



## NEWS RELEASE

### SHAMARAN ANNOUNCES YEAR-END 2013 RESERVES AND RESOURCES

**March 13, 2014 (TSXV-SNM, NASDAQ OMX First North-SNM) – ShaMaran Petroleum Corp.** ("ShaMaran" or the "Company") is pleased to report initial recognition of reserves as well as updates to estimated contingent resources and prospective resources for the Atrush block as of December 31, 2013. The reserves and 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 resources have taken into account the results of the Atrush-3 well, the latest remapping based on 3D seismic and the commitment to 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, 2013 MBL, (1) (2) (3)

Reserves Category:	Property Gross	Company Gross (2)	Company Net (3)
<b>Light/Medium Oil (Mbbbl)</b>			
Total Proved Reserves (1P)	30,572	6,145	4,116
Probable Reserves	27,609	5,549	2,283
Proved + Probable Reserves (2P)	58,182	11,694	6,399
Possible Reserves	52,543	10,561	2,904
Proved + Probable + Possible Reserves (3P)	110,724	22,256	9,304

- (1) Reserves are based on the KRG-approved Phase 1 Atrush development comprising a 30,000 bpd facility and 3 producers (AT-2, AT-4 and AT-5).
- (2) Company gross reserves are based on Company working interest share of the property gross reserves.
- (3) Company net reserves are based on Company share of total cost and profit revenues and the income tax paid on behalf of company.

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, 2014 price forecast for Brent crude oil with a discount of 40 percent in 2014 and 2015, 35 percent in 2016, 30 percent in 2017 and 25 percent in 2018 onwards. The initial discount to Brent was based on published sales prices in the Kurdistan Region of Iraq from 2013 and equates to an oil price of US\$ 63.00 per barrel in 2014. Costs were escalated at 2 percent per annum. Oil pricing is uncertain and any eventual announcement of sales and pricing of exported Kurdish crude during 2014 together with the Kurdish export pipeline becoming fully operational will 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, 2013**

**(1) (2) (3) (4)**

\* Barsarin, Sargelu, Alan, Mus ("BSAM"), Adaiyah & Butmah formations, in addition to the volumes assigned to Reserves.

	<b>Low Estimate (1C)</b>	<b>Best Estimate (2C)</b>	<b>High Estimate (3C)</b>
<b>Property Gross</b>			
Crude Oil (Mbbbl)	388,804	497,833	618,027
Natural Gas (MMcf)	90,289	122,585	165,857
Total (Mboe) (6)	403,852	518,263	645,669
<b>Company Gross (5)</b>			
Crude Oil (Mbbbl)	78,150	100,064	124,223
Natural Gas (MMcf)	18,148	24,640	33,337
Total (Mboe) (6)	81,174	104,171	129,780

- (1) There is no certainty that it will be commercially viable or technically feasible to produce any portion of the resources.
- (2) These are unrisksed contingent resources that do not take into account the chance of commerciality.
- (3) Contingent resources were estimated by subtracting the reserves from the total recoverable resources.
- (4) Total based on the probabilistic aggregation of zones within the Atrush field and as such does not equal the arithmetic sum of the individual zones.
- (5) Company gross resources are based on Company working interest share of the property gross resources.
- (6) 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; 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.

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

**PROSPECTIVE RESOURCES SUMMARY – ATRUSH BLOCK\*  
AS OF DECEMBER 31, 2013**

**(1) (2) (3)**

\* Comprising remaining potential in the Atrush hanging wall (Triassic), Atrush Footwall (Cretaceous, Jurassic & Triassic) and extension of the Swara Tika structure into the Atrush block (Jurassic & Triassic).

	<b>Unrisksed Low Estimate</b>	<b>Unrisksed Best Estimate</b>	<b>Unrisksed Mean Estimate</b>	<b>Unrisksed High Estimate</b>	<b>Risksed (2) Mean Estimate</b>
<b>Property Gross</b>					
Crude Oil (Mbbbl)	121,425	173,194	180,165	247,211	60,479
Condensate (Mbbbl)	8,741	28,327	36,173	72,890	6,766
Natural Gas (MMcf)	141,366	258,352	289,988	481,107	61,445
Total (Mboe) (5)	153,727	244,580	264,670	400,285	77,485
<b>Company Gross (4)</b>					
Crude Oil (Mbbbl)	24,406	34,812	36,213	49,689	12,156
Condensate (Mbbbl)	1,757	5,694	7,271	14,651	1,360
Natural Gas (MMcf)	28,415	51,929	58,288	96,702	12,350
Total (Mboe) (5)	30,899	49,161	53,199	80,457	15,575

- (1) 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 or technically feasible to produce any portion of the resources.
- (2) These are partially risksed prospective resources that have been risksed for chance of discovery, but have not been risksed for chance of development.
- (3) Total based on the probabilistic aggregation of undiscovered pools within the field/prospect.
- (4) Company gross resources are based on Company working interest share of the property gross resources.
- (5) 6 Mcf is equivalent to 1 BOE.

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](http://www.sedar.com), or in the Company's Annual Information Form, which is available both on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's web-site at [www.shamaranpetroleum.com](http://www.shamaranpetroleum.com).

Pradeep Kabra, President and CEO of ShaMaran commented, "We are pleased to report the initial recognition of reserves relating to ShaMaran's interest the Atrush field, and the progress being made towards achieving 'First Oil' at Atrush in early 2015. At this early stage of appraisal, the majority of contingent and prospective resources are still to be assigned as reserves and we look forward to continuing the appraisal and development work in 2014 to achieve the full potential of the field."

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 vehicle with a 20.1% working interest in the Atrush oil discovery currently undergoing appraisal and development.

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

**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 resource estimates are as at December 31, 2013, 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:** *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.

Shamaran Petroleum's Certified Advisor on NASDAQ OMX First North is Pareto Securities AB.

FOR FURTHER INFORMATION PLEASE CONTACT:

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

or

Shamaran Petroleum Corp.  
Pradeep Kabra  
President and CEO  
0041 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](http://www.shamaranpetroleum.com)