

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

10 January 2011

THE CATERPILLAR EXPLORATION WELL IN PL340BS HAS SPUDDED, OFFSHORE NORWAY

Lundin Petroleum AB (Lundin Petroleum) is pleased to announce that drilling of exploration well 24/9-10S on the Caterpillar prospect has commenced. The well is located in licence PL340BS in the Norwegian North Sea.

The Caterpillar prospect is located 6 km east of the Marihøne discovery which sits 27 km south of the Alvheim Field facilities. The well will target sandstones of the Hermod Formation in the same reservoir trend as the Marihøne discovery. The Caterpillar prospect is estimated to contain gross unrisked prospective oil resources of 11 million barrels (MMbbl) and will potentially be developed as a satellite to the Marihøne discovery.

The planned total depth is 2,165 metres below mean sea level. The well will be drilled with the drilling rig Transocean Winner, and the duration is expected to be approximately 50 days.

Lundin Petroleum holds 15 percent interest in PL340BS. Partners are Marathon Petroleum (operator) with 65 percent interest and ConocoPhillips with 20 percent.

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