

LUNDIN PETROLEUM – PRESS RELEASE

Lundin Petroleum AB (publ)
Hovslagargatan 5
SE-111 48 Stockholm
Tel: +46-8-440 54 50, Fax: +46-8-440 54 59, E-mail: info@lundin.ch
Company registration number 556610-8055

NASDAQ OMX Stockholm : LUPE

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LUNDIN PETROLEUM INCREASES RESERVES FOR THE LUNO FIELD, OFFSHORE NORWAY

Lundin Petroleum AB (Lundin Petroleum) is pleased to announce that the gross Proven and Probable (2P) reserves for the Luno field have increased from 95 million barrels of oil equivalent (MMboe) to 149 MMboe. The Luno field is located in production licence PL338, offshore the Norwegian North Sea.

The reserves have been re-evaluated incorporating the results of the appraisal well 16/1-13 completed in early 2010. The independent reserves auditor Gaffney, Cline and Associates (GCA) has increased the estimated 2P reserves to 136.7 million barrels of oil and 66.4 billion standard cubic feet of gas.

Lundin Petroleum has substantially completed the conceptual studies for a standalone development for the Luno field and will be ready to submit a Plan of Development in 2011. In parallel we are reviewing the possibility of developing the Luno field jointly with the nearby Draupne field. Whilst works on joint development studies are ongoing initial indications are that this will have economic benefits to both the Luno and Draupne partners. If a joint development solution is agreed a Plan of Development will be submitted in 2011. The drilling results of the Apollo exploration well currently being drilled in PL 338 may also impact the development solution for Luno.

Ashley Heppenstall, President and CEO of Lundin Petroleum comments: *"We are very pleased to announce an increase to Luno reserves of over 50 percent. Luno is clearly a commercial project located in the heart of the Norwegian North Sea. We are making good progress in relation to the development options either alone or in conjunction with the nearby Draupne discovery. In addition with the recent announcement of our Avaldsnes discovery in PL501 we believe the Greater Luno Area will emerge as a material new production hub on the Norwegian Continental Shelf."*

Lundin Petroleum is the operator of PL338 with a 50 percent interest with partners Wintershall Norge ASA with 30 percent and RWE Dea Norge ASA with 20 percent interest.

Lundin Petroleum is a Swedish independent oil and gas exploration and production company with a well balanced portfolio of world-class assets in Europe, Russia, South East Asia and Africa. The Company is listed at the NASDAQ OMX, Stockholm (ticker "LUPE"). Lundin Petroleum has proven and probable reserves of 177 million barrels of oil equivalent (MMboe).

For further information, please contact:

C. Ashley Heppenstall,
President and CEO
Tel: +41 22 595 10 00

or
Maria Hamilton
Head of Corporate Communications
Tel: +46 8 440 54 50

Visit our website: www.lundin-petroleum.com