



March 5, 2014

Personal Statement from James Smith

Stockholm, 2014-03-05 16:32 CET (GLOBE NEWSWIRE) --

Reference: Shelton Petroleum presentation on 3rd March 2014 by Robert Karlsson.

It is understood that during the Shelton Petroleum presentation by Robert Karlsson, held on 3rd March, that certain statements were made that were attributed to me, James Smith, which were untrue or inaccurate.

I wish for it to be known in the strongest possible terms that Shelton Petroleum has absolutely no right or permission to use my name in this way, nor to quote my name, nor make these false statements attributed to my name. I have never been employed by Shelton, never represented them and never been contracted by them in any way whatsoever. The statements that were made Robert Karlsson are quite simply inaccurate, untrue and misleading to both Shelton Petroleum and PetroGrand shareholders.

To be absolutely clear, after the drilling of the #12 well, I prepared material for the board of PetroGrand, to facilitate the immediate financing of a further well, based on a Shelton share price of SEK20. Under the terms of the confidentiality agreement between the 2 parties, I shared this material with Shelton. Not only is Shelton Petroleum in breach of the confidentiality agreement, it has also misconstrued the purpose of this material and misrepresented it.

I am currently seeking legal advice regarding Sheltons deformation of my character and as to whether the comments made by Robert Karlsson are libellous.

James Smith,

Deputy member of the Board of Petrogrand AB