

ShaMaran 2010 Year End Financial and Operating Results

VANCOUVER, BRITISH COLUMBIA—(Marketwire - April 8, 2011) -ShaMaran Petroleum Corp. (“ShaMaran” or the “Company”) (TSX VENTURE:SNM) is pleased to announce its financial and operating results for the year ended December 31st 2010.

Highlights

- In April 2010 the Company completed the acquisition of 291.4 km of two dimensional (“2D”) seismic data in the Pulkhana Block. The seismic campaign was completed on schedule and within budget.
- Seismic acquisition of 232 km of 2D seismic data in Block K42 was concluded in May 2010. Processing and interpretation of the data was completed at the end of the year 2010 and resulted in the identification of a significant 4-way dip-closed prospect.
- In August 2010, the Company acquired a 33.5% stake in General Exploration Partners Inc, a company which holds an 80% working interest in the Atrush Block Oil and Gas Exploration Area in Kurdistan. As a result ShaMaran has a 26.8% indirect interest in the Atrush Block.
- In August 2010, the Company executed agreements to amend the Pulkhana Block 10 and the Arbat Block Production Sharing Contracts (“PSCs”), which waives the Company’s previous contractual requirement to issue 150 million common shares to the Kurdistan Regional Government of Iraq (“KRG”) in exchange for 20% of the Company’s profit oil share (produced oil, less royalty and cost oil) from the two PSCs as capacity building payments to the KRG.
- The Company raised \$47.8 million net cash proceeds through a private placement of 111 million common shares in September 2010.
- In October 2010, the Company completed the acquisition of 429.1 km of 2D seismic data on the Arbat Block in eastern Kurdistan.
- The first exploration well on the Atrush Block was spudded on October 5, 2010, and a total depth of 3,400 meters was reached on January 21, 2011. A comprehensive well testing program commenced on January 30, 2011 with drill stem tests planned for ten (10) potential hydrocarbon zones. The Company will make a further announcement at the conclusion of all testing expected to be in the second week of April 2011.
- On April 3, 2011 the Company spudded its first well, Pulkhana 9, with a planned total depth of approximately 2,700 meters and targets the proven Euphrates/Upper Jaddala and Shiranish oil reservoirs, as well as evaluating a further potential reservoir in the Lower Jaddala.
- In March 2011 the Company received a Detailed Property Report (“the Report”) from its third party auditors, McDaniel & Associates Consultants Ltd. The Report includes 82,461 Mboe as best estimate of *Gross Estimated Contingent Resources* (Mean 113,834 Mboe, High Estimate 236,232 Mboe) and 287,555 Mboe as the unrisks best estimate of *Gross Estimated Prospective Resources* (Mean 325,436 Mboe, High Estimate 531,099 Mboe) net to ShaMaran for all four of the Company’s assets. These estimates are based on information prior to the appraisal drilling of Pulkhana and well test results from the Atrush-1 well.
- The Company has reported a net loss of \$1.0 million for the year ended December 31st, 2010 (2009: net income of \$2.9 million). The cash balance of the Company was \$58.7 million as at December 31, 2010 (2009: \$63.6 million).

Financial and Operating Results for 2010

| (\$000s, except per share data) | For the Year Ended December 31 | |
|---------------------------------|--------------------------------|------|
| | 2010 | 2009 |

| | | |
|--|---------|---------|
| Continuing operations | | |
| Depreciation | (139) | (6) |
| General and administrative | (594) | (2,378) |
| Stock based compensation | (514) | (546) |
| Guarantee fees | (1,353) | (636) |
| Interest income | 416 | 310 |
| Loss from investment in company | (27) | - |
| Foreign exchange gain/(loss) | 2,215 | 4,943 |
| Income tax | (81) | (12) |
| Net income/(loss) from continuing operations | (77) | 1,675 |
| Discontinued operations | | |
| Net revenues | - | 1,658 |
| Expenses | (1,044) | (2,041) |
| Interest income | 7 | 24 |
| Gain loss on sale of assets | 77 | 1,600 |
| Net income/(loss) from discontinued operations | (960) | 1,241 |
| Net income/(loss) | (1,037) | 2,916 |
| Basic income/(loss), \$ per share: | | |
| Continuing operations | (0.00) | 0.005 |
| Discontinued operations | (0.00) | 0.005 |
| | (0.00) | 0.01 |
| Diluted income/(loss), \$ per share: | | |
| Continuing operations | (0.00) | 0.005 |
| Discontinued operations | (0.00) | 0.005 |
| | (0.00) | 0.01 |
| Total assets | 256,489 | 249,999 |
| Working Capital Surplus | 41,364 | 59,903 |
| Shareholders' Equity | 235,518 | 244,563 |
| Common Shares Outstanding (x 1000) | 623,182 | 499,546 |

Outlook

Pulkhana Block

Pulkhana-9 was spudded on April 3, 2011 and is planned to be drilled to a Total Depth of 2700m which is estimated to take approximately 90 days. The well is designed to appraise the proven Euphrates/Jaddala and Shiranish oil reservoirs as well as appraise possible upside in the Jeribe and Lower Jaddala formations. ShaMaran has also received Ministry of Natural Resources ("MNR") approval for the Pulkhana-10 and preparations are being made to enable drilling of this well. The Company is tendering for a workover rig for the planned third quarter workover of Pulkhana-8 and at the same time progressing with the feasibility study and design for the Pulkhana Early Production Facility ("EPF") planned to be installed by the end of the year

2011. The first 3 wells (Pulkhana 8, 9 and 10) will be connected to the EPF, with the possibility to expand as future development wells are drilled.

Arbat Block

Following completion of seismic interpretation the Company has received MNR approval for the location of the first commitment exploration well (designated Arbat-A). Tendering and preparations are underway to enable drilling to commence in the 4th quarter of this year.

Atrush Block

Atrush 1 was drilled to a total depth of 3,400 meters on January 21, 2011. The comprehensive well testing program commenced on January 30, 2011 and is expected to be concluded in the second week of April 2011. Evaluation of the results of the testing program will be a significant factor towards determining the future program for the Atrush Block.

Block K42

The Company fulfilled all its obligations under the Option Agreement by acquiring and processing 232.0 km of 2D seismic data. The Company plans to exercise its option in April 2011 to enter into a Production Sharing Contract.

New Ventures

The Company is currently pursuing new opportunities in the region.

Pradeep Kabra, President and CEO of ShaMaran, commented, "We are very pleased with the excellent progress made during the year. Seismic acquisition was completed in the three blocks and we were able to acquire a 1/3 interest in GEP which allowed us to participate in one of the most exciting and prospective blocks in Kurdistan. We intend to carry on the implementation of an aggressive work programme to develop the significant potential of all our properties."

About ShaMaran

ShaMaran Petroleum Corp. is a Kurdistan focused oil development and exploration vehicle. It has four projects in the region: the Pulkhana development/appraisal block and the Arbat, Atrush and K42 exploration blocks. These projects are nearby and on trend with existing fields and recent discoveries.

Kurdistan lies within the northern extension of the Zagros Folded Belt. The area is highly underexplored and is currently undergoing a significant exploration and development campaign by over 30 mid to large size international oil companies.

ShaMaran Petroleum is a Canadian oil and gas company listed on the TSX Venture under the symbol "SNM".

Forward-Looking Statements

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.

On behalf of the Board,

Pradeep Kabra, President and CEO

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.

Shamaran Petroleum Corp.
Keith Hill
Chairman
(604) 806-3583
khill@namdo.com

Shamaran Petroleum Corp.
Pradeep Kabra
President and CEO
0041 22 560 8605
pradeep.kabra@shamaranpetroleum.com

Shamaran Petroleum Corp.
Sophia Shane
Corporate Development
(604) 689-7842
(604) 689-4250
sophias@namdo.com
www.shamaranpetroleum.com

<https://shamaran.mediaroom.com/index.php?s=2429&item=122609>