

Amendment No. 1 dated January 19, 2015 to the Short Form Prospectus dated December 23, 2014.

This amendment, together with the short form prospectus dated December 23, 2014, constitutes a public offering of the securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

SHAMARAN PETROLEUM CORP.

\$75,421,500

**OFFERING OF UP TO 810,983,860 RIGHTS TO SUBSCRIBE FOR UP TO 754,214,990
COMMON SHARES AT A SUBSCRIPTION PRICE OF \$0.10 (SEK 0.68) PER
COMMON SHARE**

AMENDMENTS

The short form prospectus of Shamaran Petroleum Corp. (“**Shamaran**” or the “**Corporation**”) dated December 23, 2014 (the “**Prospectus**”) is hereby amended as follows:

1. On page v of the Prospectus cover page, the first sentence of the fourth paragraph is deleted and replaced with the following:

“Chris Bruijnzeels, Brenden Johnstone and C. Ashley Heppenstall, being directors or officers of the Corporation, reside outside of Canada.”

2. On page 65 of the Prospectus, the two paragraphs under the heading “Phase 2 Appraisal” are deleted and replaced with the following:

“Chiya Khere-6 (“**CK-6**”), the second eastern area appraisal well, was drilled to a measured depth of 2,105 metres, which was reached on November 5, 2014. CK-6 was drilled from the Chamanke-C well pad which was used to drill AT-3, the first eastern area appraisal well, and has a bottom hole location approximately 1.1 kilometres southeast of AT-3. At the date of this prospectus the well testing program has been completed. The re-entry and retesting of the AT-3 well is currently in progress with results expected to be announced late January 2015.

Logs on CK-6 indicated that the matrix reservoir quality and degree of fracturing across the main reservoir zone were the best in any well drilled to date in Atrush. Three well tests were conducted with results as follows:

DST#3 was conducted over a perforated 24 metre interval in the Naokelekan* formation (*Atrush stratigraphic nomenclature and interpretation represent solely the view of ShaMaran and its technical experts). The zone was flowed using ESP at rates up to 6,787 bopd (constrained by surface testing facilities) of 26.6° API oil.

DST#2 was conducted over a 48-metre interval in the Lower Sargelu* formation. During the main flow period the zone was flowed using ESP at rates up to 3,792 bfpd of emulsion. Bottom hole samples are pending laboratory analysis to provide the gravity of the oil at reservoir conditions.

DST#1 was conducted over a perforated 12-metre interval within the Alan* formation. The zone flowed heavy oil post-acid with ESP and nitrogen lift at a low rate. The tested interval represents the deepest recovered oil in the field to date (-460m), nearly 200m deeper than the equivalent interval that successfully tested the higher viscosity oil in the Atrush 2 well.

Full analysis of CK-6 well testing results is subject to ongoing data evaluation and laboratory tests. The location for the third Phase 2 appraisal well, Chiya Khere-7, is currently being finalised.”

3. On page 86 of the Prospectus, the first paragraph and table under the heading “Board of Directors” is deleted and replaced with the following:

“During the year ended 31 December 2013, the Board of the Corporation was comprised of six directors. On January 19, 2015, the Corporation announced the resignation of Pradeep Kabra, Alexandre Schneiter and J. Cameron Bailey from the Board of the Corporation and announced the appointment of Chris Bruijnzeels and C. Ashley Heppenstall to the Board of the Corporation. Each director holds office until the next annual meeting of shareholders or until his successor is duly elected unless his office is earlier vacated in accordance with the articles of the Corporation. The table below sets out information on the directors’ name, date of appointment to the Board, position, and the members of each of the four committees of the Board, Audit Committee, Compensation Committee, Corporate Governance and Nominating Committee, and Reserves Committee as at the date hereof:

<u>Name</u>	<u>Director since</u>	<u>Position</u>
Keith Hill ⁽²⁾⁽³⁾⁽⁴⁾	19 February 2007	Non-Executive Chair of the Board and Director
Chris Bruijnzeels	19 January 2015	President, Chief Executive Officer and Director
Gary S. Guidry ⁽¹⁾⁽³⁾⁽⁴⁾	19 February 2007	Director
Brian D. Edgar ⁽¹⁾⁽²⁾⁽³⁾	27 March 2007	Director
C. Ashley Heppenstall ⁽¹⁾⁽²⁾⁽⁴⁾	19 January 2015	Director

- (1) Members of the Audit Committee. Mr. Heppenstall is Chair of the Audit Committee.
(2) Members of the Compensation Committee. Mr. Hill is Chair of the Compensation Committee.
(3) Members of the Corporate Governance and Nominating Committee. Mr. Edgar is Chair of the Corporate Governance and Nominating Committee.
(4) Members of the Reserves Committee. Mr. Guidry is Chair of the Reserves Committee.”

4. On page 87 of the Prospectus, the text referring to Mr. Kabra is deleted and replaced by the following:

“Chris Bruijnzeels, Member of the Board

Mr. Bruijnzeels was Senior Vice President Development of Lundin Petroleum AB from January 2003 up to the time of his appointment as a Member of the Board of ShaMaran on January 19, 2015. Mr. Bruijnzeels was born in the Netherlands in 1959 and is a graduate of Delft University where he obtained a degree in Mining Engineering. Mr. Bruijnzeels joined Lundin Petroleum in 2003 and was responsible for Lundin Petroleum’s operations, reserves and the development of its asset portfolio. From 1985 until 1998, Mr. Bruijnzeels worked for Shell International in the Netherlands, Gabon and Oman in several reservoir engineering functions. In 1998, he joined PGS Reservoir Consultants in the UK where he worked as Principal Reservoir Engineer and Director of Evaluations. Mr. Bruijnzeels is a qualified Professional Engineer with over 29 years of experience in the oil and gas industry.

Except as disclosed above, Mr. Bruijnzeels is not currently, nor has he been in the last five years, a director and/or officer of any other public companies.”

5. On page 88 and 89 of the Prospectus, the text referring to Mr. Schneiter and Mr. Bailey is deleted and replaced with the following:

“C. Ashley Heppenstall, Member of the Board

Mr. Heppenstall is the President and Chief Executive Officer, and a director, of Lundin Petroleum AB, a major shareholder of ShaMaran. Mr. Heppenstall was born in England in 1962 and is a graduate of

Durham University where he obtained a degree in Mathematics. Mr. Heppenstall also acts a director of Etrion Corporation, listed on the TSX and was, from May 2010 until May 2013, a director of Vostok Nafta Investment Ltd., a corporation traded on the Nasdaq OMX Nordic Exchange in Stockholm.

Except as disclosed above, Mr. Heppenstall is not currently, nor has he been in the last five years, a director and/or officer of any other public companies.”

6. On page 89 of the Prospectus, the table listing each director’s specific interest in the Corporation is deleted and replaced by the following:

“

Name	Shares held	Options⁽¹⁾	Expiry Date	Exercise Price CAD
Keith Hill	1,343,000	500,000 2,000,000	April 12, 2018 January 19, 2020	0.36 TBD ⁽²⁾
Chris Bruijnzeels	33,000	15,000,000	January 19, 2020	TBD ⁽²⁾
Gary S. Guidry	100,000	250,000 1,000,000	April 12, 2018 January 19, 2020	0.36 TBD ⁽²⁾
Brian D. Edgar	100,000	250,000 1,000,000	April 12, 2018 January 19, 2020	0.36 TBD ⁽²⁾
C. Ashley Heppenstall	Nil	2,000,000	January 19, 2020	TBD ⁽²⁾

(1) One-third of the options granted to directors vest on the date of grant, an additional one-third vest one year from the date of grant, and the remaining one-third vest two years from the date of grant.

(2) On January 19, 2015 the Board approved the grant of these options at an exercise price to be determined in accordance with the policies of the TSX Venture Exchange.”

7. On page 89 and 90 of the Prospectus, the text referring to Mr. Kabra under the heading “Executive Officers” is deleted and replaced with the following:

“

<u>Name</u>	<u>Date of Appointment</u>	<u>Position</u>
Chris Bruijnzeels	19 January 2015	President and Chief Executive Officer

Chris Bruijnzeels, *President and Chief Executive Officer*

For the biography of Mr. Bruijnzeels, please see “Board of Directors, Executive Auditors and Auditor - Board of Directors” above.”

8. On page 90 of the Prospectus, the third paragraph under the heading “Other Information Regarding the Board of Directors and Executive Officers - Contact Information” is deleted.
9. On page 90 and 91 of the Prospectus, the text and the table under the heading “Holdings By Directors and Executive Officers” is deleted and replaced with the following:

“As at the date of this Prospectus, the directors and executive officers of the Corporation, beneficially owned, or controlled or directed, directly or indirectly, an aggregate of 1,901,000 Shares of the

Corporation, representing approximately 0.23% of the issued and outstanding Shares of the Corporation (excluding securities issuable on exercise of stock options).

As at the date of this Prospectus, the following Insiders held Shares and options in ShaMaran:

<u>Insider</u>	<u>Common Shares</u>	<u>Options</u>
Keith Hill	1,343,000	2,500,000
Chris Bruijnzeels	33,000	15,000,000
Gary S. Guidry	100,000	1,250,000
Brian D. Edgar	100,000	1,250,000
C. Ashley Heppenstall	Nil	2,000,000
Brenden Johnstone	325,000	5,900,000
Toni Vodola	<u>Nil</u>	<u>25,000</u>
Total	1,901,000	27,925,000

10. On page 91 and 92 of the Prospectus, the second full paragraph under the heading “Cease Trade Orders, Bankruptcies” is deleted.
11. On page 94 of the Prospectus, the first sentence in the paragraph under the heading “Incentive Programs” is deleted and replaced with the following:

“As of the date of this Prospectus, the Corporation had 32,155,000 stock options outstanding under its stock-based incentive plan.”
12. On page 97 of the Prospectus, the second sentence in the first paragraph under the heading “Common Shares” is deleted and replaced with the following:

“As of the date hereof, 32,155,000 Stock Options are outstanding under the Corporation’s Stock Option Plan.”
13. On page 97 of the Prospectus, the sentence under the heading “Prior Sales” is deleted and replaced with the following:

“On January 15, 2015, the Corporation issued 810,983,860 Rights to Holders pursuant to the Offering. On January 19, 2015, the Board approved the grant of stock options to purchase an aggregate of 26,000,000 Common Shares to its directors and officers. Other than the foregoing, the Corporation has not issued or sold any Common Shares or securities convertible into Common Shares during the 12 months prior to the date of this Prospectus.”
14. On page 125 of the Prospectus, under the heading “Documents Incorporated Herein by Reference”, the “and” following the semi-colon in paragraph (k) is deleted, the period at the end of paragraph (l) is deleted and replaced with a semi-colon, and the following are added:

- “(m) the material change report of the Corporation dated and filed January 6, 2015 in connection with the Offering;
- (n) the material change report of the Corporation dated and filed January 19, 2015 in connection with certain changes in the management and board of directors of the Corporation; and
- (o) the material change report of the Corporation dated and filed January 19, 2015 in connection with drilling results for the Chiya-Khere-6 well.”

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

In an offering of rights, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial securities legislation, to the price at which the right is offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

CERTIFICATE OF SHAMARAN PETROLEUM CORP.

Dated: January 19, 2015

The short form prospectus dated December 23, 2014 as amended by this amendment together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the short form prospectus dated December 23, 2014 as amended by this amendment as required by the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Nova Scotia.

By: (signed) "*Chris Bruijnzeels*"
Chris Bruijnzeels
Chief Executive Officer

By: (signed) "*Brenden Johnstone*"
Brenden Johnstone
Chief Financial Officer

On Behalf of the Board of Directors

By: (signed) "*Keith Hill*"
Keith Hill

By: (signed) "*C. Ashley Heppenstall*"
C. Ashley Heppenstall