,414 Common Shares will have been issued under the Rights Offering, being all of the Common Shares that may be issued under the Rights Offering. To the extent necessary to fulfill the Standby Commitment and subject to Section 2.2, the Standby Guarantor or its permitted assignee(s) shall:

- (a) first, subscribe for such number of Common Shares which the Standby Guarantor or its affiliates are entitled to purchase pursuant to the terms and conditions of the Basic Subscription Privilege attached to any Rights held by the Standby Guarantor or its affiliates;
- (b) second, subscribe for such additional number of Common Shares under the Additional Subscription Privilege attached to any Rights held by the Standby Guarantor or its affiliates; and
- (c) third, purchase such number of Common Shares which are potentially issuable by ShaMaran under the Rights Offering but not subscribed for by Shareholders pursuant to the exercise of the Basic Subscription Privileges and the Additional Subscription Privileges,

provided always that the Standby Guarantor shall not be obligated to purchase Common Shares in an amount in excess of the Standby Commitment.

**2.2** Under the Standby Commitment, the obligations of the Standby Guarantor will be as to a maximum of 548,879,120 Common Shares.

### **ARTICLE 3 REPRESENTATIONS AND WARRANTIES**

**3.1** ShaMaran represents and warrants to the Standby Guarantor that:

- (a) ShaMaran is a corporation validly existing under the laws of British Columbia and has the requisite corporate power and authority to own its properties and to carry on its business as now being conducted by it;
- (b) ShaMaran has the corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder;
- (c) ShaMaran has taken all requisite corporate action to authorize the creation and issuance of the Rights, the issuance of the Common Shares upon the exercise of the Rights (including the issuance of the Common Shares to be purchased by the Standby Guarantor hereunder), and the execution and delivery of this Agreement and the performance of ShaMaran's obligations hereunder, and the execution and delivery of this Agreement and the performance of ShaMaran's obligations hereunder will not constitute a breach of, or default under, the Articles of ShaMaran, or any of its subsidiaries, or of any agreement to which it, or any of its subsidiaries, is a party; and
- (d) this Agreement has been duly authorized, executed and delivered by ShaMaran and constitutes a legal, valid and binding obligation of ShaMaran enforceable against



Shamaran in accordance with its terms (except in any case as enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally and except as limited by equitable principles).

**3.2** The Standby Guarantor represents and warrants on its own behalf to Shamaran that:

- (a) it has the legal capacity to enter into and execute this Agreement and perform its obligations hereunder and under any other instruments delivered pursuant hereto;
- (b) this Agreement has been duly authorized by the Standby Guarantor, and has been duly executed and delivered by the Standby Guarantor and is a legal, valid and binding obligation of the Standby Guarantor, enforceable against it by Shamaran in accordance with its terms (except in any case as enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally and except as limited by equitable principles);
- (c) the execution and delivery of this Agreement by the Standby Guarantor and the consummation of the transactions provided for herein will not result in the violation of, or constitute a default under or conflict with or cause the acceleration of any obligation of the Standby Guarantor under: (a) any provision of the constitutional documents of the Standby Guarantor, as applicable; (b) any judgment, decree, order or award of any court, governmental body or arbitrator having jurisdiction over the Standby Guarantor; (c) any applicable law, statute, ordinance, regulation or rule to which the Standby Guarantor is subject; or (d) any of the provisions of any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Standby Guarantor is a party or by which the Standby Guarantor or any of its respective property or assets is bound;
- (d) no consent, approval or authorization of, or declaration with, any Governmental Entity is required by or with respect to the Standby Guarantor in connection with the execution and delivery of this Agreement or the consummation of the transactions by the Standby Guarantor contemplated hereby, other than consents, approvals, or authorizations that may be required by the TSXV;
- (e) it or any affiliate to which any of its rights or obligations may be assigned pursuant to Section 6.9 will be acting as principal with respect to the Standby Commitment and the acquisition of the Shares by it and it is acquiring Rights under this Agreement as principal and for investment and not with a view to and has not offered or sold any Rights in connection with the sale or distribution thereof;
- (f) the distribution to, and exercise by, the Standby Guarantor of the Rights granted to it pursuant to the Basic Subscription Privilege, the Additional Subscription Privilege and the Standby Commitment is not unlawful and is exempt from any prospectus or similar filing requirement under the Applicable Securities Laws to the undersigned or the Laws of Luxembourg (of which the Standby Guarantor is a resident), and does not require any approvals of a regulatory authority in Luxembourg or the European Union;
- (g) it is not resident in the United States or a U.S. Person.

## **ARTICLE 4 COVENANTS**

**4.1** ShaMaran covenants and agrees with the Standby Guarantor that:

- (a) it shall prepare and, as soon as reasonably possible following the Record Date, file with the applicable securities commissions, the Rights Offering Notice and Rights Offering Circular relating to the proposed distribution of the Rights and the Common Shares issuable thereunder;
- (b) it shall use commercially reasonable efforts to obtain all necessary consents, approvals or exemptions (including an exemption from the prospectus requirements of Canadian securities laws) for the creation, offering and issuance of the Rights and the Common Shares in the Eligible Jurisdictions as contemplated herein and in the Rights Offering Circular, the Rights Offering Notice and the Prospectus and the entering into and performance by it of this Agreement;
- (c) it shall use commercially reasonable efforts to list the Rights and the Common Shares issuable thereunder on the TSXV and the NASDAQ; and
- (d) it shall, or shall cause Computershare Investor Services Inc. as the rights agent to, deliver to the Standby Guarantor, as soon as is practicable following the Expiry Time, details concerning the total number of Common Shares duly subscribed and paid for under the Standby Commitment and, if applicable, the Additional Subscription Privilege.

## **ARTICLE 5 CLOSING ARRANGEMENTS**

**5.1** The closing (the “**Closing**”) of the purchase by the Standby Guarantor and sale by ShaMaran of the Standby Commitment pursuant to this Agreement shall be completed remotely at 5:00 p.m. (Vancouver time) (the “**Closing Time**”) no later than the two Business Days following the Expiry Time on the Expiry Date (the “**Closing Date**”) or at such other time and place as ShaMaran and the Standby Guarantor may agree upon in writing.

**5.2** The obligation of each of ShaMaran and the Standby Guarantor to complete the Closing shall be subject to the fulfilment on or before the Closing Time on the Closing Date, of each of the following conditions precedent (each of which may only be waived by mutual consent):

- (a) the TSXV shall have provided its conditional approval to the listing of the Common Shares issuable pursuant to the Rights Offering, subject only to customary conditions relating to documents to be delivered following Closing; and
- (b) there will be no inquiry, investigation (whether formal or information) or other proceeding commenced by a Governmental Entity pursuant to applicable laws in relation to ShaMaran or its subsidiaries or in relation to any of the directors and officers of ShaMaran or any of its subsidiaries or in relation to the Standby Guarantor, its affiliates, or any of the directors and officers of the Standby Guarantor and its affiliates, any of which suspends or ceases trading (which suspension or cessation of trading is continuing) in the Rights or the Common Shares or operates to prevent or restrict the lawful distribution of the Rights or the Common Shares (which prevention or restriction is continuing).



- 5.3** The obligations of ShaMaran to complete the transactions contemplated hereby will also be subject to the fulfillment, on or before the Closing Time on the Closing Date, of each of the following conditions precedent (each of which is for the exclusive benefit of ShaMaran and may be waived by ShaMaran):
- (a) the Standby Guarantor has duly complied in all material respects with all the terms, conditions, obligations and covenants under this Agreement on its part that are to be complied with or performed on or before the Closing Time on the Closing Date; and
  - (b) the representations and warranties of the Standby Guarantor set forth in this Agreement will be true and accurate in all material respects as of the Closing Time on the Closing Date, as if made as of such time after giving effect to the transaction contemplated hereby and in the Rights Offering Notice, the Rights Offering Circular and the Prospectus and to the exercise of all or any part of the Rights.
- 5.4** The obligations of the Standby Guarantor to complete the transactions contemplated hereby will also be subject to the fulfillment, on or before the Closing Time on the Closing Date, of each of the following conditions precedent (each of which is for the exclusive benefit of the Standby Guarantor and may be waived by the Standby Guarantor):
- (a) the representations and warranties of ShaMaran contained herein shall be true and correct in all material respects as of the Closing Time on the Closing Date, as if made as of such time after giving effect to the transaction contemplated hereby and in the Rights Offering Notice, the Rights Offering Circular and the Prospectus and to the exercise of all or any part of the Rights; and
  - (b) ShaMaran shall have performed or complied with, in all material respects, each of its covenants contained in this Agreement to the extent that the same are required to be fulfilled or complied with at or prior to the Closing.
- 5.5** At the Closing, ShaMaran shall deliver or cause to be delivered in accordance with the Standby Guarantor's delivery instructions, a definitive certificate or advice statements representing the Common Shares to be purchased by the Standby Guarantor pursuant to this Agreement registered in the name of the Standby Guarantor or its permitted assignee(s) against payment by the Standby Guarantor by bank draft, wire transfer or certified cheque to ShaMaran, or as ShaMaran may otherwise direct, of the aggregate purchase price for the Common Shares to be purchased by the Standby Guarantor pursuant to this Agreement.

## **ARTICLE 6 GENERAL**

- 6.1** Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered by personal delivery, prepaid courier or email, addressed as follows:

- (a) if to ShaMaran:

ShaMaran Petroleum Corp.  
25<sup>th</sup> Floor  
666 Burrard Street  
Vancouver  
BC Canada V6C 2X8

Attention: President & CEO; and  
Attention: Chief Commercial Officer & Corporate Secretary  
Email: [notice@shamaranpetroleum.com](mailto:notice@shamaranpetroleum.com)

(b) if to the Standby Guarantor:

Nemesia S.à.R.L.  
40, Boulevard Grande Duchesse Charlotte  
L-1330 Luxembourg

Attention: Jérôme Chabannet, Manager  
Email: [jerome.chabannet@nemesia.lu](mailto:jerome.chabannet@nemesia.lu)

or to such other address of which written notice is given in the manner specified herein, and each such notice or other communication shall be deemed to have been given and received on the date it is delivered (by personal delivery or prepaid courier) to such address, provided that, if such day is not a Business Day in the place of delivery, then it shall be deemed to have been given and received on the Business Day next following such day. Any notice or other communication transmitted by email shall be deemed to have been given and received on the first Business Day at its destination after the date of transmission.

- 6.2 All warranties, representations, covenants and agreements of ShaMaran or the Standby Guarantor contained herein or contained in any document submitted pursuant to this Agreement and in connection with the transaction of purchase and sale herein contemplated shall survive the purchase of Common Shares by the Standby Guarantor and continue in full force and effect for a period of two years notwithstanding any investigation, inquiry or other steps which may be taken by or on behalf of the Standby Guarantor or ShaMaran.
- 6.3 Neither party hereto, without the prior consent of the other party, may disclose the terms of this Agreement, except that such disclosure may be made to any party's officers, directors, partners, advisors, employees who require such information or the purpose of consummating the transactions contemplated by this Agreement or as may otherwise be required by applicable laws, including Applicable Securities Laws.
- 6.4 Subject to applicable law and the rules and regulations applicable to ShaMaran and the Standby Guarantor, none of the parties hereto shall issue any press release or public announcement relating to matters provided for herein without the approval of the other parties hereto, which approval may not be unreasonably withheld or delayed. The parties acknowledge that ShaMaran will make a public announcement regarding this Agreement in connection with the announcement of the Rights Offering.
- 6.5 Time shall be of the essence hereof.
- 6.6 This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.
- 6.7 Unless specifically otherwise provided, all dollar amounts referred to herein are in Canadian funds.

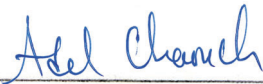


- 6.8** ShaMaran and the Standby Guarantor shall each sign such further and other documents, cause such meetings to be held, use their best efforts to cause such resolutions to be passed, exercise their vote and influence and do and perform (and cause to be done and performed) such further and other acts or things as may be necessary or desirable in order to give full effect to this Agreement.
- 6.9** The Standby Guarantor may assign this Agreement or any of its rights hereunder to one or more affiliates controlled by the Standby Guarantor or to Jayvee & Co, the nominee holder for the Standby Guarantor of Common Shares, or nominate such assignee(s) to perform the Standby Commitment or any part thereof on its behalf provided that: (a) each such assignee is able to provide such representations and warranties and perform such covenants as are necessary in order for ShaMaran to issue the Common Shares to the assignee in compliance with all Applicable Securities Laws and for the assignee to act as guarantor to the Rights Offering in compliance with all Applicable Securities Laws; (b) each such assignee is able to provide the representations and warranties set forth in subsections 3.2(d) through 3.2(g) of this Agreement; and (c) the Standby Guarantor guarantees the obligations of the assignee(s) under this Agreement. The Standby Guarantor hereby guarantees the obligations of its assignee(s) if there is an assignment of this Agreement. Subscription of Common Shares by the assignee(s) of the Standby Guarantor to the amount committed under the Standby Commitment shall be deemed to be the compliance of the Standby Commitment by the Standby Guarantor.
- 6.10** This Agreement may be executed in any number of counterparts, each of which shall constitute an original, and all of which shall constitute one and the same agreement.


**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first stated above.

Signed by Adel Chaouch, Ph.D., P.E  
for and on behalf of  
**SHAMARAN PETROLEUM CORP.**  
a company incorporated in British Columbia,  
Canada by a person who, in accordance with the  
laws of that territory, is acting under the  
authority of the company

Per:   
Authorized Signatory

Signed by J. Chabannet and M. Rigaux for and  
on behalf of  
**NEMESIA S.À R.L.**  
a company incorporated in Luxembourg by a  
person who, in accordance with the laws of that  
territory, is acting under the authority of the  
company

Per:   
Authorized Signatory : J. Chabannet, manager

Per:   
Authorized Signatory : M. Rigaux, manager