Shamaran Petroleum

ShaMaran Announces Year-End 2014 Reserves and Contingent Resources

VANCOUVER, BRITISH COLUMBIA–(Marketwired - March 12, 2015) -(TSX VENTURE:SNM)(OMX:SNM) - ShaMaran Petroleum Corp.("ShaMaran" or the "Company") reports updates to estimated reserves and contingent resources for the Atrush block as of December 31, 2014. The reserves and contingent resources estimates were provided by McDaniel & Associates Consultants Ltd. ("McDaniel"), the Company's independent qualified resources evaluator, and were prepared in accordance with standards set out in the Canadian National Instrument NI 51-101 and Canadian Oil and Gas Evaluation Handbook (COGEH).

McDaniel estimates for reserves and contingent resources have taken into account the results of all available drilling, well testing results and other information acquired since December 31, 2013, i.e. Atrush-4, Chiya Khere-5 ("CK-5"), CK-8 and CK-6, the latest remapping based on the final 3D seismic processing and the ongoing commitment to and work program in support of the first phase of Atrush development as defined by the KRG approved Field Development Plan.

Reserves Summary - Atrush Phase 1 Development
As of December 31, 2014
Mbbl (1)(2)(3)(4)(5)

Reserves Category:	Property Gross	Company Gross(3)	Company Net(4)
Light/Medium Oil (Mbbl)(2)			
Total Proved Reserves (1P)	31,216	6,274	4,500
Probable Reserves	30,235	6,077	3,361
Proved and Probable Reserves (2P)	61,451	12,352	7,861
Possible Reserves	59,520	11,964	4,479
Proved + Probable and Possible Reserves (3P)	120,972	24,315	12,340

Notes:

(1) Reserves are based on the KRG approved Phase 1 Atrush development comprising a 30,000 bpd facility and 4 producers (AT-2, AT-4, CK-5 and CK-8).

(2) The Atrush Field contains crude oil of variable density even within a single reservoir unit. Oil density measurements on the PVT samples analyzed to date, and from the reservoirs assigned reserves, have been less than 920 kg/m3 and as such are categorized as medium oil. However wellhead oil density measurements suggest that some of the Atrush oil, which as yet has not been the subject of PVT study, will likely have a density of greater than 920 kg/m3 and as such would be categorized as heavy oil.

(3) Company gross reserves are based on Company 20.1% working interest share of the property gross reserves.

(4) Company net reserves are based on Company share of total cost and profit revenues and the income tax paid on behalf of Company.

(5) The Company has no Condensate or Natural Gas Reserves.

Possible reserves are those additional reserves that are less certain to be recovered than probable reserves. There is a 10% probability that the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible reserves. The reserves were estimated using forecast prices and costs. The sales oil price was based on the McDaniel January 1, 2015 price forecast. The estimated discount to Brent is made up of a unit cost element and a percentage element and accounts for the quality differential, transportation tariffs and marketing fees. All of the Atrush oil production is to be exported via the Khurmala-Fishkabur pipeline to Turkey. A 37 kilometre pipeline is being built from the Atrush Field to a tie-in point on this export line and will be operated by KRG. At this stage the oil price differential is uncertain and any additional announcements of sales and pricing of exported Kurdish crude during 2015 may impact on future price scenarios.

The updated estimates of contingent resources for the Atrush block are as follows:

Contingent Resources Summary - Atrush Jurassic Oil Discovery
As of December 31, 2014
(1)(2)(3)(4)(5)

	Low Estimate (1C)	Best Estimate (2C)	High Estimate (3C)
Property Gross			
Light/Medium Oil (Mbbl)(4)	179,891	298,760	434,948
Natural Gas (MMcf)	38,930	66,368	101,590
Total (Mboe)(5)	186,379	309,821	451,880
Company Gross			
Light/Medium Oil (Mbbl)(4)	36,158	60,051	87,425
Natural Gas (MMcf)	7,825	13,340	20,420
Total (Mboe)(5)	37,462	62,274	90,828

Notes:

(1) There is no certainty that it will be commercially viable or technically feasible to produce any portion of the resources.

(2) These are unrisked contingent resources that do not take into account the chance of development. The contingent resources are sub-classified as “development unclarified” with an “undetermined” economic status.

(3) Company gross resources are based on Company 20.1% working interest share of the property gross resources.

(4) The Atrush Field contains crude oil of variable density even within a single reservoir unit. Oil density measurements on the PVT samples analyzed to date, and from the reservoirs assigned contingent resources, have been between 900 and 925 kg/m3 and as such should be categorized as either medium or heavy oil. At this stage it is difficult to split the contingent resources between these product types and, as the majority of the oil density measurements on the PVT samples have been less than 920 kg/m3, the oil has been categorized as medium oil.

(5) 6 Mcf is equivalent to 1 BOE.

The resources included in the table above are classified as contingent as the associated project(s) are dependent upon the results of the Atrush Phase 1 development and ongoing appraisal work; this first phase of development should, together with further appraisal drilling, narrow the uncertainty in the contingent resources estimates and help determine if their development is economic.

There were no material changes to the range of reserves reported at December 31, 2013, and it therefore remains the view of the Company that the reserve base continues to support the 30,000 bpd Atrush Phase 1 development program scheduled for startup in the fourth quarter of 2015. A reduction in contingent resources from the quantities reported as of December 31, 2013 reflects a more complex geological structure (interpreted from the 3D seismic data processed in 2014 and year to date well results) and a reduced estimate of recovery factor from the rock matrix. The recoverable estimates are related to a water drive mechanism as per the current field development plan and therefore exclude any upside associated with any future improved oil recovery efforts

As there was no new information that impacted prospective resources the December 31, 2013 report was not updated for prospective resources.

Additional information related to above noted reserve and resource estimates, including net present value estimates, is included in Form 51-101F1, which may be viewed under the Company’s profile on SEDAR at www.sedar.com.

The Atrush Block is operated by the Abu Dhabi National Energy Company PJSC (“TAQA”) and is held 39.9% by TAQA, ShaMaran Petroleum Corp, through its wholly owned subsidiary General Exploration Partners, Inc. (“GEP”) 20.1%, 15% Marathon Oil KDV B.V., (a wholly owned subsidiary of Marathon Oil Corporation (NYSE:MRO)), and 25% by the KRG. Atrush reserves and resource estimates presented represent solely the view of ShaMaran and its experts.

ABOUT SHAMARAN

ShaMaran Petroleum Corp. is a Kurdistan focused oil development and exploration company with a 20.1% direct interest in the Atrush oil discovery, which is currently undergoing appraisal and development. ShaMaran is a Canadian oil and gas company listed on the TSX Venture Exchange and the NASDAQ First North (Stockholm) under the symbol “SNM”.

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN POLICIES OF THE TSX VENTURE EXCHANGE) HAS REVIEWED THE ADEQUACY OR ACCURACY OF THIS RELEASE ABOUT SHAMARAN.

ShaMaran Petroleum’s Certified Advisor on NASDAQ First North is Pareto Securities AB.

Forward looking information: This press release contains statements 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. 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.

Reserves and resources: ShaMaran Petroleum Corp.’s reserve and contingent resource estimates are as at December 31, 2014, and have been prepared and audited in accordance with National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities (“NI 51-101”) and the Canadian Oil and Gas Evaluation Handbook (“COGE Handbook”). Unless otherwise stated, all reserves estimates contained herein are the aggregate of “proved reserves” and “probable reserves”, together also known as “2P reserves”.

Contingent resources: Contingent resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but are not currently considered to be commercially recoverable due to one or more contingencies. Contingencies may include factors such as economic, legal, environmental, political and regulatory matters or a lack of markets. There is no certainty that it will be commercially viable for the Company to produce any portion of the contingent resources.

Prospective resources: ShaMaran Petroleum Corp.’s prospective resource estimates are as at December 31, 2013. Prospective resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both a chance of discovery and a chance of development. There is no certainty that any portion of the prospective resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources. Unless otherwise stated, all prospective resource estimates contained herein are reflecting a P50 prospective resource estimate. Risked prospective resources reported herein are partially risked. They have been risked for chance of discovery, but have not been risked for chance of development.

BOEs: BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf : 1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

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.

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