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Petrosibir And Shelton To Enter Into Business Combination

July 15, 2009

Petrosibir AB ("Petrosibir" currently trading under the name TFS until a change of name to Petrosibir AB has been effected), a Swedish public company listed on the Nordic Growth Market in Stockholm, Sweden (TEMP B) and Shelton Canada Corp. ("Shelton"), a Canadian public company listed on the TSX Venture Exchange (TSX-V) in Canada (STO.V) are pleased to announce that they have entered into an agreement that provides for the combination of the two companies (the "Transaction"). The Transaction will create a growth focused oil and gas exploration and production enterprise with interests in a diversified portfolio of oil and gas assets in Russia and Ukraine.

Transaction Summary

Under the terms of the Transaction each Shelton shareholder is expected to receive 2.708 Petrosibir Series B shares for each common share of Shelton held and each Petrosibir shareholder will continue to hold one share of Petrosibir for each Petrosibir share held. The Transaction value represents an approximate premium of 150% to Shelton's shareholders based on the respective closing prices as of 14 July 2009 (Petrosibir SEK 0.45 or approximately CAD\$0.065 and Shelton CAD \$0.07). The terms of the Transaction provide for the combined enterprise to be owned approximately 60% by current holders of Petrosibir shares and approximately 40% by current holders of Shelton shares, options, warrants and convertible debt.

The Transaction will provide a number of anticipated benefits to the combined company's shareholders:

- A diversified portfolio of oil and gas assets in Russia and Ukraine
 - 7,895,300 bbls of proven and probable reserves of oil (Shelton assets) pursuant to Shelton's NI 51-101 disclosure broken down as follows:
 - Proven Developed Producing 515,600 bbls;
 - Proven Developed Non-Producing 718,300 bbls;
 - Proven Undeveloped 1,395,300 bbls;
 - Total Proven 2,629,200 bbls;
 - Probable 5,266,100 bbls;
 - Proven plus Probable 7,895,300 bbls;



- A significant amount of C1 and C2 reserves (Shelton assets); however, these are internal estimates only and have not been prepared or estimated under NI 51-101 and therefore, cannot be relied upon as being NI 51-101 compliant;
- Petrosibir also has internally estimated C1 and C2 petroleum reserve and resources under the Russian categorization method, however have not estimated in accordance with NI 51-101 therefore, cannot be relied upon as being NI 51-101 compliant;
- 330 barrels of oil net daily production;
- Increased scale of operations and strengthening of the operational expertise
- Increased trading liquidity in the shares and improved access to capital
- Opportunity to leverage the combined company's relationships to further grow the Russian and Ukrainian businesses

The Transaction is expected to involve the amalgamation of a wholly owned Canadian subsidiary of Petrosibir (Petrosibir Canada Inc.) and Shelton Canada Corp. The combination is expected to be effected by means of a Plan of Arrangement under the Business Corporations Act (Alberta). Robert Karlsson, currently Chief Executive Officer of Petrosibir, will continue as Petrosibir's Chief Executive Officer and Zenon Potoczny, currently Chief Executive Officer of Shelton will be appointed President of Petrosibir. At the closing of the Transaction, Shelton will be voluntarily de-listed from the TSX-V. The shareholders of Shelton will then be able to trade shares of Petrosibir received in exchange for the Shelton shares on the Nordic Growth Market Stock Exchange (NGM) in Stockholm, Sweden where TFS (Petrosibir AB after the name change) is currently listed and where the Petrosibir shares issued pursuant to this transaction will be listed. Following the completion of the Plan of Arrangement, Petrosibir will seek a listing on the TSX-V.

Upon closing of the Transaction, the board of directors of Petrosibir is expected to be comprised of 7 members including four representatives from the current Petrosibir board and three representatives from the current Shelton board as follows:

Per Höjgård is currently chairman of the board of TFS. Mr. Höjgård has worked within the areas of business, finance and company management, having held the position of Chief Financial Officer of Preem AB for 17 years. Preem is Sweden's largest oil company with sales of approximately USD \$12 billion. Mr. Höjgård is an independent member of the board. Per Höjgård holds a Master of Science in Business Administration.

Ulf Cederin was born in 1958. He has more than 20 years experience in finance, management and stock market enterprises. Mr. Cederin is the founder of the Nordic Growth Market (NGM) Stock Market located in Stockholm, Sweden. He was the Chief Executive Officer of the listed company Nordic Growth market NGM Holding AB for eight years. Prior to that, Mr. Cederin worked for Fischer Partners and Bridge Financial Ltd.,



both financial institutions.

Peter Geijerman has been in business in Russia since 1997 and has several years experience of project coordination and company management in Russia. Mr. Geijerman is the founder of a company that owns and runs an industrial group in western Siberia. Mr. Geijerman is also one of Alpcot Agro's investment managers. Mr. Geijerman has an MBA from INSEAD and a Masters degree in clinical medicine from Karolinska Institutet.

Katre Saard is a partner and investment manager at Alpcot Capital Management. Ms. Saard has more than 10 years experience of investment management and of working in the East European financial markets. Ms. Saard was one of the founders of East Capital, where she also worked as a fund manager and board member. Ms. Saard has also held senior positions as an investment manager in the European Investment Fund in Luxembourg and as a stock market analyst at Enskilda Securities. Katre Saard has a Masters degree in Business Administration and Economics from the Stockholm School of Economics.

Descriptions of the three board representatives from Shelton, namely Richard Edgar, Bruce Hirsche, Q.C., LL.M. and Zenon Potoczny, may be found on the Corporation's website at www.Sheltoncdn.com.

The officers of Petrosibir after the completion of the Plan of Arrangement will be Robert Karlsson, Chief Executive Officer (Managing Director) and Zenon Potoczny, President.

The Board of Directors of the corporation continuing from the amalgamation as Shelton Canada Corp. will be the following: Richard Edgar, Chairman, Per Højgård and Robert Karlsson. The officers shall be Zenon Potoczny, President, Robert Karlsson, Vice President and Bruce Hirsche, Q.C., Secretary.

Robert Karlsson, President and CEO of Petrosibir commented: *"Petrosibir is currently finalising a successful exploration program at our wholly-owned license in Bashkiria, Russia. The combination with Shelton introduces Ukraine as a second focus area for Petrosibir and will further enhance the technical expertise of the company. Shelton's management team has built a strong portfolio of assets as well as identified a number of new business opportunities through its local network. Our strategy of disciplined growth remains intact and we see excellent potential for further expansion in both Russia and Ukraine."*

Zenon Potoczny, President and CEO of Shelton commented: *"For over six years Shelton has been active in Ukraine and has established a base of high-quality production, development and exploration assets. Having successfully built a platform for growth we now want to enable our shareholders to capitalize on a new phase of development that the combination with Petrosibir can provide. The all-stock transaction consideration will allow Shelton's shareholders to continue to participate in what we believe will be a very exciting enterprise in the future."*

Asset Portfolio

Shelton's asset portfolio comprises production, development and exploration assets in



Ukraine. Key projects include a 45% interest in the producing Lelyaki Oil Field in the Dnieper-Donets basin in East-Central Ukraine, a 50% interest in the Biryucha Fields, three exploration fields in the Azov Sea, a 50% interest in the North Kerchenskaya Field, an exploitation field in the Azov Sea, and 50% interest in the Archangelskoye Field, an exploitation field in the Black Sea.

Petrosibir's asset portfolio comprises a 100% interest in the Rustamovskoye block, an exploration field in the Russian republic of Bashkiria. The Petrosibir licence block comprises 52 square kilometres and is surrounded by other producing oil- and gas fields. Petrosibir has found oil in its first well and measured commercial flow rates of 300-400 barrels per day from this well. The second well is currently being drilled and a gas formation has already been penetrated. After completion of the second well, the field will be put into production. Petrosibir expects to register its first reserves with the Russian State Reserve Committee (GKZ) during the summer of 2009.

Shelton Private Placement

Shelton intends to do a private placement of common shares to raise up to CAD\$2.20 million in order to finance a potential acquisition of new licenses in Ukraine and for general corporate purposes. The terms of the offering will be communicated separately by Shelton. Any shares sold in this offering will be subject to the same Transaction combination terms as already existing outstanding shares in Shelton.

Conditions

The Transaction is subject to confirmatory due diligence and all requisite regulatory and court approvals and other conditions customary in transactions of this nature. In accordance with applicable Alberta corporate laws, the Transaction must also be approved by at least two-thirds of the votes cast by the shareholders who vote at a Shelton shareholders' meeting at which this transaction is presented. The Shelton shareholders' meeting is expected to be held before the end of September 2009, with the Transaction anticipated to close shortly thereafter. Shelton will mail to its shareholders an information circular and arrangement agreement along with all other relevant documents pertaining to the proposed transaction in preparation for the meeting. In the event that Petrosibir AB does obtain reserve reports prepared in accordance with NI 51-101 it will provide further details on its oil and gas assets as well so will Shelton for those assets not covered under their NI 51-101 reports.

About Petrosibir

Petrosibir AB is a Swedish company focused on oil and gas exploration. In June 2009, TFS acquired 100% of Petrosibir AB shares. Temporär Förvaltning i Stockholm AB (TFS), is listed on the NGM stock exchange. Until the name change from TFS to Petrosibir is complete, the company's shares are traded under the name TEMP B. The company holds an exploration license in the Russian republic of Bashkiria, located southwest of the Ural Mountains. The Petrosibir license block comprises 52 square kilometers and is surrounded by other producing oil- and gas fields. Petrosibir has found oil in its first well and measured commercial flow rates. Five holes were drilled in the Petrosibir license block during the Soviet era, and hydrocarbons were found in four of these.



About Shelton

Shelton Canada Corp. (www.sheltoncdn.com) is a junior oil and gas company actively engaged in exploration and development activities in Ukraine. It has internationally experienced Board of Directors. It has assembled a strong portfolio of oil and gas projects onshore and offshore, strategically balancing low-cost development and lower-risk exploitation targets with carefully assessed, higher-risk, higher-yield exploration opportunities. Shelton's shares trade on the TSX Venture Exchange under the symbol STO.

Forward-looking statements

Except for statements of historical fact relating to the companies, this news release may contain certain "forward-looking information" within the meaning of applicable securities laws including opinions, assumptions, estimates and management's assessment of future plans and operations, budgeted capital expenditures and funding thereof, wells to be drilled, timing of drilling of wells and expected depths, budgeted cost of wells, commencement of production from wells and year-end production rate. Forward-looking information in this news release is characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", and other similar words, or statements that certain events or conditions "may" "will" or "could" occur. There are uncertainties inherent in forward-looking information, including factors beyond Shelton's and Petrosibir's control, and no assurance can be given that such events will occur on time or at all. Any number of important factors could cause actual results to differ materially from those in the forward-looking statements including, but not limited to, risks associated with oil and gas exploration, development, exploitation, results from testing, production, marketing and transportation, the volatility of oil and gas prices, currency fluctuations, the ability to implement corporate strategies, the state of domestic capital markets, the ability to obtain financing, incorrect assessment of the value of acquisitions, failure to realize the anticipated benefits of acquisitions, changes in oil and gas acquisition and drilling programs, delays resulting from inability to obtain required regulatory approvals, delays resulting from inability to obtain drilling rigs and other services, delays in tie-in-operations, results from testing, environmental risks, competition from other producers, imprecision of reserve estimates, changes in general economic conditions and other factors more fully described from time to time in the reports and filings made by Shelton and Petrosibir with securities regulatory authorities. Petrosibir and Shelton undertake no obligation to update forward-looking information if circumstances or management's estimates or opinions should change, except as required by law. The reader is cautioned not to place undue reliance on forward-looking statements. The risks and uncertainties set forth above are not exhaustive.

BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.



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