

Update on the Brynhild project, offshore Norway

The Brynhild project is progressing at a slower pace than anticipated due to commissioning issues related to the FPSO operated by Shell on the Pierce Field in the UK sector. The upstream portion of the Brynhild project operated by Lundin Petroleum is progressing satisfactorily but the production start-up is now expected late in the third quarter of 2014.

The Brynhild field offshore Norway is a subsea tie-back to the Pierce field, operated by Shell (Enterprise Oil Ltd), in the UK sector. The production facility for the Pierce and Brynhild production is the Haewene Brim FPSO owned and operated by Bluewater owned Pierce Production Company Limited.

A comprehensive modification programme has been carried out on the Haewene Brim FPSO by owner Bluewater on behalf of the Pierce operator Shell in order to prepare for introduction of hydrocarbons from the Brynhild field commingled with the existing Pierce field.

The completed scope for the modifications include upgrading of the topside heaters, significant upgrades of metering systems, installation of upgraded subsea control system and replacement of the risers. Whilst the upgrades of the topside and subsea equipment as well as the risers' installations have been completed, ongoing commissioning activities for start-up have taken longer than anticipated to be completed prior to the re-introduction of hydrocarbons into the FPSO.

As a result of the revised Brynhild first oil date, Lundin Petroleum's net production for 2014 is now expected to be in the range 25,000 – 30,000 barrels of oil equivalent per day (boepd).

Ashley Heppenstall, President and CEO of Lundin Petroleum, commented: "We are disappointed and frustrated that the Haewene Brim FPSO is still not ready to accept Brynhild production. Nevertheless we remain confident regarding the productivity of the Brynhild reservoir and the project delays have had no impact on Brynhild reserves. The delay in first production has clearly impacted our 2014 production guidance but we still retain our production guidance for 2015 of approximately 50,000 boepd"

Lundin Norway AS, a wholly owned subsidiary of Lundin Petroleum AB, is the operator of PL148 with a 90 percent interest. The partner is Talisman Energy Norge with a 10 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 194 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 relied upon. These statements speak only as on the date of the information 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, reliance on key personnel, reserve estimates, health, safety and environmental issues, legal risks and regulatory changes, competition, geopolitical risk, and financial risks. These risks and uncertainties are described in more detail under the heading "Risks and Risk Management" and elsewhere in the Company's 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 are expressly qualified by this cautionary statement.

Reserves and Resources

Unless otherwise stated, Lundin Petroleum's reserve and resource estimates are as at 31 December 2013, and have been prepared and audited in accordance with National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("NI 51-101") and the Canadian Oil and Gas Evaluation Handbook ("COGE Handbook"). Unless otherwise stated, all reserves estimates contained herein are the aggregate of "Proved Reserves" and "Probable Reserves", together also known as "2P Reserves". For further information on reserve and resource classifications, see "Reserves, Resources and Production" in the Company's annual report.

Contingent Resources

Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but are not currently considered to be commercially recoverable due to one or more contingencies. Contingencies may include factors such as economic, legal, environmental, political and regulatory matters or a lack of markets. There is no certainty that it will be commercially viable for the Company to produce any portion of the Contingent Resources. Unless otherwise stated, all contingent resource estimates contained herein are the best estimate ("2C") contingent resources.

Prospective Resources

Prospective Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective Resources have both a chance of discovery and a chance of development. There is no certainty that any portion of the Prospective Resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the Prospective Resources. Unless otherwise stated, all Prospective Resource estimates contained herein are reflecting a P50 Prospective Resource estimate. Risked Prospective Resources reported herein are partially risked. They have been risked for chance of discovery, but have not been risked for chance of development.

BOEs

BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf : 1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.