

SHAMARAN PROVIDES OPERATIONAL, 2020 BUDGET AND FINANCIAL UPDATES

April 28, 2020 - ShaMaran Petroleum Corp. ("ShaMaran" or the "Company") (SNM - TSXV, Nasdaq First North Growth Market) reports that following the announcements of ShaMaran's 2019 year-end financial and operating results on March 3, 2020 and the 2020 Atrush guidance on February 25, 2020, the Company is today providing an operational, 2020 budget and financial update.

OPERATIONAL UPDATE

In the current challenging operating environment, the priority of the Atrush co-venturers has been the safety and wellbeing of employees and third-party contractors working in our operations. Business continuity has been assured through the implementation of a comprehensive COVID-19 action plan which aims to minimise exposure, continually monitor wellbeing and provide mitigation measures as required. Despite such challenges, the Atrush field continues to perform in-line with expectations with gross production of approximately 47,000 barrels of oil per day ("bopd") during first quarter 2020 and remains within the Company's 2020 guidance of between 44,000 and 50,000 bopd. However, prolonged delays in goods and services as a result of the COVID-19 crisis and the possible OPEC+ cuts if applicable to Kurdistan producers may negatively impact future production.

2020 BUDGET UPDATE

The ongoing low oil price environment and market volatility are expected to have a significant negative effect on the cash flow from Atrush. In light of these uncertainties, ShaMaran and the operator, TAQA, have consequently revised the 2020 budget (subject to final approval by applicable regulatory authorities). As a result, the following actions are currently anticipated to be taken:

Reduce capital expenditures by 80%

The Atrush co-venturers will postpone facilities expansion projects as well as development wells which previously were planned for 2020. The combined effect of these measures reduces the Atrush capital expenditures from US\$131 million (US\$36 million net to ShaMaran) to US\$28 million (US\$8 million net to ShaMaran) for 2020.

Reduce operating costs by 22%

The Atrush co-venturers have identified several measures to reduce lifting costs. These initiatives are expected to reduce the forecast lifting costs for 2020 by 22%. The average lifting cost per barrel for 2020 is now expected to range from US\$4.50 per barrel to US\$5.10 per barrel, down from the previous guided range of between US\$5.50 per barrel to US\$6.70 per barrel.

Reduce Company general and administrative ("G&A") costs by 28%

The Company has taken austerity measures to reduce its corporate G&A costs. These initiatives were implemented immediately and are expected to reduce G&A costs from US\$9.0 million to US\$6.5 million for 2020.

FINANCIAL UPDATE

The 2020 budget actions noted above are expected to reduce the Company's near-term operational costs and capital expenditures. As announced on April 17, 2020 the Company has received payment from the Kurdistan Regional Government ("KRG") for its Atrush oil sales deliveries for March 2020. It is hoped going forward that timely payments by the KRG will be made following each month's oil deliveries. However, the Company has overdue receivables from the KRG of approximately US\$42 million related to the KRG's deferred payment proposal. With current low oil prices combined with this deferred payment proposal the Company faces constrained liquidity.

As of April 20, 2020, the Company had a cash position of US\$8.5 million after receipt of the March oil sales deliveries payment. Based on the latest budget, the Company forecasts total expenditures of approximately US\$2.7 million per month on average during the remainder of 2020. In addition, the Company is required to prepay approximately \$15 million of its unsecured outstanding bonds on June 30, 2020 as well as approximately US\$11.4 million in bond coupon interest on July 5, 2020.

Dr. Adel Chaouch, President and Chief Executive Officer of ShaMaran stated, "In light of unprecedented challenges that combine the impact of the global pandemic and depressed commodity prices that are further complicated by delays in oil sales payments, we have drastically reduced expenditures for 2020, and have agreed with our Atrush co-venturers a revised budget that is now fit for the times we are living in. However, despite these measures, ShaMaran still faces significant liquidity constraints which have to be addressed. As such, we are exploring all options that will be in the best interest of stakeholders and the Company."

OTHER

This information is information that Company is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below at 8:00 a.m. ET on April 28, 2020.

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ABOUT SHAMARAN

ShaMaran is a Canadian oil and gas company with Kurdistan-focus holding, through its wholly-owned subsidiary General Exploration Partners. Inc., a 27.6% interest in the Atrush oil block.

ShaMaran is listed on the TSX Venture Exchange and the NASDAQ First North Growth Market (Stockholm) under the symbol "SNM".

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.

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FORWARD LOOKING STATEMENTS

This news release contains statements and information 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. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking information. Forward-looking information typically contains statements with words such as "may", "will", "should", "expect", "intend", "plan", "anticipate", "believe", "estimate", "projects", "potential", "scheduled", "forecast", "outlook", "budget" or the negative of those terms or similar words suggesting future outcomes. The Company cautions readers regarding the reliance placed by them on forward-looking information as by its nature, it is based on current expectations regarding future events that involve a number of assumptions, inherent risks and uncertainties, which could cause actual results to differ materially from those anticipated by the Company.

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.