

LUNDIN PETROLEUM – PRESS RELEASE



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25 January 2011

LUNDIN PETROLEUM RESERVE REPLACEMENT RATIO OF 237 PERCENT

Lundin Petroleum AB ("Lundin Petroleum") is pleased to announce that as at 1 January 2011 its net proven and probable working interest reserves are 186.7 million barrels of oil equivalent (MMboe) which equates to a 18 percent increase to reserves and a reserve replacement ratio of 237 percent, when compared to 1 January 2010.

	MMboe
Proven and Probable Reserves at 1.1.2010	255.9
2010 Production (forecast)	-11.9
Reserve Additions	+28.3
Sale of assets	-85.5
Proven and Probable Reserves at 1.1.2011	186.7
Reserves increase	18%
Reserve replacement ratio*	237%

The reserves are based upon a third party independent audit conducted by Gaffney Cline and Associates ("GCA"). The proven and probable reserves have been calculated using 2007 Petroleum Resources Management System (SPE PRMS) Guidelines of the Society of Petroleum Engineers (SPE), World Petroleum Congress (WPC), American Association of Petroleum Geologists (AAPG) and Society of Petroleum Evaluation Engineers (SPEE). The reserves were calculated using an oil price of USD 85 per barrel in 2011, with prices and costs escalating at 2 percent per annum.

Oil accounts for 84 percent of the total reserves. In addition 98 percent of the reserves are located in countries with a tax/royalty regime. The major contribution to the reserve increase was from Norway where the Luno, Alvheim, Nemo and Gaupe fields all contributed to the increase.

In addition to its reserves Lundin Petroleum has further assets classified as Contingent Resources with "Best Estimate" values (as defined by the SPE PRMS) of 259 MMBoe in aggregate and oil accounts for 90 percent. The contingent resources include contributions from the recent Avaldsnes and Apollo discoveries in Norway. Contingent Resources reported have been audited by GCA**.

The 2010 production forecast is 32,700 barrels of oil equivalent per day (boepd). The 2010 forecast net production includes production up to the date of the sale from certain assets divested in 2010. Excluding divested assets the 2010 forecast net production is 28,400 boepd. The forecast 2011 net production is between 28,000 and 33,000 boepd.

Ashley Heppenstall President & CEO of Lundin Petroleum commented: *"We have again been successful in growing our reserve base through our exploration driven strategy. This success has continued with the recent discovery in Norway of the Avaldsnes and Apollo fields which I am confident will result in further reserve increases in forthcoming years."*

*As per industry standards the reserve replacement ratio is defined as the ratio of reserve additions to production during the year, excluding acquisitions/sales. The reserves increase is calculated as the ratio of the 1.1.2011 reserves additions over the 1.1.2010 reserves adjusted for sales and production.

** GCA advises that there is always a risk that accumulations containing contingent resources might not be developed and achieve commercial production. The Contingent Resources reported herein are "Unrisked" in this respect.

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 187 million barrels of oil equivalent (MMboe) as per 2011.01.01.

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Visit our website: www.lundin-petroleum.com