

Press release

Stockholm, March 27, 2014

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Shelton Petroleum publishes supplement 3 to prospectus in connection with Shelton's public offer to the shareholders of Petrogrand

Shelton Petroleum AB (publ) ("Shelton") publishes supplement 3 to the prospectus published on February 17, 2014 (the "Prospectus") in connection with Shelton's public offer ("the Offer") to the shareholders of Petrogrand AB (publ) ("Petrogrand"). Supplement 3 to the Prospectus ("Supplement 3") has been approved and registered by the Swedish Financial Supervisory Authority.

Supplement 3 has been prepared in connection with:

- Shelton's announcement on March 24, 2014 in relation to Petrogrand's public offer to the holders of shares, convertible loans and warrants in Shelton to sell all their shares, convertible loans and warrants in Shelton to Petrogrand for a cash consideration of SEK 18.60 per share of series A and B, SEK 17.50 plus accrued interest per convertible loan of series 2013/2014 and SEK 3.00 per warrant. The board of Shelton announced that it will conduct a thorough analysis of the public offer and thereafter publish its opinion on it. The board recommends all shareholders, holders of convertible loans and warrants not to make any final decision until all information has been made available.
- Shelton's announcement on March 25, 2014 with information related to the extra general meetings in Shelton Petroleum and Petrogrand as well as an update on Shelton's operations in Ukraine.

Supplement 3 can be downloaded in electronic form from Shelton's website www.sheltonpetroleum.com and from Pareto Securities AB's ("Pareto Securities") website www.paretosec.com. A printed version of Supplement 3 can be obtained at Shelton's and Pareto Securities' offices. Supplement 3 must be read together with and forms an integral part of the Prospectus (as supplemented) in all respects.

Stockholm, March 27, 2014

Shelton Petroleum AB (publ)

The board of directors

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The information provided herein is such that Shelton Petroleum AB is obligated to disclose it pursuant to the Securities Markets Act (2007:528) and the takeover-rules. The information was submitted for publication at 14:45 (CET) on March 27, 2014.

About Shelton Petroleum

Shelton Petroleum is a Swedish company focused on exploring and developing concessions in Russia and the resource-rich basins of Ukraine. In Russia, the company holds three licenses in the Volga-Urals area in Bashkiria and has commenced production on the Rustamovskoye field after a successful exploration program. In Ukraine, Shelton Petroleum's wholly owned subsidiary has a joint venture with Ukrnafta and Chornomornaftogaz, two leading Ukrainian oil and gas companies. The Shelton Petroleum share is traded on NASDAQ OMX Stockholm under the symbol SHEL B.

IMPORTANT INFORMATION

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This press release contains forward looking statements which in relation to the Offer means certain risks and uncertainties, including the expected advantages of the acquisition for Shelton and Shelton's strategic and operational expectations. Actual events or results can due to a number of risks and uncertainties significantly differ from what has been described in this press release, including among other things that the Offer cannot be completed or that the completion is delayed and that the expected advantages of the Offer for Shelton cannot be realized.

All information in this press release has been submitted as of March 27, 2014, and Shelton has no intention, and does not undertake to, update the information.

This is an English translation of the Swedish original. In case of discrepancies, the Swedish original shall prevail.