

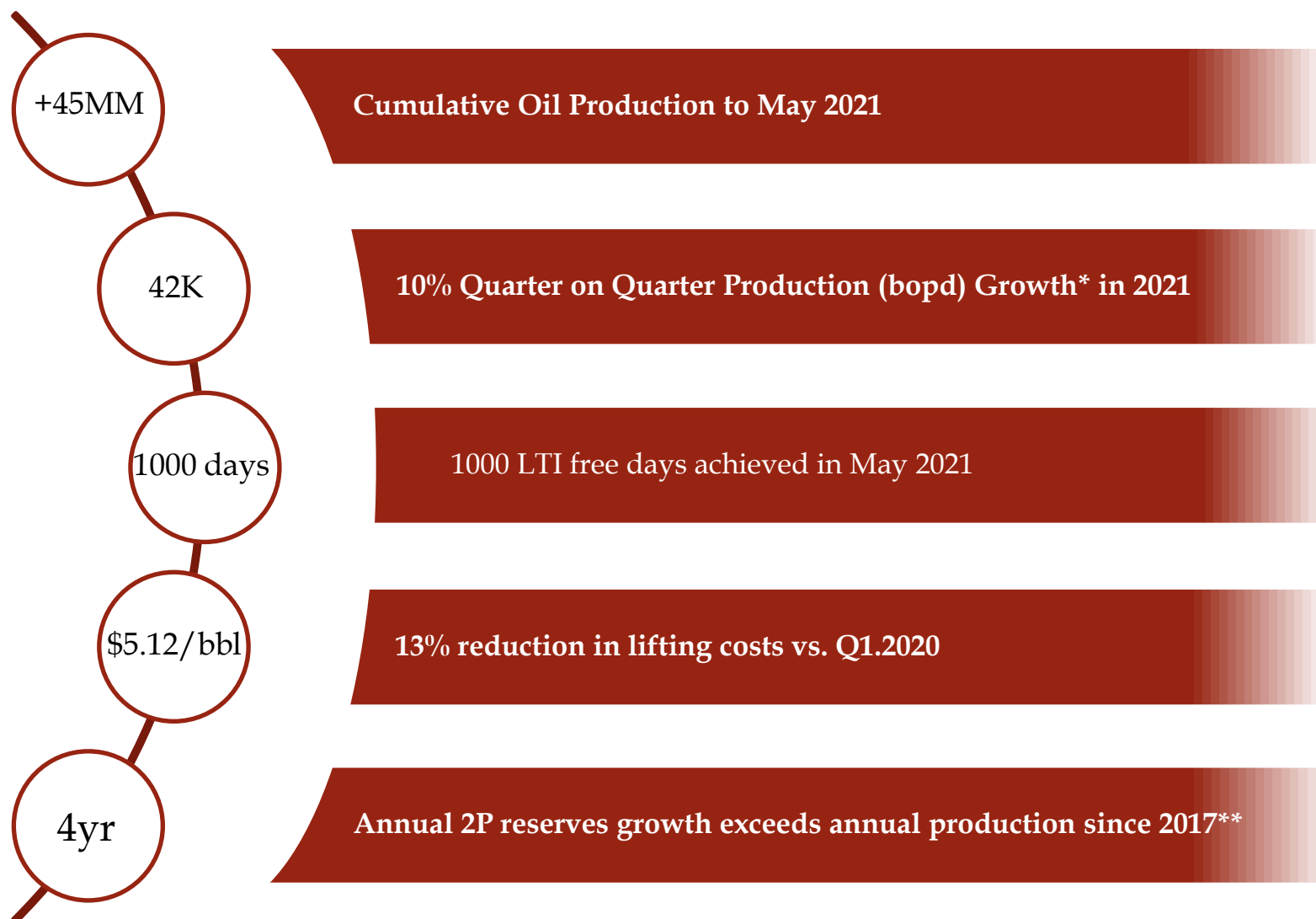


## Corporate Presentation - June 2021



# 2021 Atrush Highlights

TSX.V: SNM; Nasdaq First North Growth Market: SNM



(\*) As of May 31, 2021

(\*\*) Quantities based on Reserves and Contingent Resources - McDaniel & Associates estimates at December 31, 2020



**ShaMaran is an E&P company active in Kurdistan region**

**Kurdistan's oil industry now well established**

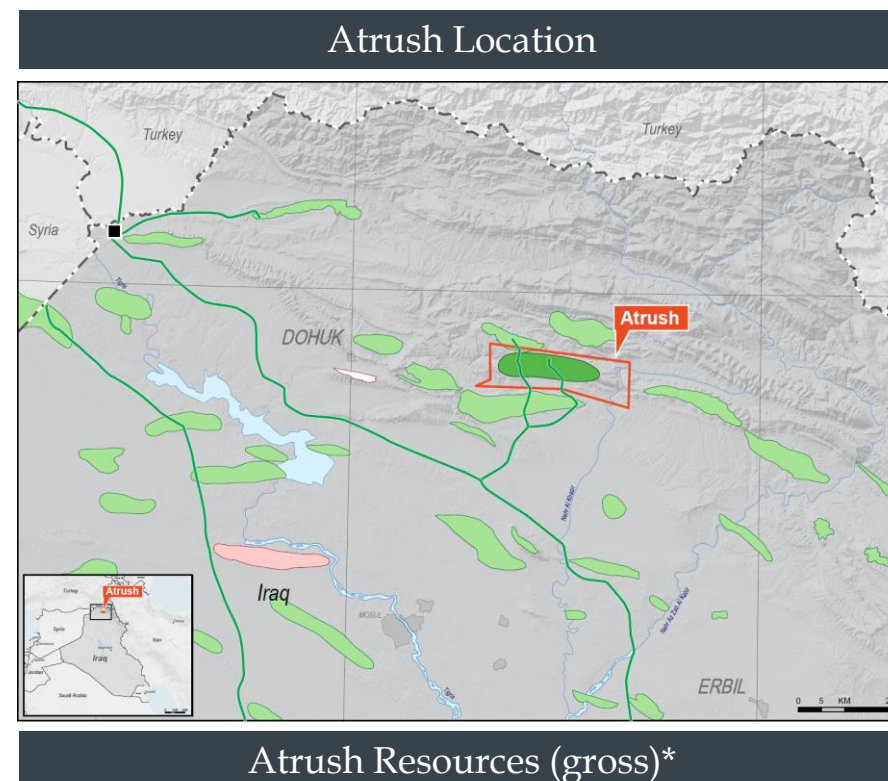
- Significant reserves and resources
- Largely stable political situation
- Export route to Mediterranean via Turkish port of Ceyhan

**ShaMaran has 27.6% interest in Atrush oil field**

- Taqa operates Atrush Field
- Currently 2<sup>nd</sup> largest producing field in Kurdistan

**Focused on growth**

- 39% production increase 2020 vs. 2019
- Repositioned for growth in 2021



MMbbl	1P/C	2P/C	3P/C
Oil reserves	61.4	109.9	158.4
Oil contingent	113.0	219.7	311.0
Oil prospective	121	173	247

(\*) Quantities based on Reserves and Contingent Resources - McDaniel & Associates estimates at December 31, 2020





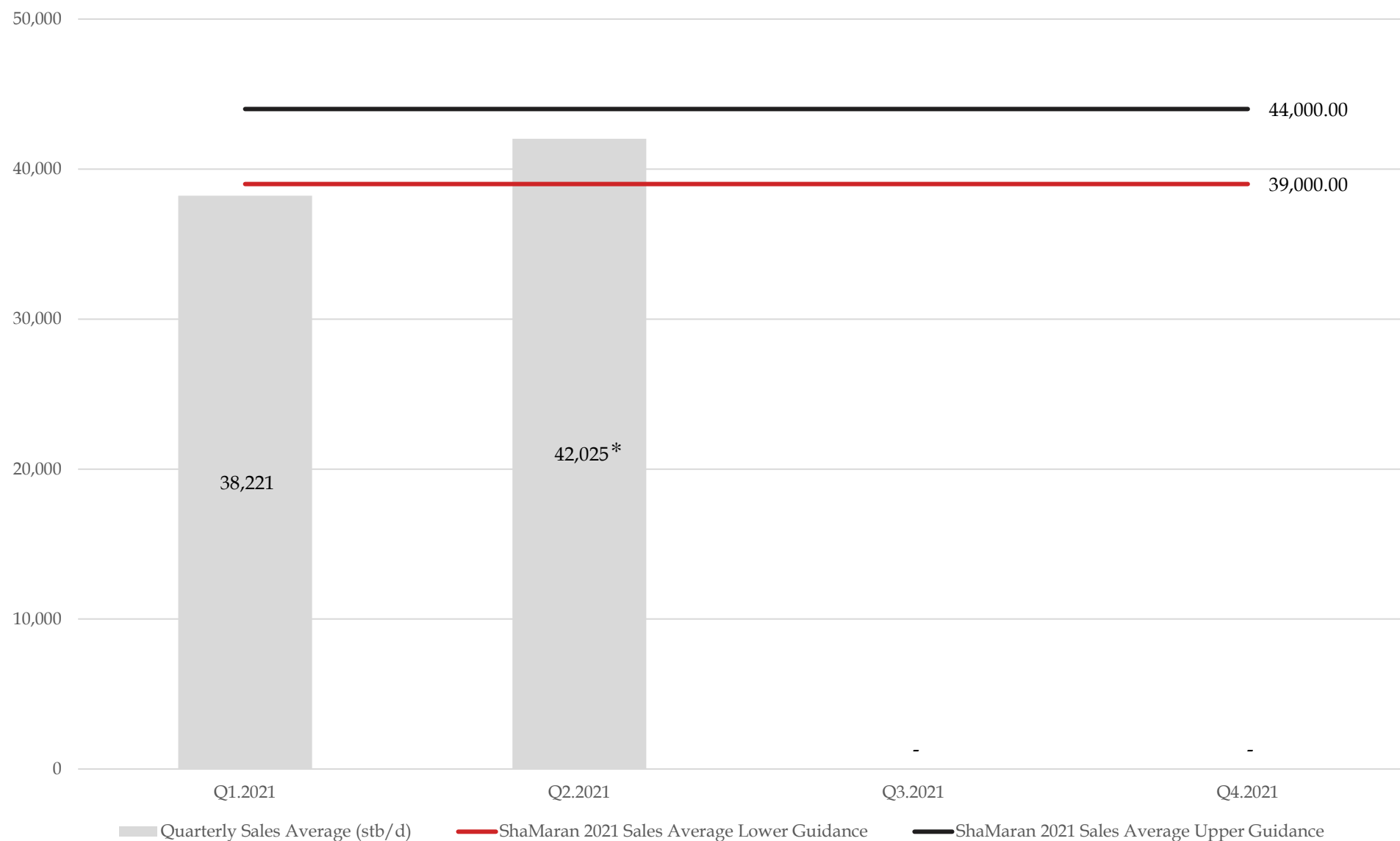
## 2021: Resumption of Operations

- Careful preparation, deployment and management of increased operations levels with integrated COVID protocols:
  - Support facilities (accommodation, medical) adapted to COVID environment
  - Facility and infrastructure projects
  - Drilling & Completion programs
  - Rotating contractors require negative PCR test as well as 14 days quarantine when arriving in KRG
  - Re-initiation of rotation schedules for all staff with strengthened preventative measures including multi-layer quarantine processes

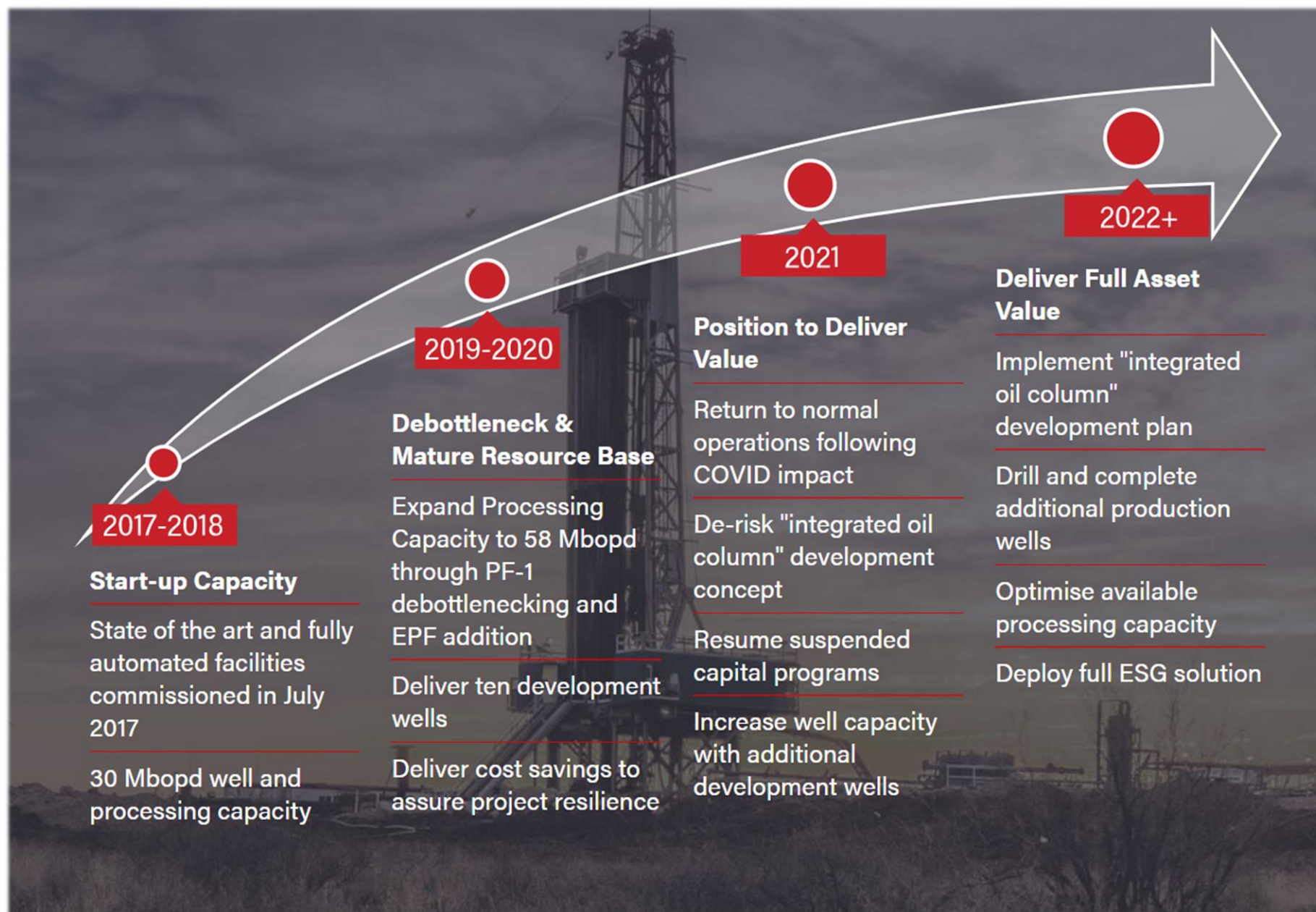




# Atrush - Delivering Production Targets



(\*) 2Q.2021 up to May 31, 2021





# 2021 Guidance

- Atrush field gross average daily production expected to range from 39,000 barrels of oil per day (“bopd”) to 44,000 bopd
- Expected to generate quarter-on-quarter production growth with increasing contribution of heavy oil
- Atrush capital expenditures for 2021 at US\$53.2 million (55% increase from 2020)
- Atrush operating expenditure forecast to remain flat for 2021
- Atrush average lifting costs estimated to range from US\$4.70 per barrel to US\$5.70 per barrel
- Annual corporate budget of US\$5.6 million, a 30% reduction in spending over 2020

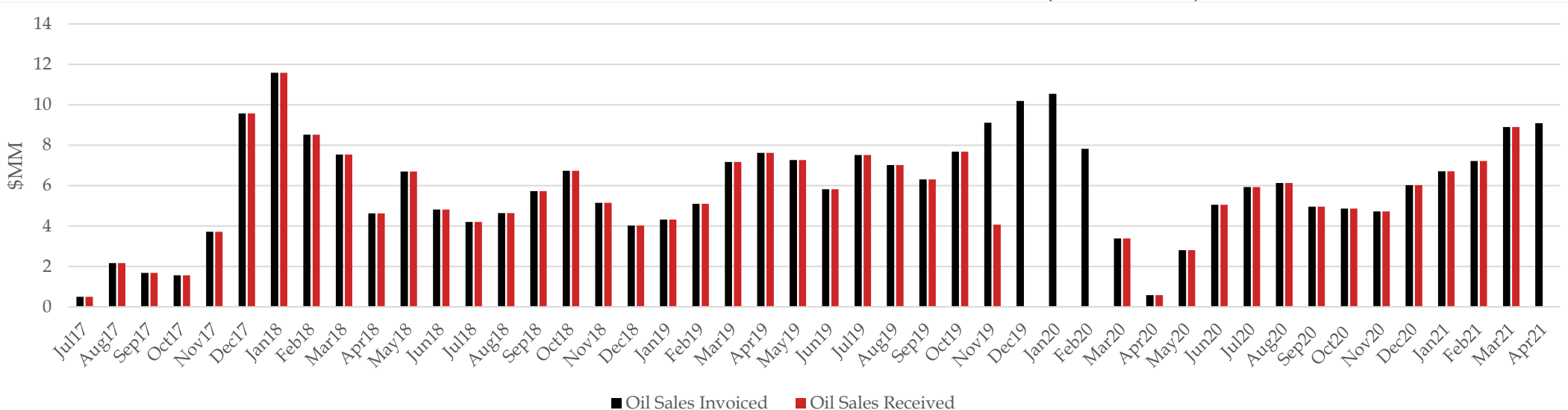
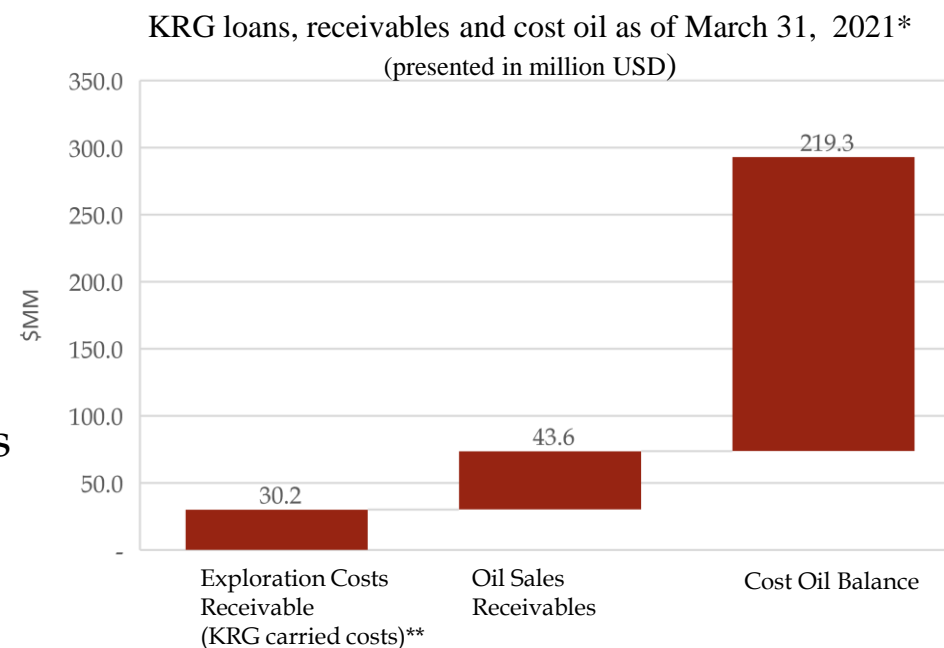






# KRG Payments

- KRG proposed new payment mechanism:
  - (i) payment of oil sales invoices to be extended to 60 business days from receipt of invoice; and
  - (ii) repayment of Oil Sales Receivable arrears delayed through new mechanism.
- To-date \$5.1 million of the Oil Sales Receivables have been re-paid to ShaMaran by the KRG



(\*) Amounts in this table reflect ShaMaran's 27.6% interest in Atrush.

(\*\*) The Exploration Costs Receivable is related to the repayment of certain development costs that ShaMaran paid on behalf of the KRG which, for purposes of repayment, are governed under the Atrush PSC and the related Facilitation Agreement and are deemed to be Exploration Costs and will be repaid based on an agreed amount of the KRG's share of oil sales for each month's deliveries.





# Successful Amendment of ShaMaran Bond Terms



## January 2021 Amendment agreed with bondholders:

- To permit free cash exceeding \$15 million to be used by ShaMaran to purchase Company's Bonds if at commercially attractive rates

## ShaMaran Bonds:

- \$10 million bonds purchased and retired\*
- Reduced December 2021 Bond amortization payment from \$15 million to \$5 million
- Current\* Outstanding amount of Bonds at \$180 million

**ShaMaran re-focusing efforts on core business and continues to strengthen our financial position**



[www.shamaranpetroleum.com/company/esg/](http://www.shamaranpetroleum.com/company/esg/)

## Environmental Focus

- Gas Solution project now underway to eliminate flaring and emissions via gas sweetening
- Second Produced Water Disposal well planned for 2022
- Effective waste management program and timely remediation of all impacted locations

## Social Focus

- Staff localization levels currently greater than 75%
- Focus on local services and suppliers in 2021
- Continued development and deployment of critical social initiatives

## Governance Focus

- ShaMaran Canadian oil and gas company, publicly listed in Toronto and Stockholm
- Policies and practices in place ensuring Board and Managerial decisions are made in best interests of Company, its shareholders and other stakeholders





## **Focus on Organic Growth and Optimization of Operations**

- Resumption of suspended capital programs to deliver quarter on quarter growth
- Focus on full realization of resource base through implementation of Integrated Oil Column development concept

## **Focus on Financial Resilience**

- ShaMaran committed to using free cash flow to buy back bonds and reduce debt
- ShaMaran well-positioned to capitalize on emerging supercycle



# Cautionary Statements

*This presentation 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. References to regional and un-related Company oil resources are sourced from industry and other websites. References to resource volume potential and potential flow rates are for general information only and are subject to confirmation. 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. Test results are not necessarily indicative of long-term performance or of ultimate recovery. Technical results and interpretations are by ShaMaran Petroleum and its technical consultants.*





## Corporate Presentation - June 2021

### Appendix



**SHAMARAN**  
petroleum corp



# Management and Board of Directors



## **Chris Bruijnzeels – Chairman and Director**

Over 35 years of experience in the oil and gas industry including Senior Vice President Development of Lundin Petroleum, Shell International and PGS Reservoir Consultants. From 2003 to 2016 he was responsible for Lundin Petroleum's operations, reserves and the development of its asset portfolio.



## **Adel Chaouch – President, CEO & Director**

Dr. Adel Chaouch has over 25 years of experience in the oil and gas industry including Vice President North Africa & Middle East, President & GM Kurdistan, President Gabon, CSR Director of Marathon Oil Company. He was also chairman of the private entities for Waha Oil Company a consortium between Marathon, Hess, ConocoPhillips and the Libyan NOC.



## **Alex Lengyel – CCO**

Alex Lengyel has more than 25 years experience negotiating international oil and gas transactions for companies including Marathon Oil, Hess, ConocoPhillips, Vinson & Elkins, Winston & Strawn and Shearman & Sterling. He holds a Juris Doctorate degree from Notre Dame Law School, is a member of the New York bar and was a Fulbright Scholar to Italy.



## **William A.W. Lundin – Director**

Mr. Lundin is the Chief Operating Officer of International Petroleum Corp. ("IPC"), an international oil and gas exploration and production company with a portfolio of assets located in Canada, Europe and South East Asia. Mr. Lundin has been with IPC since 2018 as a project engineer - production operations.



## **Keith C. Hill –Director**

Over 30 years experience in the oil industry including international new venture management and senior exploration positions in Valkyries Petroleum Corp., Lundin Oil AB, BlackPearl Resources, Occidental Petroleum, Shell Oil Company and Tanganyika Oil. Mr. Hill is currently President and CEO of Africa Oil.



## **Terry L. Allen– Director**

Ms. Allen has worked in corporate and investment banking for over 30 years. She has served on several corporate and not-for-profit boards for more than 20 years and is President of Pivotal Capital Advisory Group.



## **Mike Ebsary – Director**

Over 30 years of experience in the oil industry. Previous CEO of Oryx Petroleum and CFO of Addax Petroleum. He has extensive experience in Kurdistan.

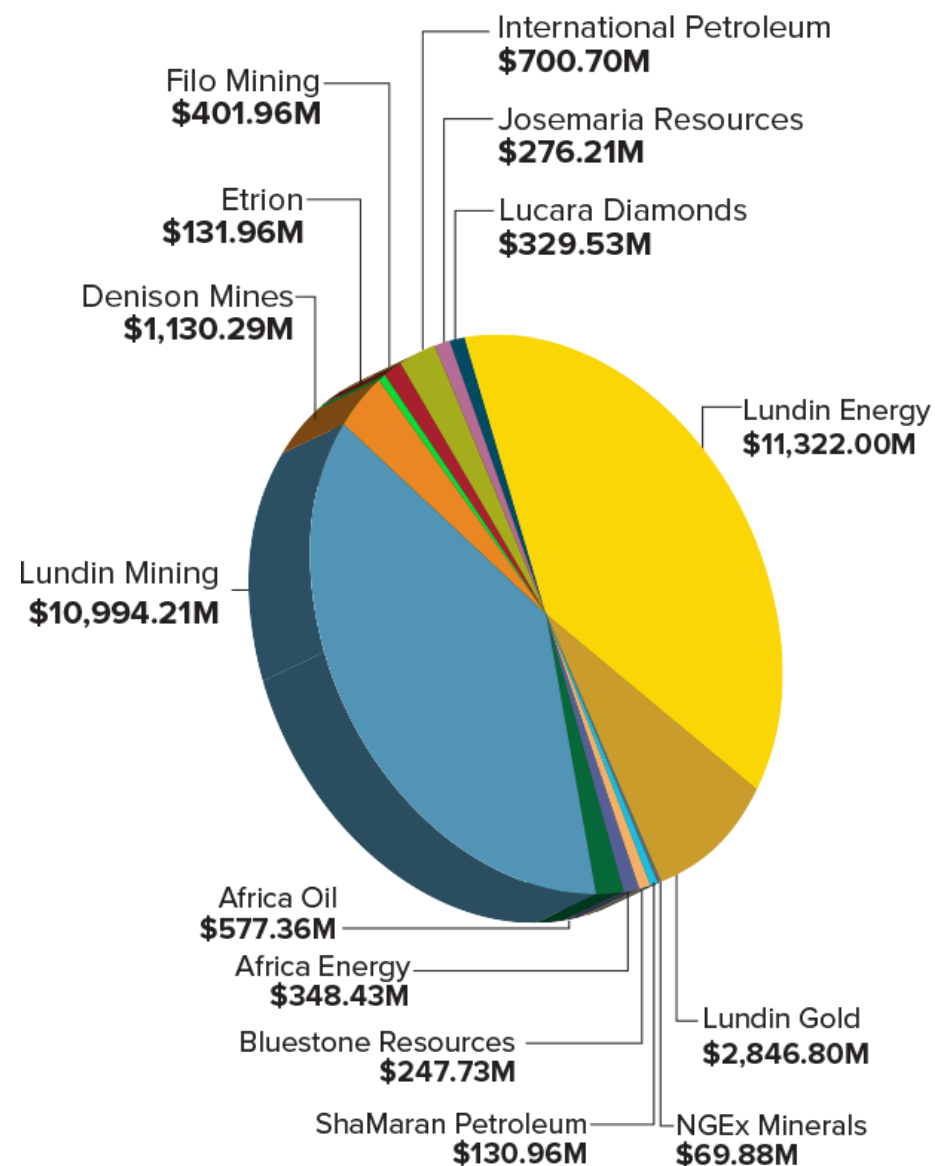
**Proven track record from Lundin group of companies**





# ShaMaran, a Lundin Group company

USD 24.4 billion - combined market cap of Lundin Group





# Corporate Profile

## Major shareholders

- Lundin family trusts 23.2%
- Directors/Management 0.5%

## Trading Information

- TSX Venture TSX-V:SNM
- NASDAQ First North Growth (Sweden): SNM

## Share Capital

- Shares issued and outstanding 2,196,903,495
- Market Capitalization
- CAD 113 million (@ 3 June 2021)

## Net Debt

- USD 124 million (@ 31 March 2021)



\*Borrowings plus current liabilities less cash, loans and accounts receivable