

LUNDIN PETROLEUM – PRESS RELEASE

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NASDAQ OMX Stockholm : LUPE

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Lundin Petroleum completes the sale of its Salawati interests in Indonesia

Lundin Petroleum AB ("Lundin Petroleum") is pleased to announce it has completed the sale of its non-operated interests in the Salawati Basin and Island assets, located in the eastern part of Indonesia, to RH Petrogas ("RHP").

Lundin Petroleum and RHP, a company listed on the Singapore Stock Exchange ("SGX"), completed the transaction on 29 December 2010 for a consideration of MUSD 37.1 effective 1 January 2010 with additional payments due in the event of further field development of up to MUSD 3.9.

Ashley Heppenstall, President and CEO of Lundin Petroleum comments; *"We are very pleased to have completed the sale of our Salawati Island and Basin assets in Indonesia to RHP. This will allow us to focus on our exploration driven growth strategy in SE Asia where we will commence a 5 well drilling programme in 2011. Lundin Petroleum has also recently been awarded the South Sokang PSC in Indonesia".*

Lundin Petroleum held 25.936 percent interest in the Salawati Basin asset (Kepala Burung Production Sharing Contract) and 14.5122 percent interest in the Salawati Island asset (Kepala Burung Production Sharing contract), both operated by PetroChina.

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).

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