

Documents for the Extraordinary General Meeting in

SHELTON PETROLEUM AB

Monday January 26, 2015

N.B: The English text is an in-house translation for information purposes only.

Proposed agenda

1. Opening of the general meeting
2. Election of a chairman of the general meeting
3. Preparation and approval of the voting register
4. Election of one or two persons to attest the minutes
5. Determination of whether the general meeting has been duly convened
6. Approval of the agenda
7. Resolution regarding an agreement between the Company and Petrogrand AB (publ)
8. Resolutions regarding
 - (a) reduction of the share capital with retirement of shares of series B; and
 - (b) increase of the share capital by bonus issue without issuance of shares
9. Closure of the general meeting

Complete proposals

Chairman of the general meeting (item 2)

The Nomination Committee proposes that the lawyer Carl Westerberg, be elected to chair the general meeting.

Resolutions regarding an agreement between the Company and Petrogrand AB (publ) (item 7)

The Company has reached an agreement with Petrogrand AB (publ) ("**Petrogrand**") to dissolve the cross-ownership between the Company and Petrogrand. The agreement is conditional on that the general meeting and the extraordinary general meeting to be held in Petrogrand approve the agreement. The agreement is intended to be effectuated by way of Petrogrand transferring 4,634,123 shares of series B in the Company (the "**Settlement Shares**") to an indirectly wholly-owned foreign subsidiary of Petrogrand ("**NewCo1**"). NewCo1 would then be acquired by a wholly-owned foreign subsidiary of the Company in exchange of the shares in NewCo2 (the "**Transaction**"). NewCo2 is a wholly-owned foreign subsidiary of the Company, holding 11,585,308 shares in Petrogrand.

As Petrogrand is one of the Company's larger shareholders, it is the Board's opinion the Transaction would involve related party transactions comprised by the Swedish Securities Council's statement in AMN 2012:05. The Board, therefore, proposes that the general meeting approves the Transaction and authorises the Board to, as soon as practicably possible, effectuate the Transaction.

Resolution regarding reduction of the share capital with retirement of shares of series B (item 8 (a))

The board of directors proposes that the extraordinary general meeting shall resolve on a reduction of the share capital with not more than SEK 23,170,615 with retirement of not more than 4,634,123 Settlement Shares. The amount of the reduced share capital shall be transferred to the non-restricted equity of the Company. After the reduction of the share capital has been carried out, the share capital of the Company will amount to no less than SEK 70,135,620, divided between 761,900 shares of series A and 13,265,224 shares of series B. The reduction of the share capital will not (other than stated above) have an impact on the Company's restricted equity or the share's quotient value (irrespective of the class of shares) of SEK 5.

Resolution regarding increase of the share capital by bonus issue (item 8 (b))

In order to avoid the requirement for authorisation from the Swedish Companies Registration Office or a court to execute the proposal by the Board for a reduction of the Company's share capital in accordance with item 8 (a), the Board proposes the general meeting to resolve on an increase of the Company's share capital by transferring SEK 23,170,615 from the unrestricted equity according to the Company's most recently adopted balance sheet. The bonus issue shall be carried out without the issuance of new shares. After the bonus issue, the share capital of the Company will amount to SEK 93,306,235, and every share's quotient value (irrespective of the class of shares) will change from SEK 5 to approximately SEK 6.65. The bonus issue will not otherwise have an influence on the Company's restricted equity.

Majority requirements, conditions etc.

Resolution with respect to item 7 requires a simple majority and it is proposed that the resolution of the general meeting is conditional upon that the extraordinary general meeting in Petrogrand (planned to be held on 26 January 2015) approves the Transaction.

The Board proposes that the general meeting's resolution with respect to items 8 (a) – 8 (b) be adopted as a whole through one resolution. Such resolution requires the support of shareholders representing not less than two thirds of the votes cast as well as shares represented at the general meeting. The Board further proposes that general meeting's resolution with respect to items 8 (a) – 8 (b) should be conditional on that (i) the general meeting resolves in accordance with item 7 above, (ii) the extraordinary general meeting in Petrogrand (scheduled to take place on 26 January 2015) approves the Transaction and (iii) the Transaction is effectuated.

Documents

The Board of Directors' complete proposals for resolutions in accordance with items 7 and 8 (a) – 8 (b) above, as well as the documentation pursuant to Chapter 12, Section 7 and Chapter 20, Section 14 of the Swedish Companies Act, will be made available no later than three weeks before the general meeting at the Company's offices (addresses above) and will be sent free-of-charge to shareholders who so request and provide their mailing address. The documents will also be made available no later than three weeks before the general meeting on the Company's website, www.sheltonpetroleum.com. The documents will also be available at the general meeting.

Miscellaneous

The Company currently has 18,661,247 shares registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*), of which 761,900 are shares of series A (10 votes/share) and 17,899,347 are shares of series B (1 vote/share). The number of voting rights amount to 25,518,347.