

LUNDIN PETROLEUM – PRESS RELEASE

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LUNDIN PETROLEUM HAS BEEN AWARDED A NEW PRODUCTION SHARING CONTRACT IN INDONESIA

Lundin Petroleum AB ("Lundin Petroleum") is pleased to announce that it has been awarded a new production sharing contract (PSC) for the Gurita Block by MIGAS, the Indonesian oil and gas regulating authority, in Jakarta on 18 March 2011. The block is located in the Natuna Sea, offshore Indonesia.

The Gurita Block covers an area of approximately 8,018 km². The Gurita PSC lies adjacent to the main oil and gas producing area in the Natuna Sea and contains a portfolio of exploration opportunities that will be further delineated by the planned 3D seismic acquisition programme. Lundin Petroleum holds a 100 percent interest in the block.

During the first three year exploration phase Lundin Petroleum plans to shoot 400km² of 3D seismic.

The PSC is expected to be signed in April 2011.

Ashley Heppenstall President and CEO of Lundin Petroleum comments *"The award of the Gurita PSC further emphasizes the continued expansion of Lundin Petroleum's exploration portfolio within the Natuna Sea area of Indonesia and Malaysia. This new block is a further addition to Lundin Petroleum's activities in the area, following the acquisition of the South Sokang PSC secured in December 2010."*

Lundin Petroleum is a Swedish independent oil and gas exploration and production company with a well balanced portfolio of world-class assets in Europe, South East Asia, Russia 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).

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All statements other than statements of historical fact may be forward-looking statements. Statements concerning proven and probable reserves and resource estimates may also be deemed to constitute forward-looking statements and reflect conclusions that are based on certain assumptions that the reserves and resources can be economically exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions) are not statements of historical fact and may be "forward-looking statements". Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. No assurance can be given that these expectations and assumptions will prove to be correct and such forward-looking statements should not be unduly relied upon.

These statements speak only as on the date of this news release and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable laws. These forward-looking statements involve risks and uncertainties relating to, among other things, operational risks (including exploration and development risks), productions costs, availability of drilling equipment and access, reliance on key personnel, reserve estimates, health, safety and environmental issues, legal risks and regulatory changes, competition, geopolitical risk, financial risks. These risks and uncertainties are described in more detail under the heading "Risk Factors" and elsewhere in the Company's 2009 annual report. Readers are cautioned that the foregoing list of risk factors should not be construed as exhaustive. Actual results may differ materially from those expressed or implied by such forward-looking statements. Forward looking statements included in this new release are expressly qualified by this cautionary statement.