

Further improvements on the Johan Sverdrup project

Lundin Petroleum AB (Lundin Petroleum) is pleased to announce that Phase 1 of the Johan Sverdrup project is over halfway complete and that the partnership has further reduced the gross capital expenditure to NOK 92 billion.

Phase 1 of the Johan Sverdrup project continues to progress according to plan and is now close to 60 percent complete.

Due to improvements in project execution and delivery, gross Phase 1 development costs have been further reduced by NOK 5 billion to NOK 92 billion. This represents a saving of 25 percent compared to the original estimate in the plan for development and operation, excluding additional foreign exchange rate savings in US dollar terms.

Alex Schneider, CEO and President of Lundin Petroleum comments: "*The world class Johan Sverdrup project is progressing really well and continues to get better and better. It is very encouraging to see that we have now passed the halfway mark in Phase 1 of the project and are ahead of schedule. It has been my long held view that costs will continue to come down and today we can announce that the Johan Sverdrup partnership has managed to lower development costs even further.*"

The breakeven price for the full field development is estimated to less than USD 25 per barrel and the total resources in the Johan Sverdrup field are estimated to between 2.0 and 3.0 billion barrels of oil equivalent.

Phase 1 remains firmly on track for first oil in late 2019 with an estimated production capacity of 440 Mbopd. Phase 2 will add another processing platform to the field centre which is estimated to increase the processing capacity for the full field to 660 Mbopd. Phase 2 is scheduled to start production in 2022.

Lundin Norway holds a 22.6 percent working interest in the Johan Sverdrup project and Statoil is the operator with 40.0267 percent. The remaining partners are Maersk Oil with 8.44 percent, Petoro with 17.36 percent and Aker BP with 11.5733 percent working interest.

Lundin Petroleum is one of Europe's leading independent oil and gas exploration and production companies with operations focused on Norway and listed on NASDAQ Stockholm (ticker "LUPE"). Read more about Lundin Petroleum's business and operations at www.lundin-petroleum.com

For further information, please contact:

Alex Budden
VP Communications &
Investor Relations
Tel: +41 22 595 10 19
alex.budden@lundin.ch

or

Sofia Antunes
Investor Relations Officer
Tel: +41 22 595 10 00
sofia.antunes@lundin.ch

or

Robert Eriksson
Manager, Media Communications
Tel: +46 701 11 26 15
robert.eriksson@lundin-petroleum.se

This is information that Lundin Petroleum AB is required to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the contact persons set out above, at 07.30 CEST on 4 September 2017.

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.