

Lundin Petroleum AB: Edvard Grieg Appraisal Well 16/1-18 Successfully Completed

May 12, 2014 (Source: Marketwired) – Lundin Petroleum AB (TSX:LUP)(OMX:LUPE)(Lundin Petroleum), through its wholly owned subsidiary Lundin Norway AS (Lundin Norway), is pleased to announce that the appraisal drilling and testing of the well 16/1-18 on the Edvard Grieg field in the North Sea sector of the Norwegian Continental shelf has been successfully completed.

The Edvard Grieg field was discovered by well 16/1-8 drilled in 2007. The appraisal well 16/1-18 was drilled 2.4 kilometres east of the Edvard Grieg production platform.

The objective of the well was to appraise the reservoir properties in the south eastern part of the Edvard Grieg field in order to optimise the drainage strategy and drilling of production wells in this part of the field.

The well encountered approximately 62 metres of oil bearing conglomeratic sandstone sequence dated late Upper Jurassic. The reservoir sequence was cored and an extensive logging programme was acquired. Good reservoir quality was established in the upper 43 metres and moderate reservoir quality in the lower 19 metres of the oil bearing zone. An oil down-to situation was established.

A production test (DST) was carried out in a 13 metre perforation interval in the lowest part of the oil bearing zone. The test yielded over 800 barrels of oil per day through a 28/64 inch choke, demonstrating good permeability and good vertical communication across the entire 62 metres oil zone. The upper part of the reservoir with the best reservoir quality was planned to be perforated and tested in a comingled

test with the lower zone, but this was cancelled due to operational issues. Nevertheless, a mini-DST in the upper oil bearing zone confirmed good quality reservoir properties.

Ashley Heppenstall, President and CEO of Lundin Petroleum, commented: "The results of the Edvard Grieg appraisal well provided encouraging results in respect of the quality of the conglomeratic reservoir which is much better than seen in other wells. This provides upside in relation to the resource contribution from this reservoir where we previously assumed low recovery factors. The lack of sandstone reservoir at this location is however disappointing. At this stage I expect the impact on Edvard Grieg resources to be neutral with upside remaining from the conglomeratic reservoir."

Appraisal well 16/1-18 was drilled to a vertical depth of 2,361 metres below mean sea level (MSL) and was terminated in the Granitic basement. The well will be permanently plugged and abandoned. The water depth is 109 metres.

Lundin Norway is the operator of PL338 with a 50 percent interest. The partners are OMV Norge AS with 20 percent, Statoil Petroleum AS with 15 percent interest and Wintershall Norge AS with 15 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).

This information has been made public in accordance with the Securities Market Act (SFS 2007:528) and/or the Financial Instruments Trading Act (SFS 1991:980).

Forward-Looking Statements

Certain statements made and information contained herein constitute "forward-looking information" (within the meaning of applicable securities legislation). Such statements and information (together, "forward-looking statements") relate to future events, including the Company's future performance, business prospects or opportunities. Forward-looking statements include, but are not limited to, statements with respect to estimates of reserves and/or resources, future production levels, future capital expenditures and their allocation to exploration and development activities, future drilling and other exploration and development activities. Ultimate recovery of reserves or resources are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

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), production 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.

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.