SHAMARAN
Petroleum Ltd.

ShaMaran Announces Investment in Iraq and Contemplated Bond Issuance

October 20, 2026

Hamilton, Bermuda - ShaMaran Petroleum Ltd. ("ShaMaran" or the "Company") (Euronext Growth Oslo: SNM) (Nasdaq First North Stockholm: SNM) announces the expansion of the Company's strategic collaboration with HKN Energy ("HKN") into Federal Iraq. Building on their joint ventures across the Atrush and Sarsang oil fields in the Kurdistan Region of Iraq, HKN and ShaMaran are extending their cooperation into Federal Iraq through the Hamrin oil development and production contract ("DPC").

As part of this expansion, ShaMaran will have a 25% shareholding in HKN Hamrin Ltd. (the "Hamrin JV"), the joint venture company holding 100% of the Hamrin DPC. HKN, as the operator of the field, will leverage its operational expertise and established relationship with ShaMaran to advance a major long-term development program.

The Hamrin field is a large discovered and producing oil field previously operated by North Oil Company, an Iraqi state-owned oil company. HKN and ShaMaran will further develop the field with the aim of increasing production above the current 20 Mbopd to maximize recovery over the 25-year term of the DPC. The operator's and management's current estimate of remaining gross reserves and resources is in the range of 500 million to one billion barrels. The initial phase of development will target lifting field production to approximately 60 Mbopd by 2028. Further phases of development could target more than doubling those initial production levels, with currently estimated capex for later phases in the range of $2-3 per incremental barrel.

Garrett Soden, Chief Executive Officer of ShaMaran, commented, "The Hamrin investment is a natural extension of our cooperation with HKN, the operator of our two existing assets in the Kurdistan Region of Iraq. The Hamrin field in Federal Iraq is complementary to our existing Kurdistan production and reserves profile, and we expect material synergies from having the same team operate all three assets. Together with HKN, we are committed to increasing Hamrin production to create significant value for Iraq and our shareholders."

The Hamrin JV farm-in consideration comprises a $35 million carry by ShaMaran of HKN's share of initial costs in the Hamrin co-venture, with a further $15 million payable out of future cash flow once ShaMaran has recovered its initial investment and carry in full.

Financing – Contemplated Bond Issuance

Elvis Pellumbi, Chief Financial Officer of ShaMaran, commented, "On the back of the attractive Hamrin investment, we are looking to raise a new bond to better reflect the improved credit profile of our expanded asset portfolio, fund Hamrin growth capex and reduce interest costs. We see increased near-term cash flow from our existing assets due to the tri-party export agreement coupled with an enhanced long-term outlook from the addition of future Hamrin cash flows."

ShaMaran has mandated Pareto Securities AS to be sole bookrunner and manager for a contemplated bond

of up to $200 million in order to refinance its existing 2029 bond (ISIN NO0011057622) that has approximately $144 million currently outstanding. The proceeds from the new bond will be used to fund ShaMaran's share of the Hamrin investment and for general corporate purposes. The Company will host fixed income investor meetings, and a bond issuance may follow subject to market conditions and acceptable terms. It is the Company's intention to exercise the applicable call option in the existing bond upon successful issuance of the contemplated new bond.

ShaMaran to combine with Gulf Keystone Petroleum Ltd. ("Gulf Keystone")

ShaMaran and Gulf Keystone today announced that they have signed a merger agreement and a combination agreement to combine their businesses and create a platform for growth in the Kurdistan Region of Iraq and Federal Iraq (the "**Transaction**"). A copy of the press release can be found at www.shamaranpetroleum.com.

About ShaMaran Petroleum Ltd.

ShaMaran is an independent oil and gas company with non-operated stakes in three fields in Iraq. The Company indirectly holds a 50% working interest in the Atrush Block and an 18% working interest in the Sarsang Block, both in the Kurdistan Region of Iraq. The Company will also hold a 25% interest in the Hamrin JV, which holds the Hamrin DPC in Federal Iraq. The Company is listed in Oslo on Euronext Growth and in Stockholm on Nasdaq First North (ticker "SNM"). ShaMaran is part of the Lundin Group of Companies.

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This information is information that ShaMaran Petroleum Ltd. is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the contact person set out above, at 8:00 CET on October 20, 2026.

This information is subject to the disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act.

The Company's certified advisor on Nasdaq First North Growth Market is FNCA Sweden AB.

Forward-Looking Statements

Matters discussed in this announcement may constitute forward-looking statements. The use of any of the words "will", "expected", "planned" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company's current belief or assumptions as to the outcome and timing of certain future events. Certain information set forth in this news release contains forward-looking statements.