



SHAMARAN PROVIDES 2020 ATRUSH GUIDANCE

FEBRUARY 25, 2020

VANCOUVER, BRITISH COLUMBIA – ShaMaran Petroleum Corp. (“ShaMaran” or the “Company”) (TSX VENTURE: SNM) (Nasdaq First North: SNM) is pleased to provide Atrush guidance for the year 2020.

We anticipate an increase in average daily production, lower average lifting costs, strong operating cash flow and prudent capital expenditures.

- Atrush field gross average daily production is expected to range from 44,000 barrels of oil per day (“bopd”) to 50,000 bopd. The mid-point of this year’s production guidance represents an increase of 45% over last year’s actual average production.
- Atrush average lifting costs are estimated to range from US\$5.50 per barrel to US\$6.70 per barrel. This guidance is a 9% to 25% decrease compared to last year’s actual costs. Atrush lifting costs are mainly fixed costs and dollar-per-barrel estimates should decrease with increasing levels of production and efficiencies.
- Atrush capital expenditures for 2020 are estimated at US\$131 million (US\$36 million net to ShaMaran), pending approval by the Ministry of Natural Resources of the Kurdistan Regional Government of Iraq (“KRG”). This includes the Atrush gas solution which will sweeten gas for displacement of current diesel use in the facilities and will significantly reduce and ultimately eliminate gas flaring in the block, an important step forward in environmentally responsible development.

Dr. Adel Chaouch, President and Chief Executive Officer of ShaMaran, stated “We continue to build incremental and sustainable growth in the Atrush field and to progress plans which meet our commitment towards the environment. We expect 2020 will be a year of cash flow harvest and capital deployment to continue to give our shareholders a clear and socially responsible path to sustained production growth and reserves maturation.”

OTHER

This information in this release is subject to the disclosure requirements of ShaMaran under the EU Market Abuse Regulation and/or the Swedish Securities Market Act. This information was publicly communicated on February 25, 2020 at 5:30 p.m. ET.

ABOUT SHAMARAN

ShaMaran is a Canadian oil and gas company with Kurdistan-focus holding, through its wholly-owned subsidiary General Exploration Partners. Inc., a 27.6% interest in the Atrush oil block. The Atrush oil block is operated by TAQA Atrush B.V. with a 47.4% interest and the Kurdistan Regional Government holds a 25% interest.

ShaMaran is listed on the TSX Venture Exchange and the NASDAQ First North Growth Market (Stockholm) 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 First North Growth Market, +46 8 402 5000, certifiedadviser.se@paretosec.com.

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 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.

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