

# LUNDIN PETROLEUM – PRESS RELEASE



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NASDAQ OMX Stockholm : LUPE

Toronto Stock Exchange (TSX): LUP

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## **EARB SOUTH IS A OIL AND GAS DISCOVERY IN NORWEGIAN NORTH SEA**

**Marathon Oil Norge AS has completed the drilling of wildcat well 25/10-11 testing the Earb South prospect in PL505. The well was drilled about 8 km southwest of the small 25/7-2 discovery and 40 km south of the Heimdal Field in the northern Norwegian North Sea.**

The well encountered three separate hydrocarbon bearing Jurassic sandstones sequences with poor reservoir quality. The uppermost oil bearing interval comprised a 6-8 meter thick sand sequence immediately below the Draupne shale. Hydrocarbons were also sampled from an underlying 285 meter thick Upper Jurassic sequence. A 150 meter thick interval from this sequence was production tested. During the test oil and gas flowed to surface, but a sustainable stable flow was not achieved. Hydrocarbons were also encountered in a 20-30 meter thick Middle/Upper Jurassic sequence above TD.

Extensive data acquisition has been performed and will form the basis for further evaluation of the prospectivity in the area.

Ashley Heppenstall, president and CEO of Lundin Petroleum comments; *"The Earb South well encountered a very large hydrocarbon column and the discovery contains significant in-place volumes. The well was tested and flowed oil and gas to surface but the reservoir is tight and further work will be required to determine whether the discovery can be commercialized"*

This was the first exploration well in PL505. The well was drilled to a depth of 4,534 meters below sea surface and terminated in Jurassic sediments. Well 25/10-11 was drilled using the Transocean Winner drilling rig.

Lundin Petroleum is partner in the licence with 30 percent. Marathon Oil Norge AS is operator with 35 percent, VNG Norway AS has 20 percent interest and Maersk Oil Norway AS has 15 percent.

*Lundin Petroleum is a Swedish independent oil and gas exploration and production company with a well balanced portfolio of world-class assets primarily located in Europe and South East Asia. The Company is listed at the NASDAQ OMX, Stockholm (ticker "LUPE") and at the Toronto Stock Exchange (TSX) (Ticker "LUP"). 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 2010 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.

## ***Resources***

The recovery and production estimates of the Company's resources provided herein are only estimates and there is no guarantee that the estimated resources will be recovered or produced. Actual resources may be greater than or less than the estimates provided here. There is no certainty that it will be commercially viable for the Company to produce any portion of these resources.