

09 April 2009

## NOTICE OF ANNUAL GENERAL MEETING IN LUNDIN PETROLEUM AB

The shareholders of Lundin Petroleum AB are hereby invited to the Annual General Meeting of the shareholders to be held on Wednesday, 13 May 2009 at 1 p.m. (Swedish time). Location: The Movie Theatre Skandia, Drottninggatan 82 in Stockholm.

### Attendance at the meeting

Shareholders wishing to attend the meeting shall:

- be recorded in the share register maintained by Euroclear Sweden AB (former VPC AB) on Thursday 7 May 2009; and notify Lundin Petroleum of their intention to attend the meeting not later than Friday 8 May 2009 in writing to Lundin
- Petroleum AB, Hovslagargatan 5, SE-111 48 Stockholm, Sweden, or by fax Int +46-8-440 54 59, or by telephone Int +46-8-440 54 50, or by e-mail [bolagsstamma@lundin.ch](mailto:bolagsstamma@lundin.ch).

Shareholders whose shares are registered in the name of a nominee must temporarily register the shares in their own names in the shareholders' register in order to be entitled to attend the meeting. Such registration must be effected by 7 May 2009.

### Agenda

1. Opening of the meeting.
2. Election of Chairman of the meeting.
3. Preparation and approval of the voting register.
4. Approval of the agenda.
5. Election of one or two persons to approve the minutes.
6. Determination as to whether the meeting has been duly convened.
7. Speech by the Managing Director.
8. Presentation of the annual report and the auditors' report, the consolidated annual report and the auditors' group report.
9. Resolution in respect of adoption of the profit and loss statement and the balance sheet and the consolidated profit and loss statement and consolidated balance sheet.
10. Resolution in respect of appropriation of the company's profit or loss according to the adopted balance sheet.
11. Resolution in respect of discharge from liability of the members of the Board and the Managing Director.
12. Presentation by the Nomination Committee:
  - The work of the Nomination Committee
  - Proposal for election of Chairman of the Board and other members of the Board
  - Proposal for remuneration of the Chairman and other members of the Board
  - Proposal for election of auditors
  - Proposal for remuneration of the auditors.
13. Resolution in respect of the number of members of the Board to be elected at the meeting.
14. Resolution in respect of remuneration of the Chairman and other members of the Board.
15. Election of Chairman of the Board and of other members of the Board.
16. Election of auditors.
17. Resolution in respect of remuneration of the auditors.
18. Presentation of proposals in relation to:
  - Principles for compensation and other terms of employment for management
  - Remuneration of Board members for special assignments outside the directorship
  - Authorization of the Board to resolve new issue of shares and convertible debentures
  - Authorization of the Board to resolve repurchase and sale of shares
  - Amendment of the Articles of Association regarding the object of the Company's business and notice of a General Meeting.
19. Resolution in respect of principles for compensation and other terms of employment for management.
20. Resolution in respect of remuneration of Board members for special assignments outside the directorship.
21. Resolution to authorize the Board to resolve new issue of shares and convertible debentures.
22. Resolution to authorize the Board to resolve repurchase and sale of shares.
23. Resolution in respect of amendment of the Articles of Association.
24. Resolution regarding the nomination process for the AGM in 2010.
25. Other matters.
26. Closing of the meeting.

### Proposals for resolutions

#### **Resolution in respect of appropriation of the company's profit or loss according to the adopted balance sheet (item 10)**

The Board of Directors proposes that no dividend is declared for the financial year 2008.

Resolutions in respect of Chairman of the meeting, number of Board members, fees payable to the Board members and auditors, election of Chairman of the Board and of other members of the Board and election of auditors (items 2, and 13-17)

Lundin Petroleum AB's Nomination Committee, consisting of Ian H. Lundin (Chairman of the Board of Directors), Magnus Unger, (Member of the Board of Directors and Chairman of the Nomination Committee), KG Lindvall (Swedbank Robur), Carl Rosén (Second Swedish National Pension Fund) and Ossian Ekdahl (First Swedish National Pension Fund), jointly representing approximately 40 per cent of the voting rights for all the shares in Lundin Petroleum AB, proposes the following:

- Election of advokat Erik Nerpin as Chairman of the meeting.
- Election of seven members of the Board of Directors with no deputy members.
- A total compensation to the Board of Directors of SEK 3.5 million to be divided as follows. SEK 800'000 to the Chairman, SEK 400'000 to other members of the Board not employed in Lundin Petroleum and SEK 100'000 for each assignment in the Committees of the Board of Directors (in total not more than SEK 700'000 for committee work).
- Re-election of the members of the Board Ian. H. Lundin, Magnus Unger, William A. Rand, Lukas H. Lundin, C. Ashley Heppenstall and Asbjørn Larsen and election of Dambisa F. Moyo as new member of the Board. Dambisa F. Moyo is a former Global Economist at Goldman Sachs in London. She previously worked at the World Bank in Washington DC. Dambisa F. Moyo holds a Doctorate in Economics from Oxford University and a Masters in Public Administration, International Trade and Finance from Harvard University.
- Re-election of Ian H. Lundin as Chairman of the Board of Directors.
- Re-election of Ian H. Lundin as Chairman of the Board of Directors.
- Election of PricewaterhouseCoopers AB as auditors with the authorized public accountant Bo Hjalmarsson as the auditor in charge.
- Payment of auditors' fees upon approval of their invoice.

#### **Resolution in respect of principles for compensation and other terms of employment for management (item 19)**

The Board of Directors' proposal for principles for compensation and other terms of employment for Lundin Petroleum's management entails that it is the aim of Lundin Petroleum to recruit, motivate and retain high calibre executives capable of achieving the objectives of the group, and to encourage and appropriately reward superior performance in a manner that enhances shareholder value. Accordingly, the Group operates a Policy on Remuneration which ensures that there is a clear link to business strategy and a close alignment with shareholder interests and current best practice, and aims to ensure that senior executives are rewarded fairly for their contribution to the Group's performance.

There are five key elements to the remuneration package of management in the Group: a) Basic salary; b) Yearly variable salary; c) Long-term Incentive Plan (LTIP); d) Pension arrangements; and e) Non-financial benefits. The yearly variable salary shall normally be within the range of 1 - 10 monthly salaries.

The proposed 2009 LTIP entails a remuneration plan related to the Company's share price. Lundin Petroleum's undertaking under the proposed LTIP may be secured through repurchase of shares and will not include any dilution of the share capital. The details of the proposed LTIP are described in the Board of Directors' complete proposal.

#### **Remuneration of Board members for special assignments outside the directorship (item 20)**

Shareholders jointly representing approximately 30 per cent of the voting rights for all the shares in the company propose that an amount of not more than SEK 2.5 million in total be available for remuneration of Board members for special assignments outside the directorship.

#### **Authorization to resolve new issue of shares and convertible debentures (item 21)**

The Board of Directors proposes that the Board is authorized to decide, at one or more occasions until the next Annual General Meeting:

(i) to issue new shares with consideration in cash or in kind or by set-off or otherwise with conditions and thereby be able to resolve to disapply the shareholders' pre-emption rights. To the extent the new shares are issued with disapplication of the shareholders' pre-emption rights they shall be issued at a subscription price that closely corresponds to the market price of the shares at the time of the issue; and

(ii) to issue convertible debentures with consideration in cash or in kind or by set-off or otherwise with conditions and thereby be able to resolve to disapply the shareholders' pre-emption rights. To the extent the convertible debentures are issued with disapplication of the shareholders' pre-emption rights they shall be issued at a subscription price that closely corresponds to market value based on the market price of the shares at the time of the issue of the convertible debentures.

The reason for disapplying the shareholders' pre-emption rights is to enable Lundin Petroleum to make business acquisitions or other major investments. The total number of shares that can be issued based on the authorization may not exceed 35'000'000. If the authorization is exercised in full, the newly issued shares would constitute approximately 10 per cent of the share capital.

#### **Authorization to resolve repurchase and sale of shares (item 22)**

The Board of Directors proposes that the Board is authorized, during the period until the next Annual General Meeting, to decide on repurchases and sales of Lundin Petroleum shares on the NASDAQ OMX Stockholm (the "Exchange"). The maximum number of shares repurchased shall be such that shares held in treasury from time to time do not exceed five per cent of all shares of the Company. Repurchase of shares on the Exchange may take place only at a price within the spread between the highest bid price and lowest ask price as registered from time to time on the Exchange. The repurchases shall be made in accordance with the provisions concerning the purchase and sale of a company's own shares in the "Rule Book for Issuers" issued by the Exchange.

The purpose of the authorization is to provide the Board of Directors with an instrument to optimize Lundin Petroleum's capital structure and thereby create added value for the shareholders and to secure Lundin Petroleum's obligations under the Long Term Incentive Plan ("LTIP", see item 19 above). The authorization shall also include the right to secure the obligations under the LTIP by the acquisition of derivatives. Repurchased shares may not be transferred to employees.

#### **Amendment of the Articles of Association (item 23)**

The Board of Directors proposes that section 3 of the Articles of Association be amended in accordance with the following.

"The object of the Company's business is to explore, develop and produce oil and gas, to develop other energy resources, and to undertake activities compatible therewith, either directly or indirectly through its subsidiaries, associated companies or other forms of joint enterprises."

The Board of Directors further proposes that the first two paragraphs of section 10 of the Articles of Association be amended in accordance with the following.

"Notice of a General Meeting of shareholders shall be published in the Official Swedish Gazette (Post- och Inrikes Tidningar) **as well as on the Company's website. At the time of the notice, an announcement with information that the notice has been issued shall be published in Svenska Dagbladet.**

Notice of the Annual General Meeting and of any Extraordinary General Meeting at which a proposal for amendment of the Articles of Association will be considered shall be issued no more than six and no less than four weeks prior to the Meeting. Notice of any other Extraordinary General Meetings shall be issued no more than six weeks and no less than three weeks prior to the Meeting."

The Board of Directors proposes that the resolution by the AGM regarding section 10 of the Articles of Association shall be conditional upon the proposed amendment of the Companies Act (SFS 2005:551) having come into force, entailing that the proposed amendment of the Articles of Association is in accordance with the Companies Act.

#### **Resolution regarding the nomination process for the AGM in 2010 (item 24)**

The Nomination Committee proposes that the Annual General Meeting decides that the nomination process for the Annual General Meeting in 2010 shall follow the same procedure as the current year, meaning that the Chairman of the Board shall invite three or four of the largest shareholders of the company to form a Nomination Committee. The names of the members of the Nomination Committee shall be announced not later than six months prior to the Annual General Meeting in 2010. The Nomination Committee shall prepare the following proposals for resolutions to the Annual General Meeting in 2010: (i) proposal for Chairman of the meeting; (ii) proposal for members of the Board of Directors; (iii) proposal for Chairman of the Board of Directors; (iv) proposal for remuneration of the members of the Board of Directors, distinguishing between the Chairman and other members of the Board and remuneration for Committee work; (v) proposal for remuneration of the Company's auditors; and (vi) proposal for principles of the nomination process for the AGM in 2011. If the shareholding in the Company is significantly changed before the Nomination Committee's work is completed, a change in the composition of the Nomination Committee may take place. The Nomination Committee shall remain in office until a new Nomination Committee has been appointed.

### Further information

Lundin Petroleum AB's share capital amounts to SEK 3'179'105,80, represented by 317'910'580 shares. Each share carries one vote. Lundin Petroleum AB holds, as per 8 April 2009, 4'490'300 own shares which cannot be represented at the Annual General Meeting.

The following information will be available at Lundin Petroleum's office (see address above) and on Lundin Petroleum's website [www.lundin-petroleum.com](http://www.lundin-petroleum.com) no later than 15 April 2009: The Nomination Committee's complete proposal regarding the items 2, 13-17 and 24, including a motivated opinion regarding the proposal for the Board of Directors; the Board of Directors complete proposal for resolutions regarding items 19 and 21-23; the shareholder proposal for resolution regarding item 20; and Lundin Petroleum's annual report, the audit report and the statement of the auditors regarding the application of guidelines for remuneration.

All documents will be sent to shareholders free of charge upon request.

Stockholm in April 2009  
LUNDIN PETROLEUM AB (publ)  
The Board of Directors

*Lundin Petroleum is a Swedish independent oil and gas exploration and production company with a well balanced portfolio of world-class assets in Europe, Africa, Russia and the Far East. The Company is listed at the Nordic Exchange, Sweden (ticker "LUPE").*

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