

ShaMaran: Atrush-3 Well Confirms Extension of Field Area 6.5km to the East

VANCOUVER, BRITISH COLUMBIA—(Marketwired - Aug. 26, 2013) -ShaMaran Petroleum Corp. (“ShaMaran” or the “Corporation”) (TSX VENTURESNM)(OMX:SNM) is pleased to report the results of the Atrush-3 appraisal well (“AT-3”) drilled in the Kurdistan Region of Iraq.

The AT-3 well was spudded on 23rd March 2013 using the DQE31 drilling rig and was drilled to a total depth of 1,806m. The well is situated approximately 6.5km east of the AT-2 well and approximately 9.6km east of the AT-1 discovery well.

AT-3 was specifically designed as a stepout to the east of the existing wells and to reduce the uncertainty on the depth and nature of the Oil Water Contact (“OWC”) / Free Water Level (“FWL”) in the “BSAM” reservoir (the Jurassic Barsarin-Sargelu-Alan-Mus formations). The well matched the pre-drill expectations by finding the main target “BSAM” reservoir entirely oil-bearing and the Jurassic Butmah reservoir in the water leg. The Atrush field is undergoing an appraisal drilling program providing valuable information such as oil/water contact definition, oil gravity/viscosity variations, extent of quality reservoir, permeability and porosity data, etc. All this data is important information for development planning purposes and for future resource updates.

A successful coring campaign was completed on AT-3 recovering seven cores totalling more than 72 metres from the “BSAM” section. Three drill stem tests (“DST”) were conducted with the results confirming the extension of the field area 6.5 km to the east.

- DST1 was conducted as a short test over an 18m interval in the uppermost porosity section of the Butmah formation. Using an ESP the well was produced at approximately 1500 barrels of water per day with reported viscous oil cut of 1%-6%. The test indicates that the tested interval is in close proximity to the deepest calculated FWL from the AT-1 and AT-2 wells.
- DST2 commenced on 29th July and was conducted over a 30m interval across the Lower Alan & Mus formations within the “BSAM” reservoir. The test produced up to 1500 barrels of oil per day (surface oil measurements ranged between 10° & 17° API) with no water.
- DST3 was performed over an 18m interval of the Sargelu formation. The well was produced at rates up to 600 bopd (surface oil measurements ranged between 12° & 14° API).

All rates are rough estimates only due to an inability (for technical reasons) to route fluids through the test separator. Bottomhole samples from the DSTs will undergo PVT analysis over the coming weeks. AT-3 has been suspended as a potential future producer.

Other activity includes work on the Atrush Block Field Development Plan (“FDP”) which culminated with its submission for approval to the KRG on May 6, 2013, in accordance with the terms of the PSC. The FDP was presented in detail to the Ministry of Natural Resources (“MNR”) in June 2013 and discussions are progressing with the MNR towards obtaining necessary approval for the plan.

In June 2013, a successful interference test was successfully completed between AT-1 and AT-2 which has provided valuable reservoir information. The wells, which are 3.1km apart, confirmed pressure communication and multi Darcy horizontal permeability through the fracture system in the BSAM reservoir.

ShaMaran President and CEO Pradeep Kabra commented, “The results of the AT-3 well are important for the future development of the Atrush Field. Our objective is to put the field into production as early as

possible to take advantage of the improving political and economic conditions in the region. We look forward to the results of the Atrush-4 well (targeting the undrilled updip area of the field) which is due to spud in the next few weeks”

The Atrush Block is operated by TAQA Atrush B.V., a subsidiary of Abu Dhabi National Energy Company PJSC which holds a 39.9% working interest in the Block. ShaMaran Petroleum Corp. holds a 20.1% working interest through its wholly owned subsidiary, ShaMaran Ventures BV (100% owner of General Exploration Partners, Inc.). Marathon Oil KDV B.V., a wholly owned subsidiary of Marathon Oil Corporation (NYSE: MRO), holds a 15% interest in the block. Subsequent to their back-in the Government of the Kurdistan Region of Iraq holds a 25% working interest.

About ShaMaran

ShaMaran Petroleum Corp. is a Kurdistan focused oil development and exploration vehicle. ShaMaran Petroleum is a Canadian oil and gas company listed on the TSX Venture Exchange under the symbol “SNM” as well as NASDAQ OMX First North under the symbol “SNM”.

On behalf of the Board,

Pradeep Kabra, President and CEO

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