

# LUNDIN PETROLEUM – PRESS RELEASE



Lundin Petroleum AB (publ)  
Hovslagargatan 5  
SE-111 48 Stockholm  
Tel: +46-8-440 54 50, Fax: +46-8-440 54 59, E-mail: info@lundin.ch

Company registration number 556610-8055

NASDAQ OMX Stockholm : LUPE  
Toronto Stock Exchange (TSX): LUP

Visit our website: [www.lundin-petroleum.com](http://www.lundin-petroleum.com)

Stockholm 3 August 2011

## Lundin Petroleum AB –Financial report for the six month period ended 30 June 2011

### Six months ended 30 June 2011

- Production of 32,300 boepd up 13% from the first six months 2010
- Profit after tax of MUSD 130.3 up 526% from the first six months 2010
- EBITDA of MUSD 505.3 up 96% from the first six months 2010
- Operating cash flow of MUSD 390.3 up 52% from the first six months 2010
- Net debt down to below MUSD 120 from MUSD 410 at year end
- Five exploration discoveries, four in Norway and one in Malaysia
- Ten Norwegian licences awarded in the 2010 Norwegian licensing round, six as operator
- Operated licence awarded in Barents Sea in the 21<sup>st</sup> Norwegian licensing round
- Operated Gurita block awarded in the Natuna Sea, offshore Indonesia

### Second Quarter ended 30 June 2011

- Production of 31,100 boepd
- Profit after tax of MUSD 76.9
- EBITDA of MUSD 266.9
- Operating cash flow of MUSD 196.7
- Three exploration discoveries – Skalle and Earb South discoveries in Norway and Tarap discovery in Malaysia
- Appraisal well confirmed extension of the Avaldsnes discovery
- New operated block PM307 awarded in Malaysia
- Brynhild field plan of development (formerly called Nemo) submitted

### *Comments from C. Ashley Heppenstall, President and CEO*

Lundin Petroleum achieved excellent results in the second quarter of 2011 with increased profitability and cash flow. What is extremely pleasing however, is the continued exploration success. I have always highlighted that the major valuation creation for our company will be achieved through increasing our oil and gas resources, and the best way to do that is through exploration.

Lundin Petroleum produced a net result for the first six months of MUSD 130.3. The strong production coupled with oil prices achieved of well over USD 100 per barrel resulted in operating cash flow of MUSD 390.3 and EBITDA of MUSD 505.3. Despite our significant exploration and development investment programme net debt during the first half of the year has reduced from MUSD 410 to below MUSD 120.

The positive exploration news has continued during the second quarter with further discoveries at Skalle in PL438 in the Barents Sea, Earb South in PL505 in the northern Norwegian north Sea and Tarap in Block SB303 offshore East Malaysia. In addition the results of the first Avaldsnes appraisal well were extremely encouraging confirming the extension of the Avaldsnes field to the south east. We have now achieved five discoveries from our first five exploration wells this year following the Tellus and Caterpillar discoveries during the first quarter.

Our business is continuing to grow and I am confident we will continue to increase shareholder value. We are generating strong cash flow and profitability from our existing production which is outperforming, our development projects are proceeding well and our exploration success continues.

---

**Listen to President & CEO Ashley Heppenstall and CFO Geoffrey Turbott comment on the report at the audio cast presentation 3 August at 14.00 CET.**

**The presentation and slides will be available on [www.lundin-petroleum.com](http://www.lundin-petroleum.com) following the presentation. Please dial in to listen to the presentation on the following telephone number: + 44 (0) 203 043 24 36.**

---