

Shamaran Petroleum

ShaMaran Announces Amendment to Pulkhana and Arbat PSC

VANCOUVER, BRITISH COLUMBIA—(Marketwire - Aug. 12, 2010) - ShaMaran Petroleum Corp. (TSX VENTURE:SNM) (“ShaMaran” or the “Company”) is pleased to announce that the Company has entered into an agreement with the Kurdistan Regional Government of Iraq (“KRG”) to amend the Pulkhana Block 10 and the Arbat Block Production Sharing Agreements (“PSC”). The amendments relieve the Company of its contractual requirement to allot 150 million common shares of ShaMaran for the capacity building and infrastructure support of the Kurdistan Region. The Company on its part has agreed to contribute twenty percent of its future Profit Oil share from each of the Pulkhana Block 10 PSC and the Arbat Block PSC for the capacity building of the region.

Pradeep Kabra, President and CEO of ShaMaran, commented, “The new arrangement is a win-win situation for the Company and the KRG as it reduces dilution of the Company while at the same time it enables the KRG to achieve its objective of generating capacity building funds which can be used for developing infrastructure in the region.”

The Company is also pleased to announce that it has completed the acquisition of planned seismic in Pulkhana Block 10 and the K 42 Block and has commenced the acquisition of 350 line km of 2D seismic in the Arbat Block. The Company is in the process of procuring a drilling rig for a fourth quarter spud in the Pulkhana Block.

On Behalf of the Board,

Pradeep Kabra
President and CEO

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

or
ShaMaran Petroleum Corp.
Pradeep Kabra
President and CEO
+41 22 560 8605
pradeep.kabra@shamaranpetroleum.com

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

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