

Lundin Petroleum to sell FPSO Bertam

Lundin Petroleum AB (“Lundin Petroleum”) is pleased to announce that it has entered into an agreement to sell the FPSO Bertam to M3nergy Investment Ltd (“M3nergy”), a wholly owned subsidiary of M3nergy Berhad of Malaysia. Lundin Petroleum will receive a cash consideration of USD 265 million, based on a transaction effective date of 1 January 2016.

Lundin Petroleum and M3nergy have entered an agreement under which Lundin Petroleum will sell to M3nergy the 100 percent issued share capital of Lundin Services Limited which owns the FPSO Bertam. The agreement remains subject to certain completion conditions, including finalisation of M3nergy’s external financing. The transaction is expected to complete during the first quarter of 2016.

Lundin Petroleum completed an extensive upgrade and life extension programme on the FPSO Bertam in 2015 and the FPSO is now operating on the Bertam field in Block PM307, offshore peninsular Malaysia. The Bertam field commenced production in April 2015. Lundin Petroleum is the operator of the Bertam field with a 75 percent working interest, with Petronas Carigali holding the remaining 25 percent working interest.

M3nergy Berhad is a wholly owned subsidiary of the Sabah Development Bank Berhad in Malaysia, which is in turn wholly owned by the Ministry of Finance of the State of Sabah, part of Federation of Malaysia. M3nergy Berhad is an integrated service provider to the oil and gas industry in South East Asia.

Alex Schneider, President and Chief Executive Officer of Lundin Petroleum, comments: *“We are very pleased to be doing this deal with M3nergy, an experienced Malaysian FPSO owner. Owning infrastructure assets is not part of Lundin Petroleum’s core strategy and this transaction will allow us to redeploy this capital into other areas of our business to fund our value driven growth.”*

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 on NASDAQ Stockholm (ticker “LUPE”). Lundin Petroleum has proven and probable reserves of 187.5 million barrels of oil equivalents (MMboe) as at 31 December 2014 and 515 MMboe in respect of the Johan Sverdrup field as at 11 August 2015.

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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), 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.