

ShaMaran Acquires Interest in Major Oil Project in Kurdistan

VANCOUVER, BRITISH COLUMBIA—(Marketwire - Aug. 30, 2010) - ShaMaran Petroleum Corp. (“ShaMaran” or the “Company”) (TSX VENTURE:SNM) is pleased to announce that it has entered into a Subscription Agreement and a Shareholders Agreement with Aspect Energy International, LLC (“Aspect”) whereby ShaMaran Ventures BV (“ShaMaran BV”) a wholly owned subsidiary of the Company has acquired a one third stake in General Exploration Partners Inc (“GEP”), a wholly owned subsidiary of Aspect.

The Kurdistan Regional Government of Iraq (“KRG”) and GEP are parties to a Production Sharing Contract dated November 10, 2007 (the “PSC”) in respect of the Atrush Block Oil and Gas Exploration Area located in the Kurdistan Region of Iraq (the “Atrush Block”). GEP currently owns 80% of the rights and obligations of the Contractor in the PSC and the Contract Area and the KRG owns the remaining 20%.

The Atrush Block is located immediately north and adjacent to the major new Shaikan discovery announced by Gulf Keystone Petroleum Ltd. in January 2010. The 2D seismic data over the Atrush Block indicates that the Atrush structure is similar to the Shaikan structure. The Shaikan discovery was announced as multiple stacked oil reservoirs in the Cretaceous, Jurassic and Triassic sections, with reported estimated potential resources between 1.9 billion barrels (P90) and 7.4 billion barrels (P10), with a mean of 4.2 billion barrels of oil (see Gulf Keystone website (www.gulfkeystone.com) – press release dated 14th January 2010.) The Atrush Block is also adjacent to and on trend with the recent Bijeel oil discovery to the east, operated by Kalegran Limited (MOL).

The Atrush 1 exploration well location has been approved and the well is expected to spud in September 2010. The well (planned depth of 3100 meters) is prognosed to encounter the same reservoir sections as Shaikan and will also test the structural extension of the Shaikan discovery into the Atrush block as indicated from the 2D seismic data. Of the ten expected target reservoirs in Atrush 1, nine were confirmed to be oil-bearing in Shaikan, while the Lower Kurra Chine encountered high pressure gas. There is also additional upside potential in the shallower Cretaceous Qamchuga formation, and the deeper Permian section (not reached in Shaikan), which is also indicated by seismic data to have closure in Atrush.

Under the terms of the agreement, ShaMaran BV has acquired 33.5% of the fully-diluted share capital of GEP in exchange for initial cash payments totaling \$24.1 million, 12.5 million shares of ShaMaran, and a future obligation to contribute the next \$15.9 million in cash which will be required to fund GEP’s operations (the Company has over USD \$50 million in cash as of date to fund these commitments). Thereafter, each of the shareholders of GEP will fund operations pro-rata according to their participating interest (including its share of the KRG carried interest). All of the above mentioned payments, with the exception of the share consideration, will be added to a designated cost pool within GEP, to be repaid to ShaMaran BV out of future oil production which is attributable to petroleum cost recovery under the terms of the PSC.

Pradeep Kabra, President and CEO of ShaMaran, commented, “We are very excited about our partnership with Aspect and the opportunity to participate in one of the most exciting exploration blocks in the Kurdistan Region of Iraq.”

About ShaMaran

ShaMaran Petroleum Corp. is a Kurdistan focused oil development and exploration vehicle. Its initial three projects in the region are the Pulkhana development/appraisal block and the Arbat 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”.

On behalf of the Board,

Pradeep Kabra, President and CEO

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.

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