

LUNDIN PETROLEUM – PRESS RELEASE

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NASDAQ OMX Stockholm : LUPE
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ALDOUS MAJOR SOUTH IS A SIGNIFICANT OIL DISCOVERY IN THE NORWEGIAN NORTH SEA

Lundin Petroleum AB (Lundin Petroleum) is pleased to announce that the drilling of exploration/appraisal well 16/2-8 on the Aldous South prospect in PL265 in the Norwegian North Sea has resulted in a significant oil discovery. The discovery is most likely an extension of the Avalsnes discovery made by Lundin Petroleum in PL501.

The well will be drilled to a vertical depth of 2,083 metres in water depths of 112 metres and is located 4 km to the west of the Avalsnes discovery well in PL501 where Lundin Petroleum is the operator with a 40 percent interest.

The well encountered a gross oil column in excess of 65 metres in sandstone of Jurassic age. The initial data acquisition program has confirmed excellent reservoir characteristics with a high net to gross ratio and the same oil- water contact as the Avalsnes discovery well proving likely communication between the two structures.

The acquisition of a comprehensive data set and samples is ongoing. Preliminary calculations of the size of the discovery made by operator Statoil are between 200 and 400 million barrels of gross recoverable oil equivalent which excludes the Aldous Major North structure to the north and additional potential within parts of the Aldous Major South structure to the south.

Lundin Petroleum will update its resource estimates for the Avalsnes/Aldous Major South discoveries located in both PL501 and PL265 after completion of the second Avalsnes appraisal well currently drilling and after reviewing all the Aldous Major South discovery well data.

Further appraisal drilling is planned in PL265 next year to further appraise the Aldous Major South discovery.

The well 16/2-8 was drilled using the rig Transocean Leader and will now move to drill the Aldous Major North prospect also located in PL265.

Ashley Heppenstall , President and CEO of Lundin Petroleum comments; *"The Aldous Major South well is of major significance confirming the extension of the Avalsnes discovery to the west into PL 265 with an increased reservoir thickness above the oil-water contact and continued excellent reservoir characteristics. Avalsnes/ Aldous Major South is a world class oil discovery and likely to be one of the largest Norwegian fields found in recent years.*

Lundin Petroleum is a partner with 10 percent interest in PL265. Statoil ASA is the operator with 40 percent, Petoro has 30 percent and Det Norske oljeselskap ASA has 20 percent interest.

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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The above information has been made public in accordance with the Swedish Securities Market Act and/or the Financial Instruments Trading Act.

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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), production 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.