

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

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LUNDIN PETROLEUM AWARDS LETTER OF INTENT TO KVAERNER FOR TOPSIDE INSTALLATIONS ON EDVARD GRIEG

Lundin Petroleum AB ("Lundin Petroleum") is pleased to announce that its wholly owned subsidiary Lundin Norway AS as operator for PL338 containing the Edvard Grieg field (previously named Luno) has, with its partners Wintershall Norge AS (Wintershall) and RWE Dea Norge AS (RWE Dea), awarded a letter of intent to Kvaerner Stord AS for topside installations for the Edvard Grieg development.

Edvard Grieg is an oil and gas field located in the Norwegian sector of the North Sea which incorporates both the Luno and Tellus discoveries. First production from the Edvard Grieg field in PL338 is expected in late 2015 with a forecast gross peak production of approximately 100,000 barrels of oil equivalent per day (boepd) (90,000 barrels of oil per day (bopd) and 1.5 million Sm³ of gas per day). The capital cost of the Edvard Grieg development including platform, pipelines and production wells is estimated at USD 4 billion. The Edvard Grieg platform design capacity will accommodate in excess of 160,000 boepd (130,000 bopd and 4 million Sm³ gas per day) when Draupne production is combined with that from the Edvard Grieg field.

The Letter of Intent is an Engineering, Procurement and Construction (EPC) contract for the topside facilities for the Edvard Grieg platform. The topside is built up of four main elements: deck frame, utility module, process module and living quarters. Engineering will be performed by Aker Solutions AS, deck frame and utility module will be constructed by Kvaerner Stord AS, the process module by Aker Egersund AS and the living quarters by Apply Leirvik AS. The modules will be delivered mechanically complete and commissioned in April 2015 for installation on the already installed jacket in May 2015.

Ashley Heppenstall, President and CEO of Lundin Petroleum comments; "The topside contract for the Edvard Grieg project is the largest component of the field development. As such we are extremely pleased to award this contract to Kvaerner with whom we are looking forward to delivering this project on schedule and budget."

Lundin Petroleum is the operator and has a 50 percent working interest in the Edvard Grieg field. Wintershall and RWE Dea hold a 30 percent and a 20 percent interest, respectively.

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 211 million barrels of oil equivalent (MMboe).

For further information, please contact:

C. Ashley Heppenstall,
President and CEO
Tel: +41 22 595 10 00

or

Maria Hamilton
Head of Corporate Communications
maria.hamilton@lundin.ch
Tel: +41 22 595 10 00
Tel: +46 8 440 54 50
Mobile: +41 79 63 53 641

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 2011, 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").

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.

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.