

Lundin Petroleum

Capital Markets Day

31 January 2020



Lundin
Petroleum



Lundin Petroleum 2020 Capital Markets Day

Agenda

1. 2019 a truly transformative year

- focused on future growth

2. World class assets

- producing assets and production growth

3. Johan Sverdrup

- in a league of its own

4. Continued organic growth

- focused on growing through the drill bit

----- Coffee break -----

5. Decarbonisation strategy

- the path to carbon neutrality

6. Financial discipline and strength

- proving the model works

7. Concluding remarks

8. Q&A

Who will be presenting today....



Alex Schneider
President & CEO



Nick Walker
COO



Teitur Poulsen
CFO



Kristin Færøvik
Managing Director
Norway



Per Øyvind Seljebotn
Exploration & Reservoir
Development Director

2019 a truly transformative year

focused on future growth



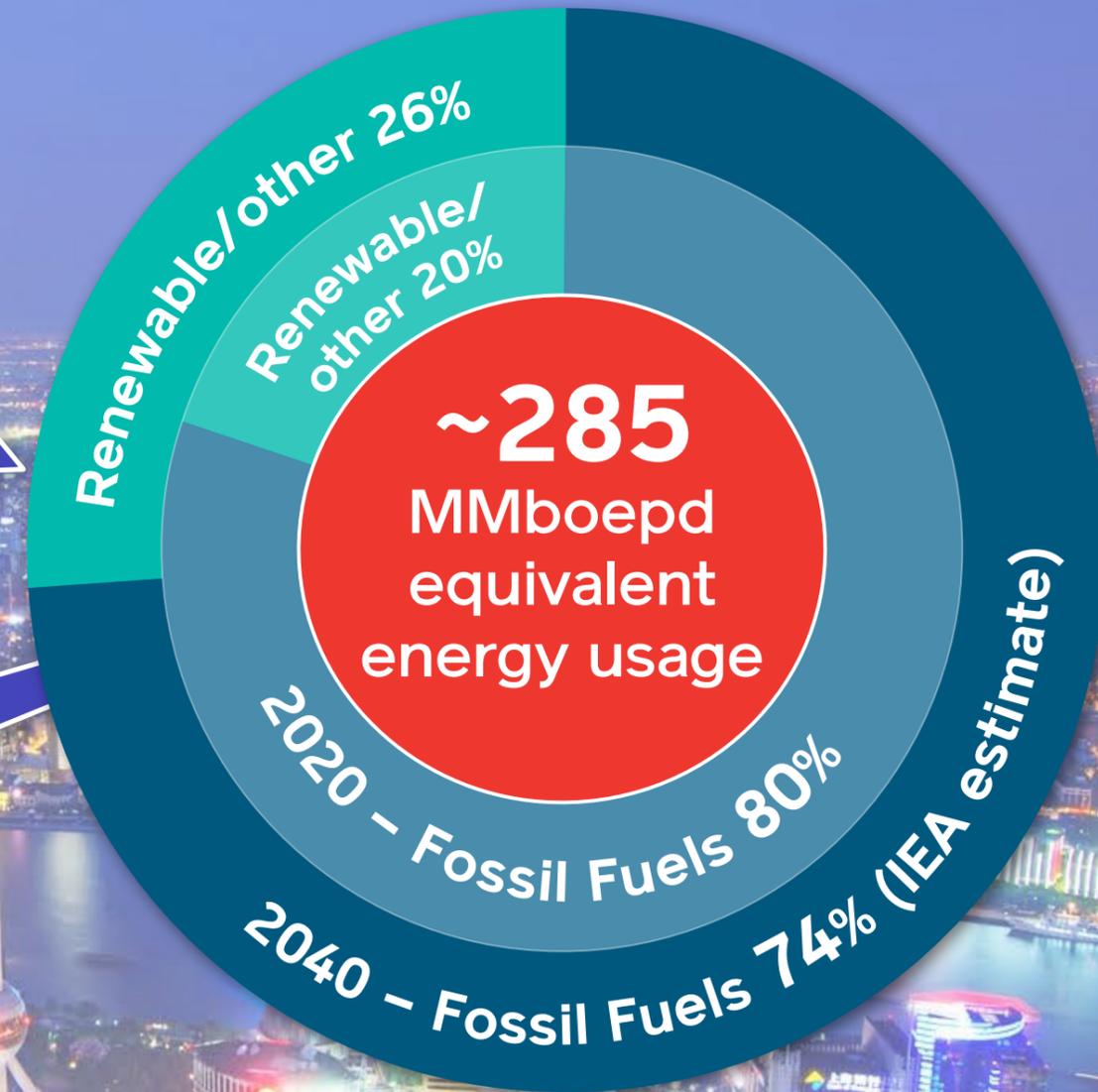
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The Reality and the Challenge

Energy Transition to Take Decades

Since 1970
Oil demand **+50%**
Population **doubled**

Since 1970
World economic growth **4x**
CO₂ emissions **+120%**



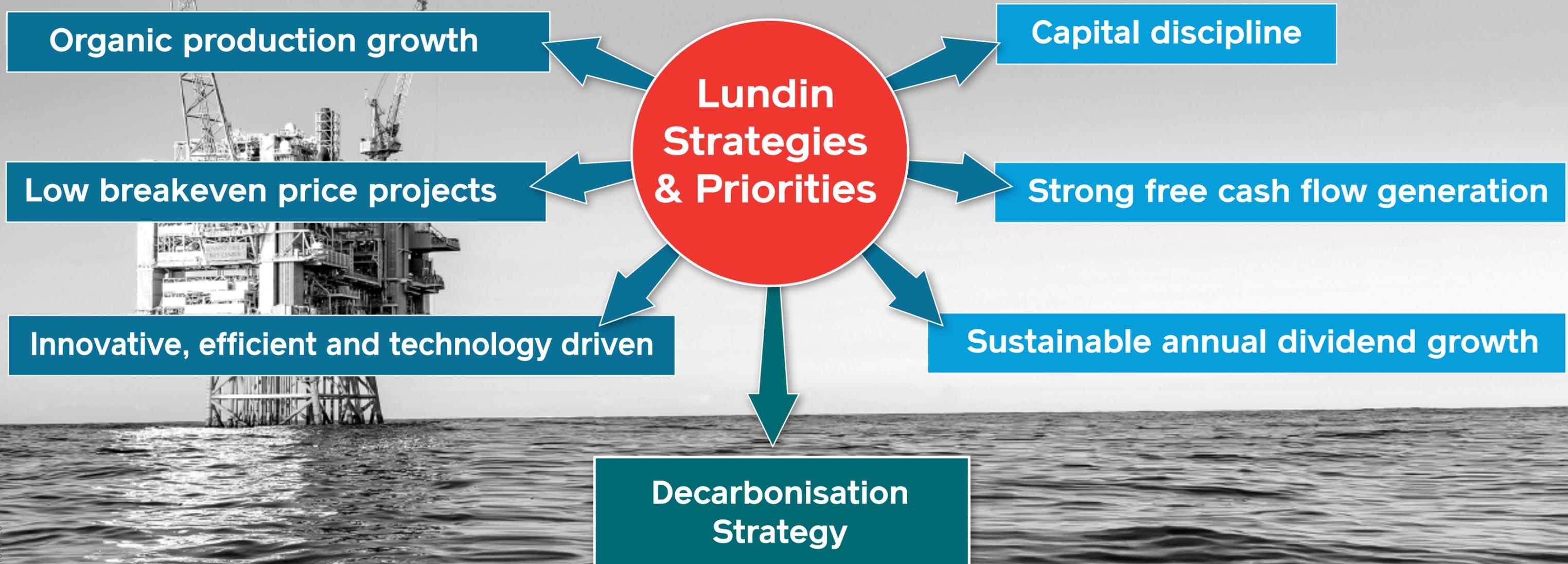
By 2050
World population **+25%**
Energy usage **+50%**

The energy industry challenge....
meet **world demand** while
decarbonising the energy system

Implementing the right
strategy & priorities
is key

World economic growth - GDP (constant 2010 USD)

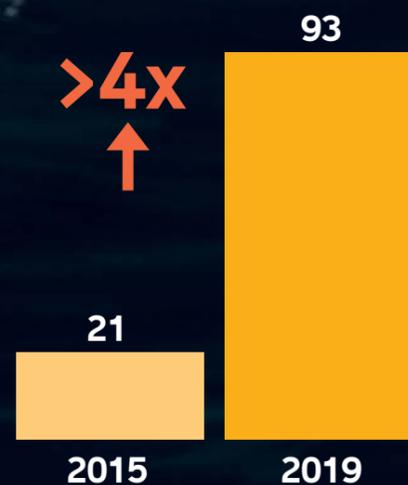
Lundin Petroleum Strategies and Priorities



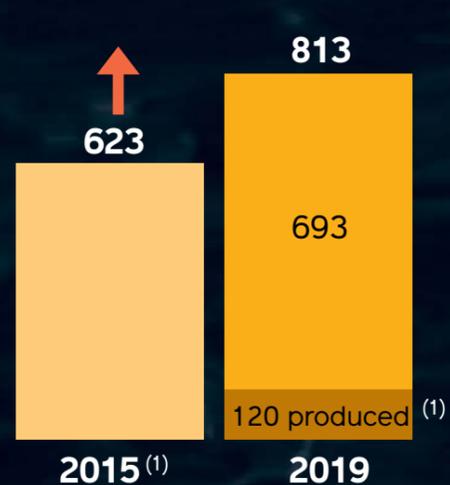
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A Brief Glance at the Past

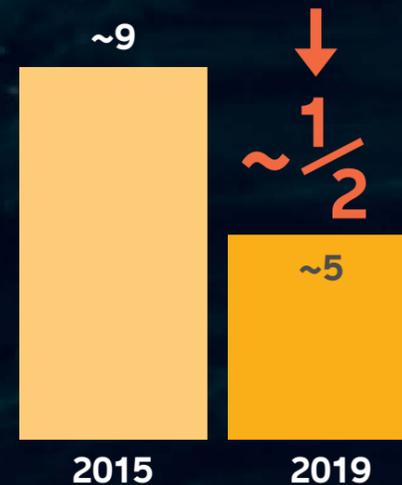
Production (Mboepd)



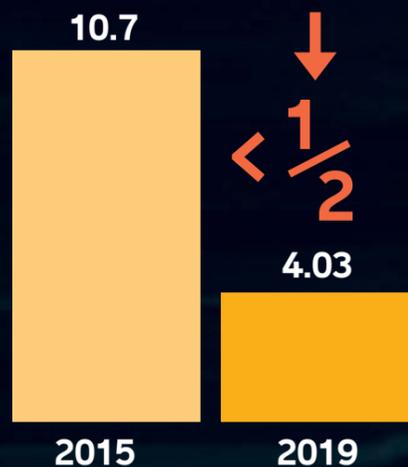
2P Reserves (MMboe)



Carbon Emissions (kg CO₂/boe)



Operating Cost (USD/boe)



EBITDA (MUSD)



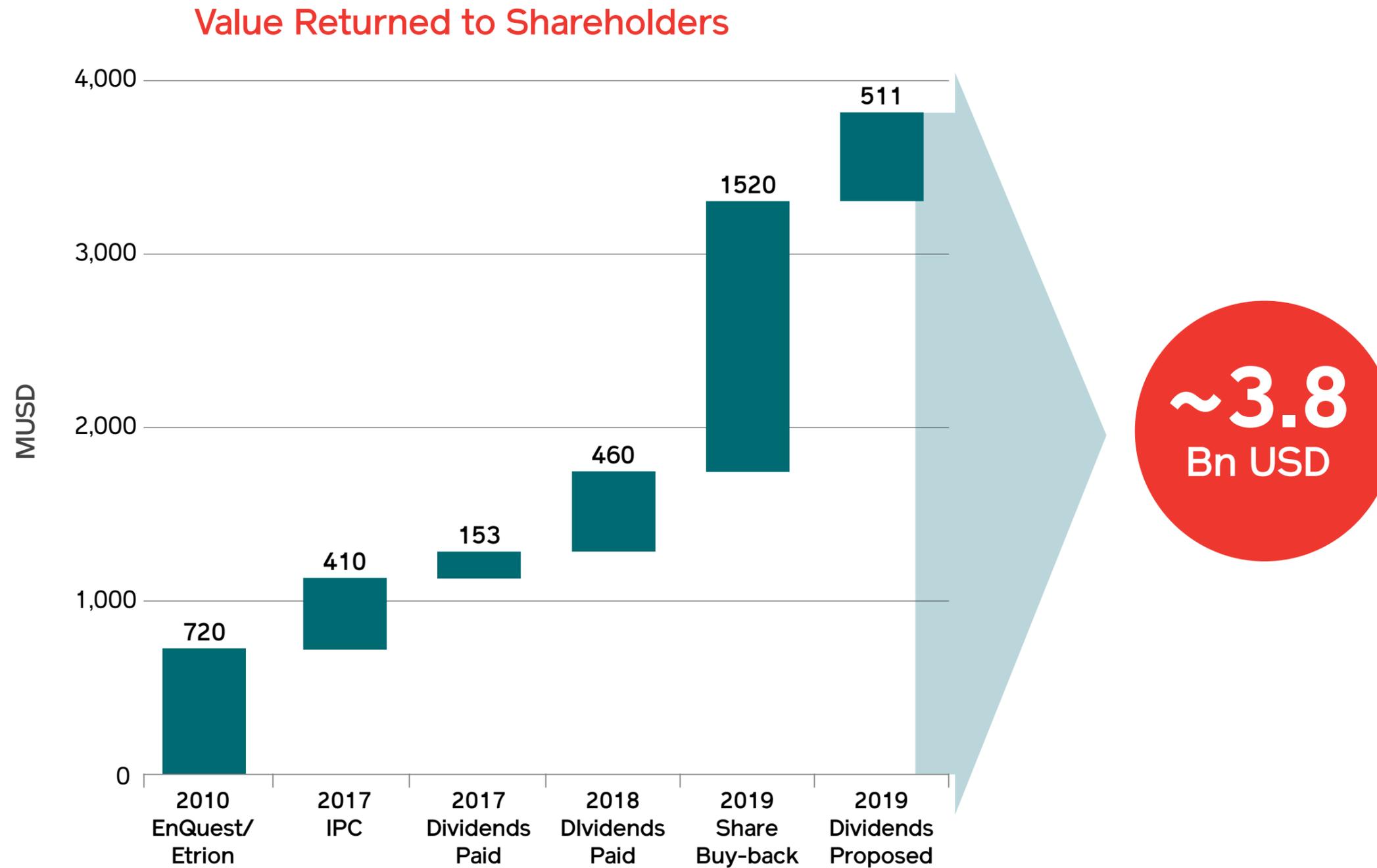
Share Price (SEK)



⁽¹⁾ Corrected for asset transactions

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Shareholder Returns - Track Record



Total shareholder return 2001–2019 CAGR 35%

Lundin Petroleum 2019 Highlights

Production

93.3 Mboepd
upper end of original guidance

Industry Leading Operating Costs

4.03 USD/boe
5% below guidance

Strong Free Cash Flow

1.3 Bn USD

Johan Sverdrup First Oil

Ramp-up
ahead of expectations

Increased Reserves ⁽¹⁾

150%
replacement ratio

Organic Growth

4 projects underway
4 projects in appraisal phase



(1) Proved plus probable reserves

Lundin Petroleum

What to Expect in 2020

Production
145–165
Mboepd

Sustained Low OPEX
3.40
USD/boe

Johan Sverdrup
Phase 1 Plateau
Summer 2020

Organic Growth
4 projects underway
10 E&A wells targeting
>650 MMboe ⁽¹⁾

Decarbonisation Strategy
Proposed name change



Dividends
Proposed **511** MUSD
>5% yield

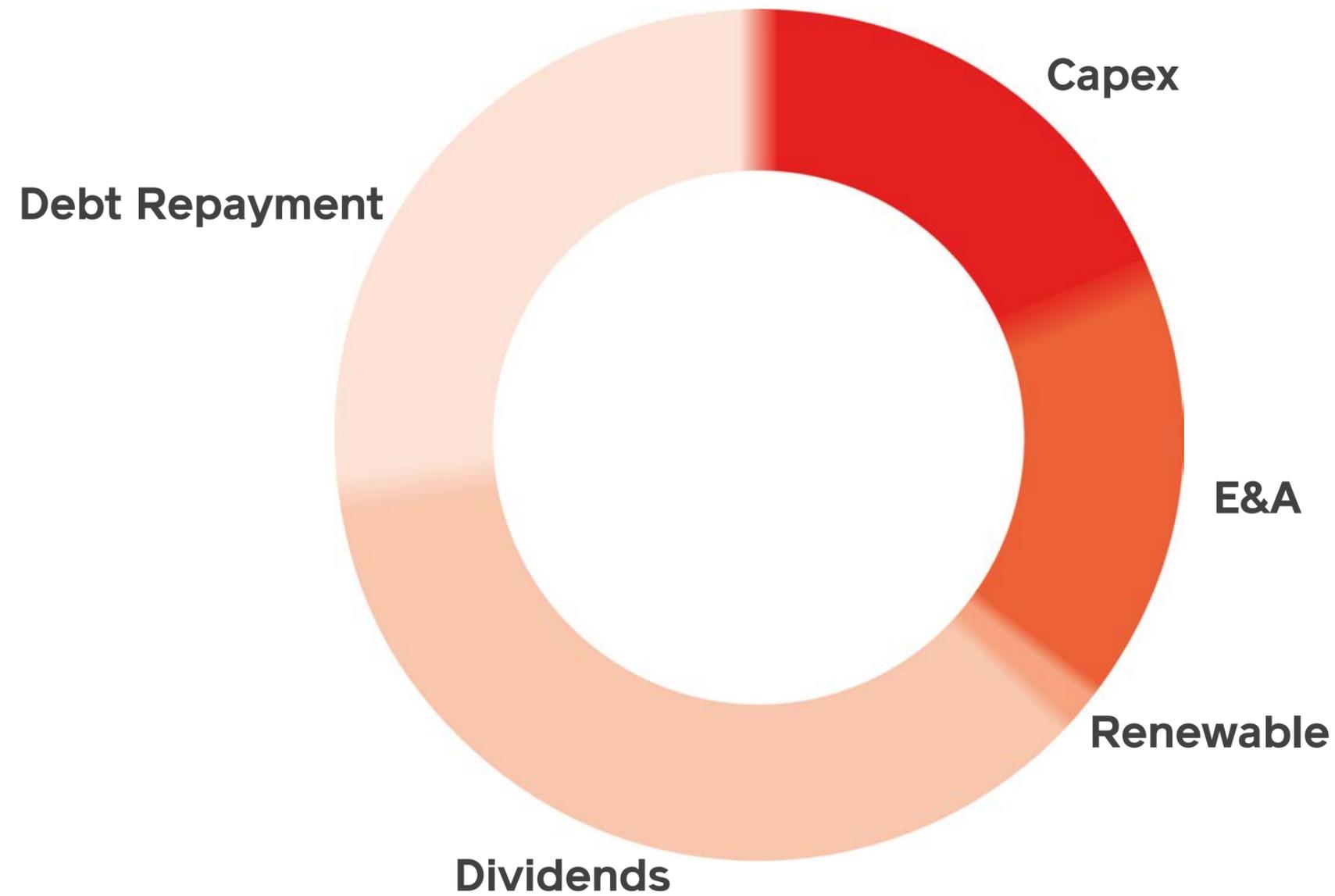
(1) Net unrisks resources



Lundin Petroleum Capital Allocation

Good flexibility on capital allocation

2020–2026⁽¹⁾
CFFO

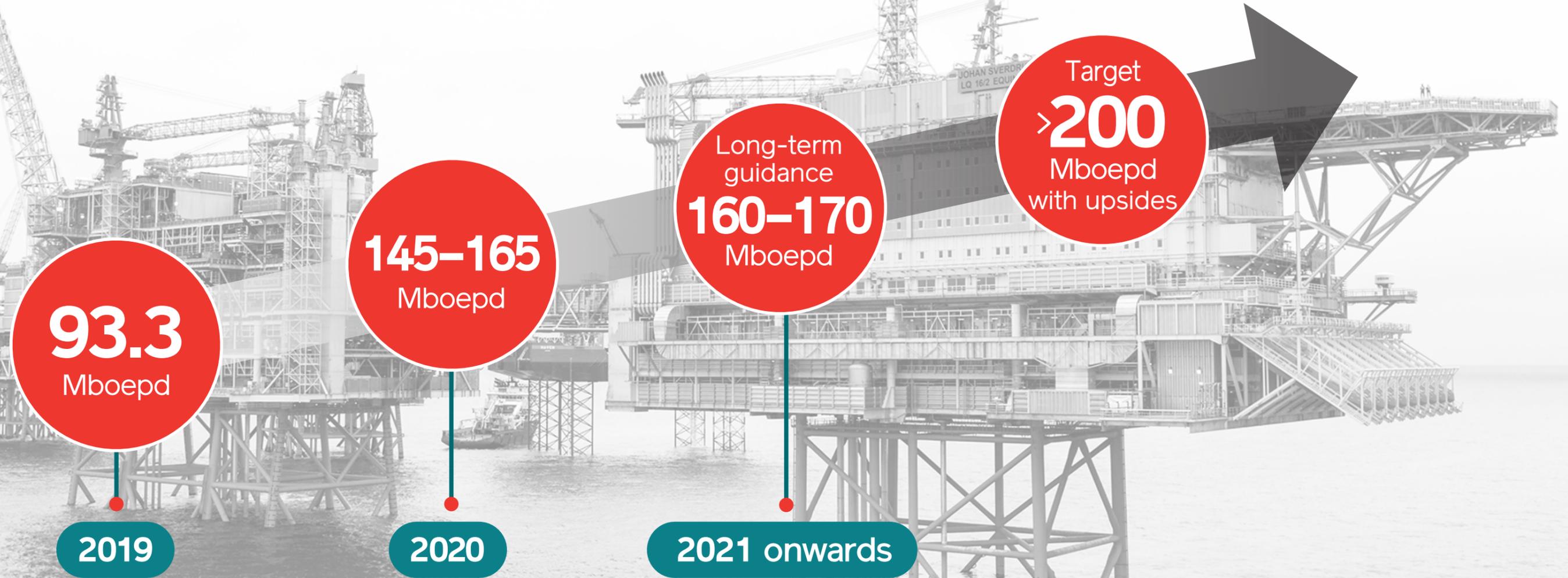


65 USD/bbl Brent +2% ESC

⁽¹⁾ Based on 2P reserves and dividend growth year-on-year to 2026

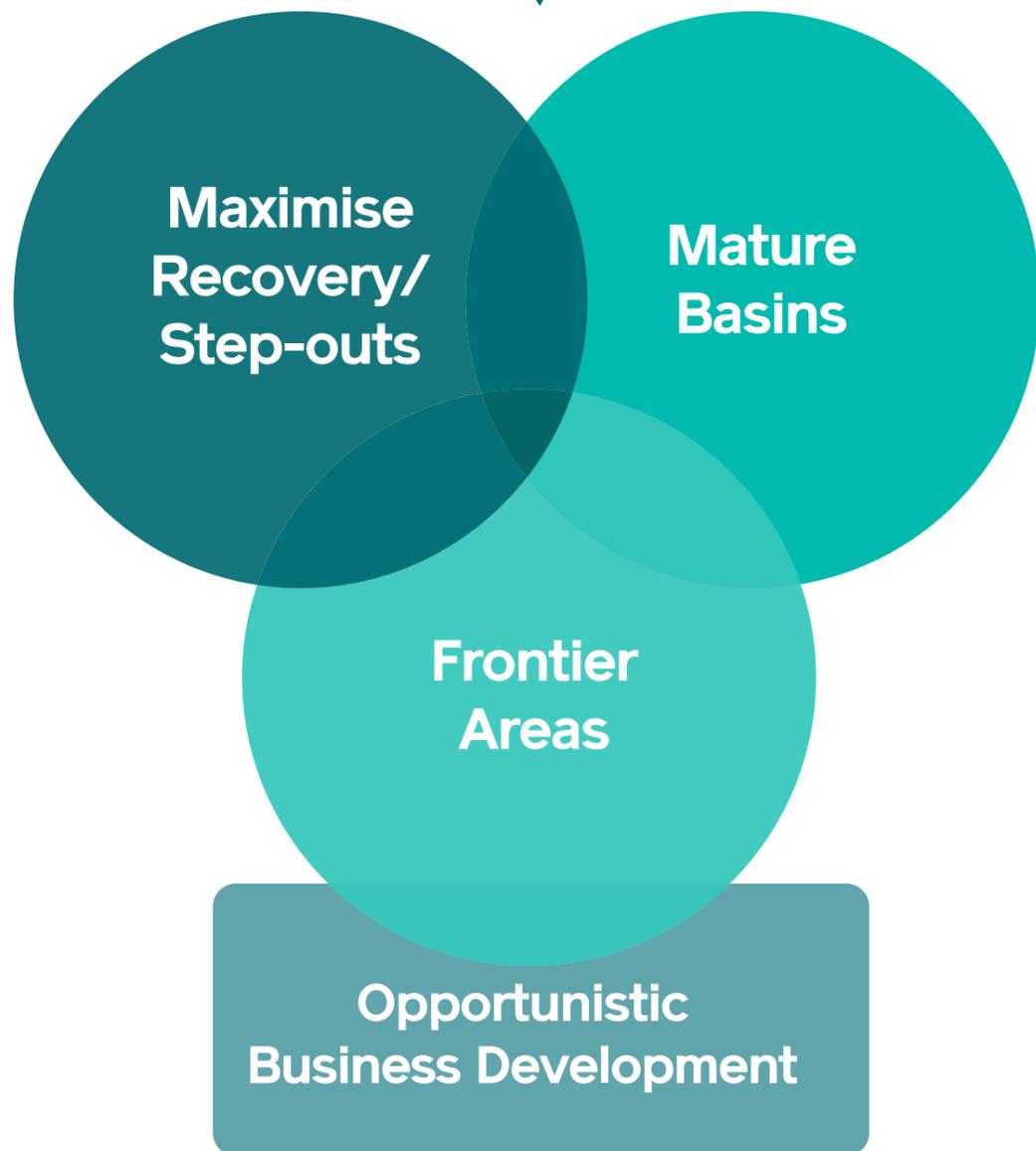
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Long-term Production Growth

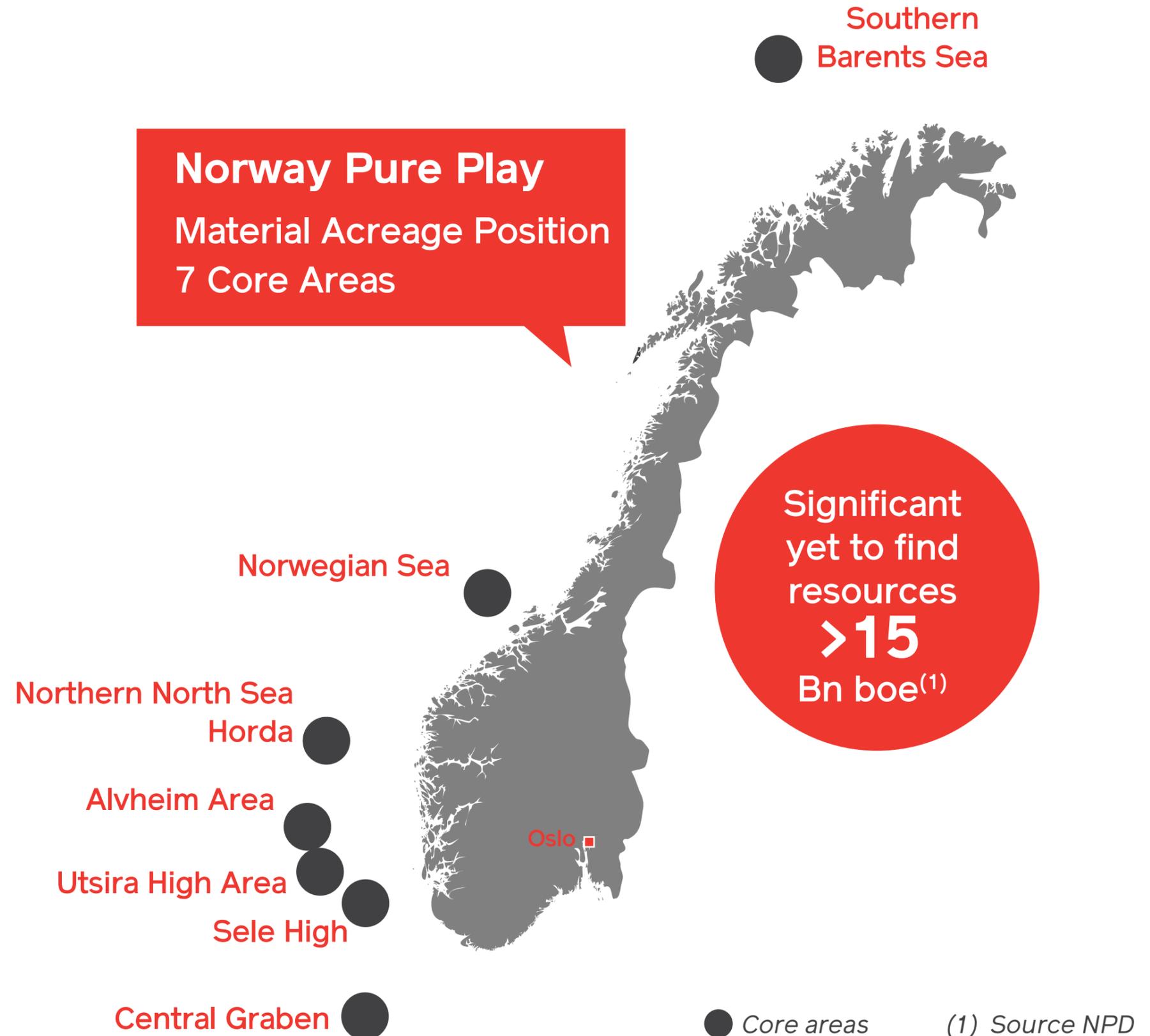


Lundin Petroleum Organic Growth Strategy

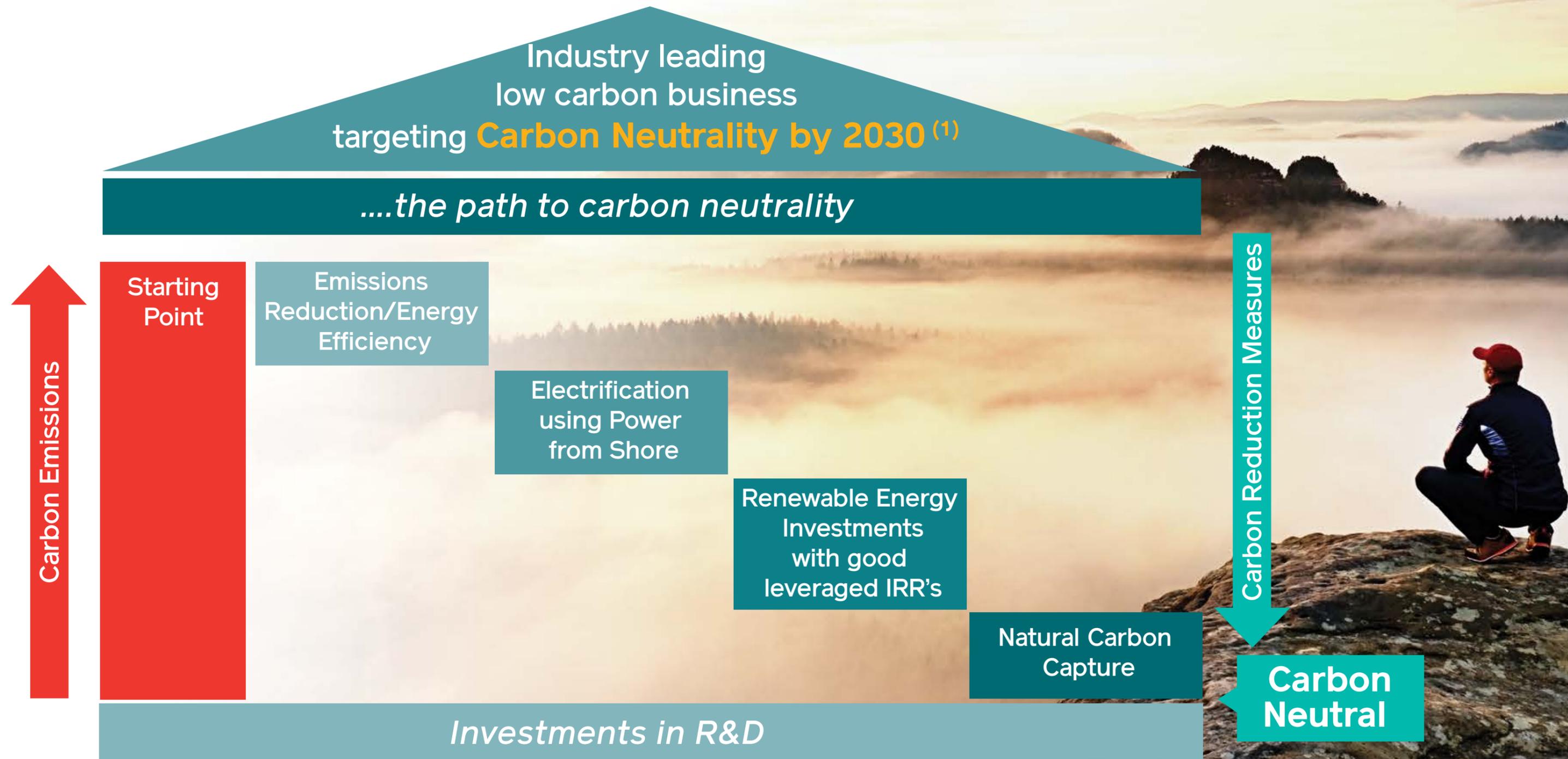
Multiple Organic Growth Opportunities



Norway Pure Play Material Acreage Position 7 Core Areas



Lundin Petroleum Decarbonisation Strategy Roadmap



⁽¹⁾Operational emissions

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Safe and Responsible Operations

Safety

Total Recordable Incident Rate (TRIR) ⁽¹⁾



Zero serious injuries ⁽³⁾
Zero process safety incidents ⁽³⁾
No material environmental incidents ⁽³⁾

ESG Ratings 2018



Top 10 ESG in Europe
 Top 5 on human rights globally



Prime Status



Outperformer



AA



A-

⁽¹⁾ Per million manhours

⁽²⁾ Norway industry average 2018 (IOGP)

⁽³⁾ 2019

Long-term value creation

160–170
Mboepd long-term

Target
>200 Mboepd
Multiple organic
growth sources

Industry leading low OPEX
3.2–4.2 USD/boe
2020 onwards

~1 Bn USD
average free cash flow
per year⁽¹⁾

Free Cash Flow
~10% yield

Target
Carbon Neutral
2030

511 MUSD
dividend in 2020

Sustainable
dividends
>5% yield

Safe and
responsible
operations

⁽¹⁾ From 2019–2026 at 65 USD/bbl

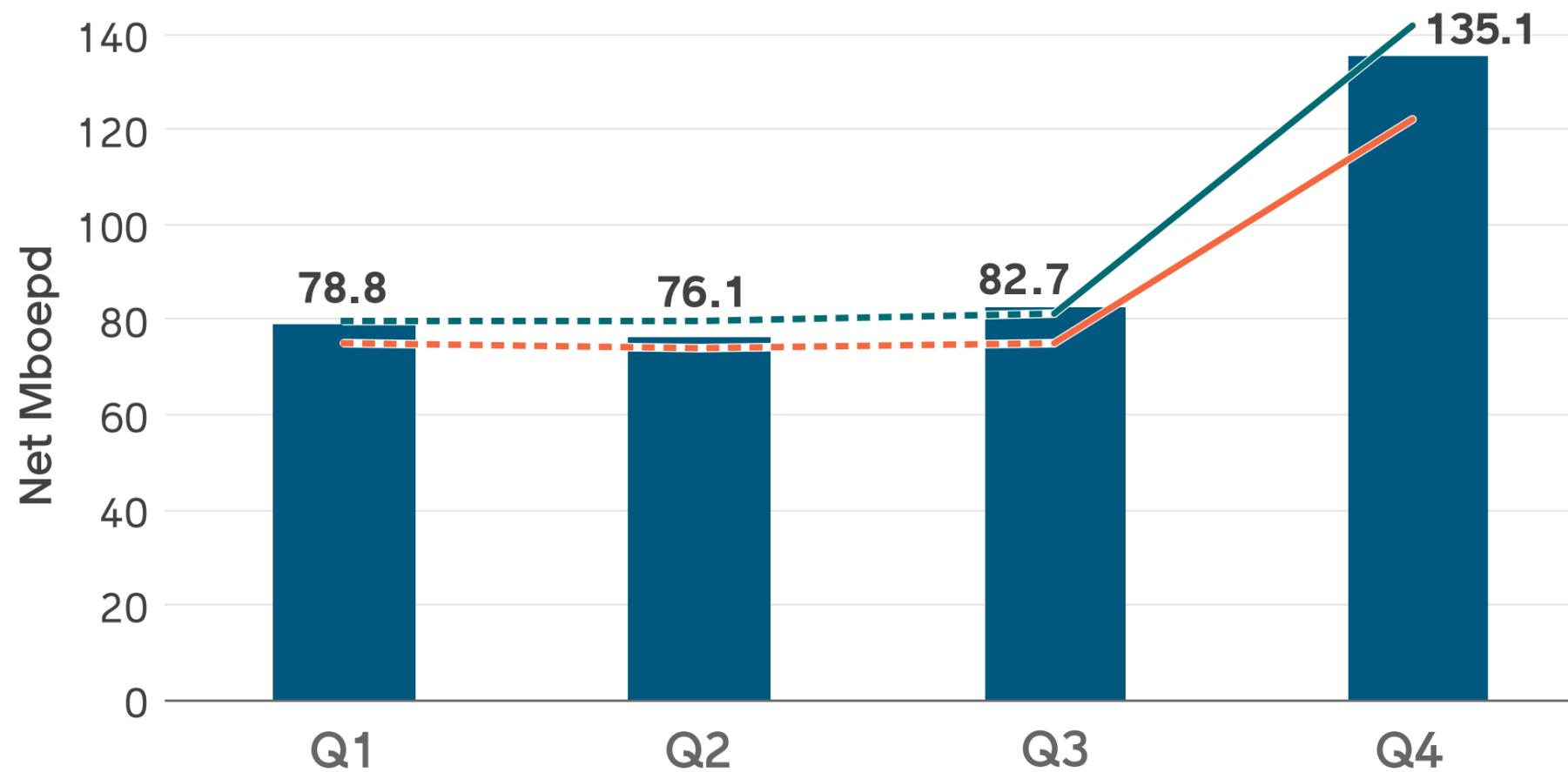
World class assets

producing assets and
production growth



Lundin Petroleum 2019 Production

2019 production **93.3 Mboepd**
above mid-point of updated
guidance 90-95 Mboepd⁽¹⁾



Updated guidance
— High
— Low
 Original guidance
- - - High
- - - Low

Delivering guidance or better for **18** Quarters Running

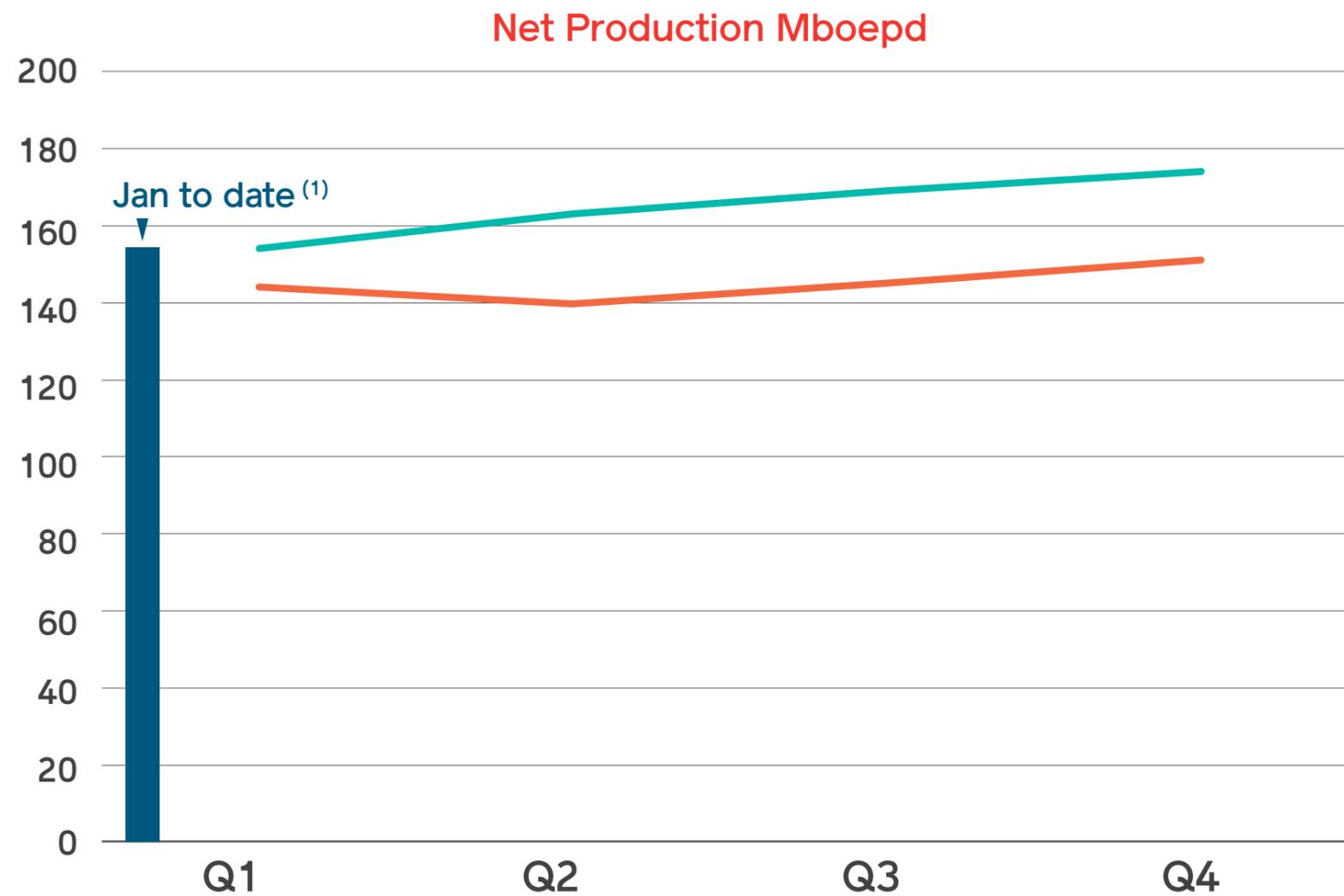
2019 Production Efficiency



1) Original guidance 75-95 Mboepd

Lundin Petroleum 2020 Production Guidance

2020 production guidance
145 – 165 Mboepd



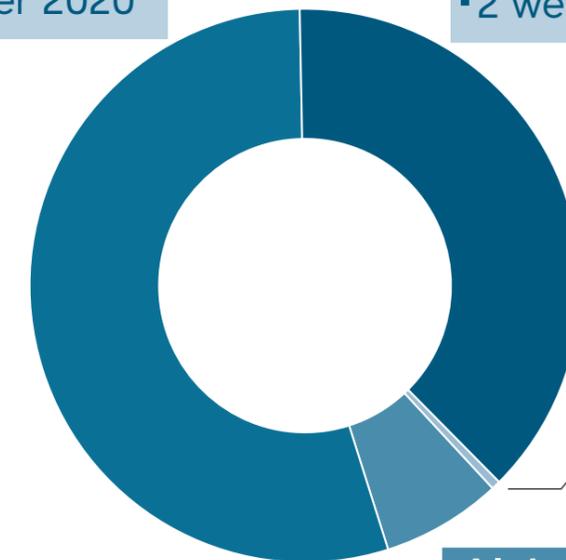
Asset Split

Johan Sverdrup

- Ramp-up to Phase 1 plateau - Summer 2020

Edvard Grieg

- Plateau production
- 2 week planned shutdown Q2



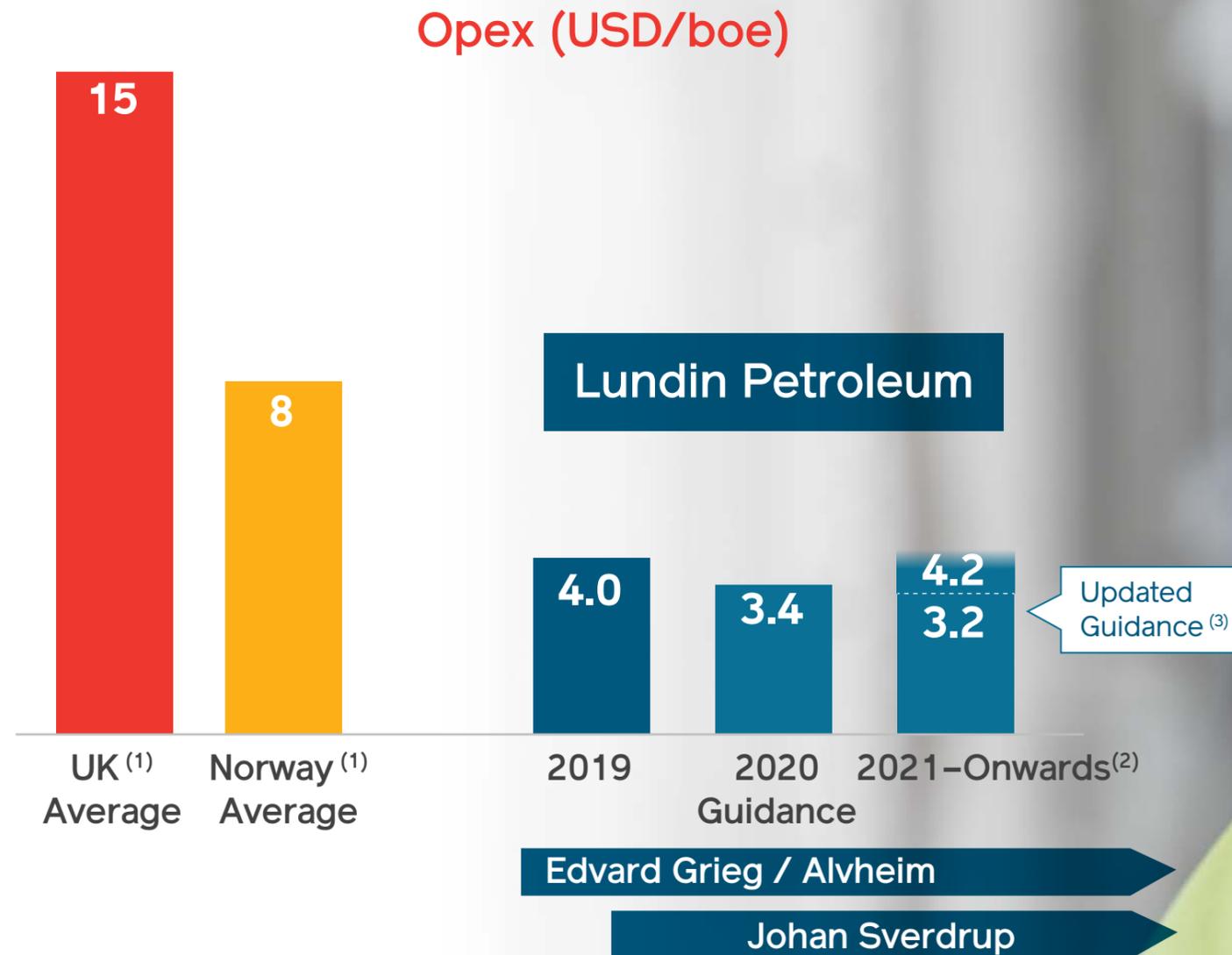
Ivar Aasen

Alvheim Area

- 2 infill wells
- SAGE/SEGAL cutback Q2/Q3

(1) to 20 January

Lundin Petroleum Industry Leading Low Operating Costs



⁽¹⁾ Source: WoodMac estimate for 2019

⁽²⁾ to end Johan Sverdrup full field plateau

⁽³⁾ Previous guidance 3.4-4.4 USD/boe 2020 onwards



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Greater Edvard Grieg Area - Keeping the Facilities Full



Edvard Grieg

- 3 firm infill wells sanctioned
- Further reserves upside

Extended Plateau Production

to around end 2022 from mid-2020

- Edvard Grieg out performance plus Solveig/Rolvsnes tie-back projects

Tie-backs

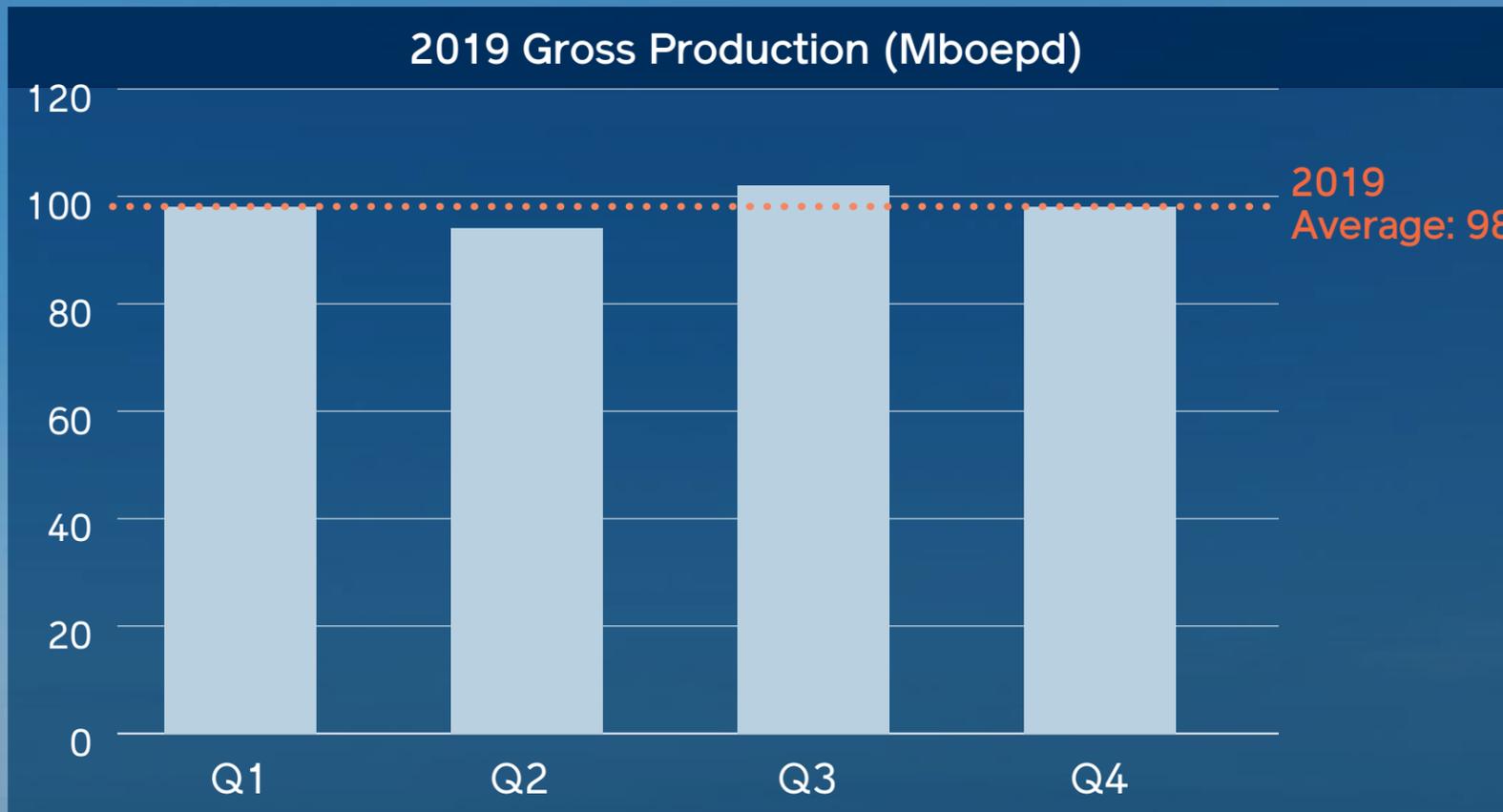
- Solveig, Rolvsnes, Lille Prinsen and exploration opportunities



Edvard Grieg Continued Strong Operating Performance

- ➔ **Production Efficiency: 98% 2019**
 - 2020 assumption – 93%, reflecting 2 week maintenance shutdown in Q2
- ➔ **Production outlook reflects contractual capacity allocation**
 - 90 Mbopd for Edvard Grieg out of 145 Mbopd ⁽²⁾

OPEX 4.18 USD/boe ⁽¹⁾



⁽¹⁾ 2019 actual, includes tariff netting

⁽²⁾ Excludes gas and NGL's

Edvard Grieg

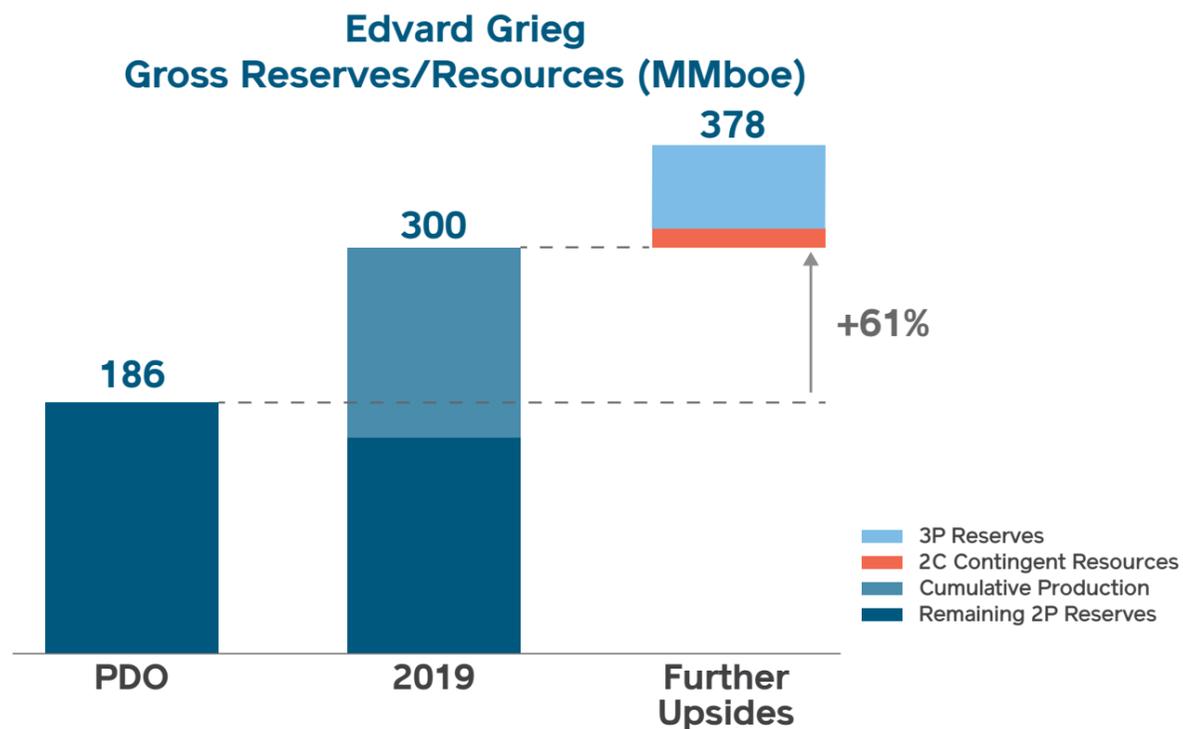
300 MMboe and Counting

Reservoir Outperformance

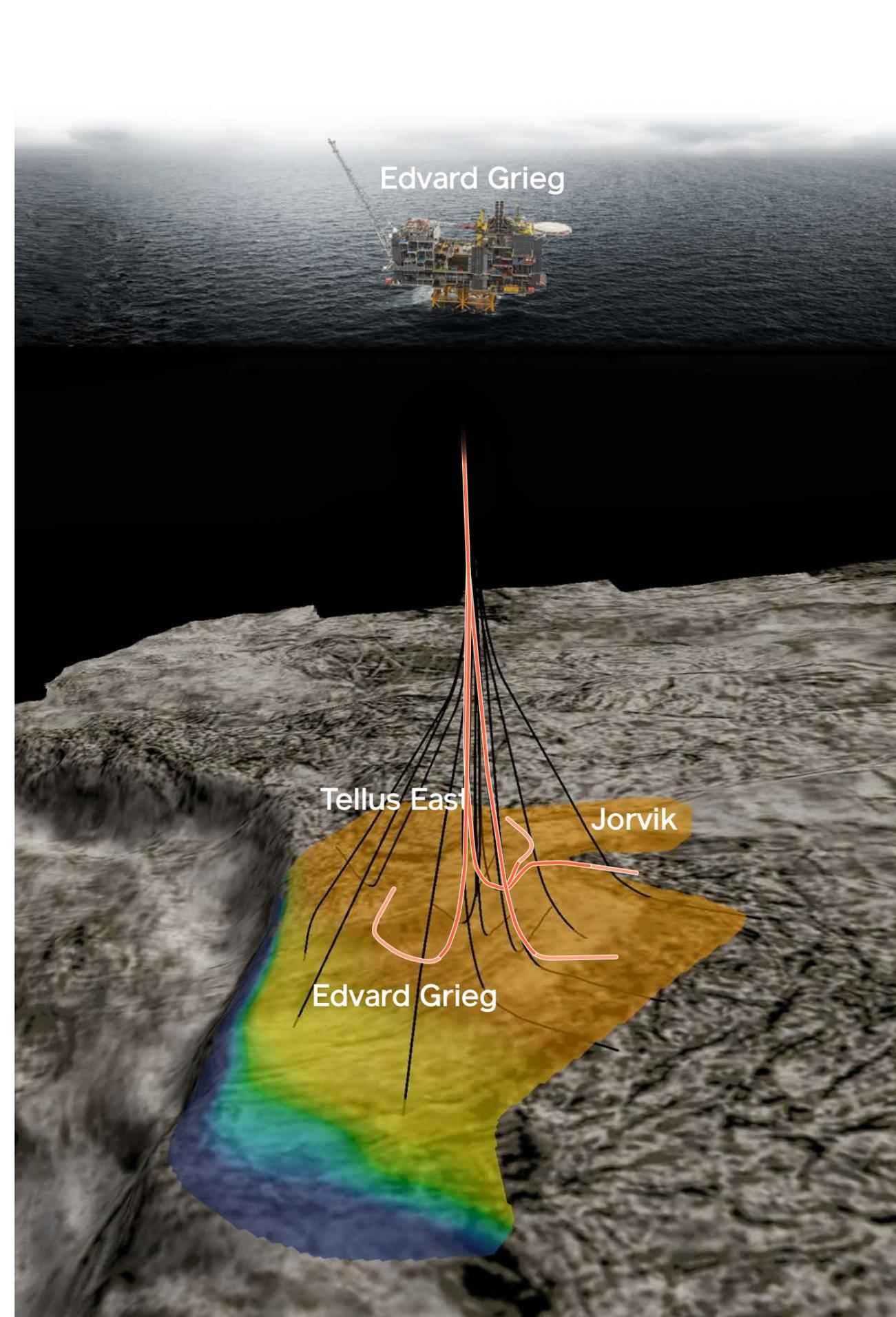
- Well capacity significantly above contractual facilities capacity
- Continued limited water production < 5%

Infill Drilling Sanctioned

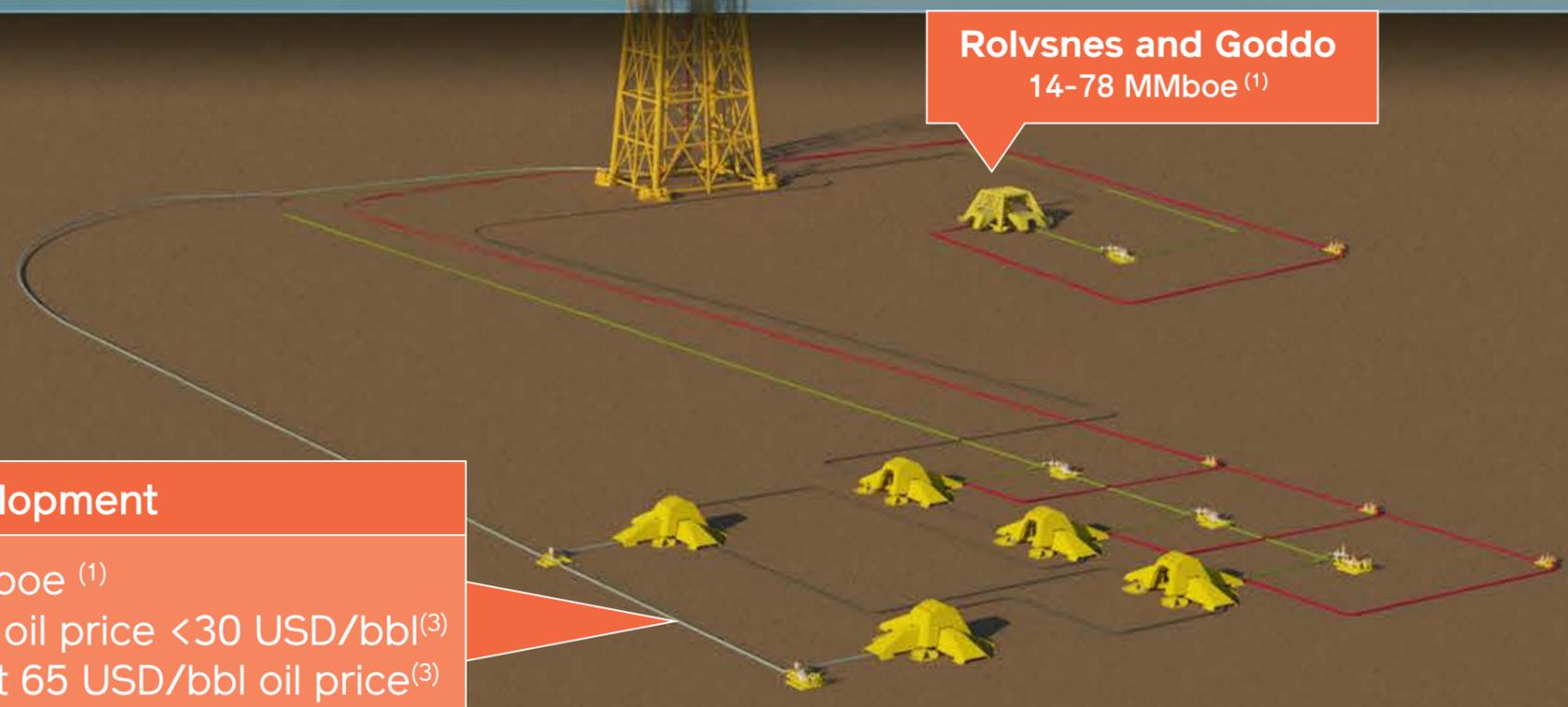
- 3 well programme – 18 MMboe 2P reserves⁽¹⁾
- Break-even oil price < 30 USD/boe
- IRR > 30% at 65 USD/bbl oil price



(1) Gross



Greater Edvard Grieg Area Solveig Phase 1 and Rolvsnes EWT



Solveig Development

- 40-100 MMboe⁽¹⁾
- Break-even oil price <30 USD/bbl⁽³⁾
- IRR >25% at 65 USD/bbl oil price⁽³⁾



⁽¹⁾ Gross resources ⁽²⁾ Gross ⁽³⁾ Solveig Phase 1

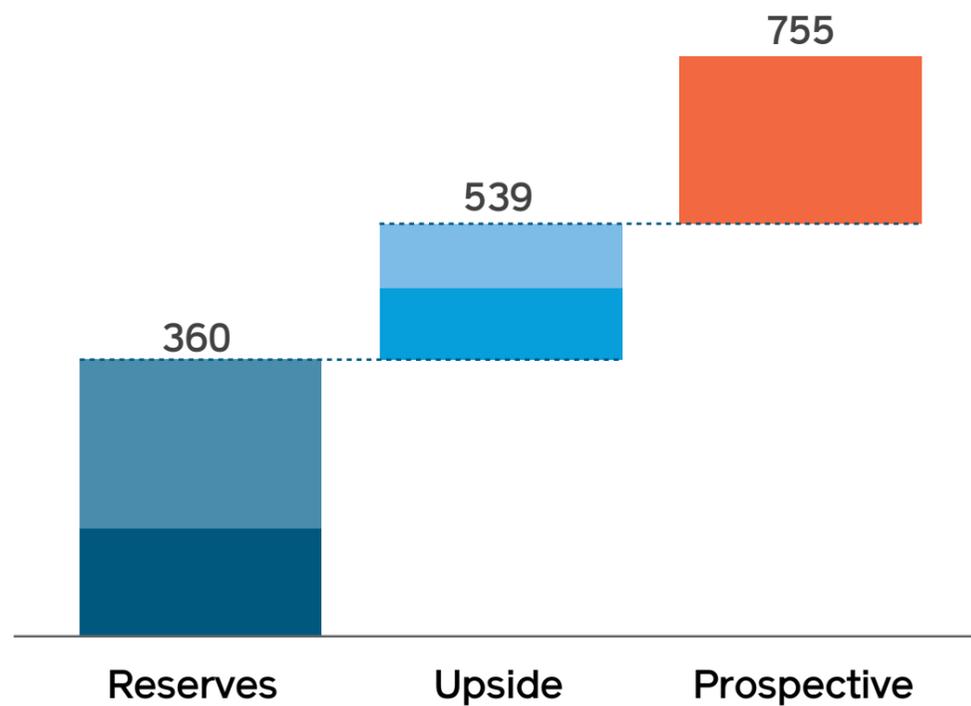
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Greater Edvard Grieg Area Significant Upside Opportunities

**360 MMboe ⁽¹⁾
Producing / Under Development**

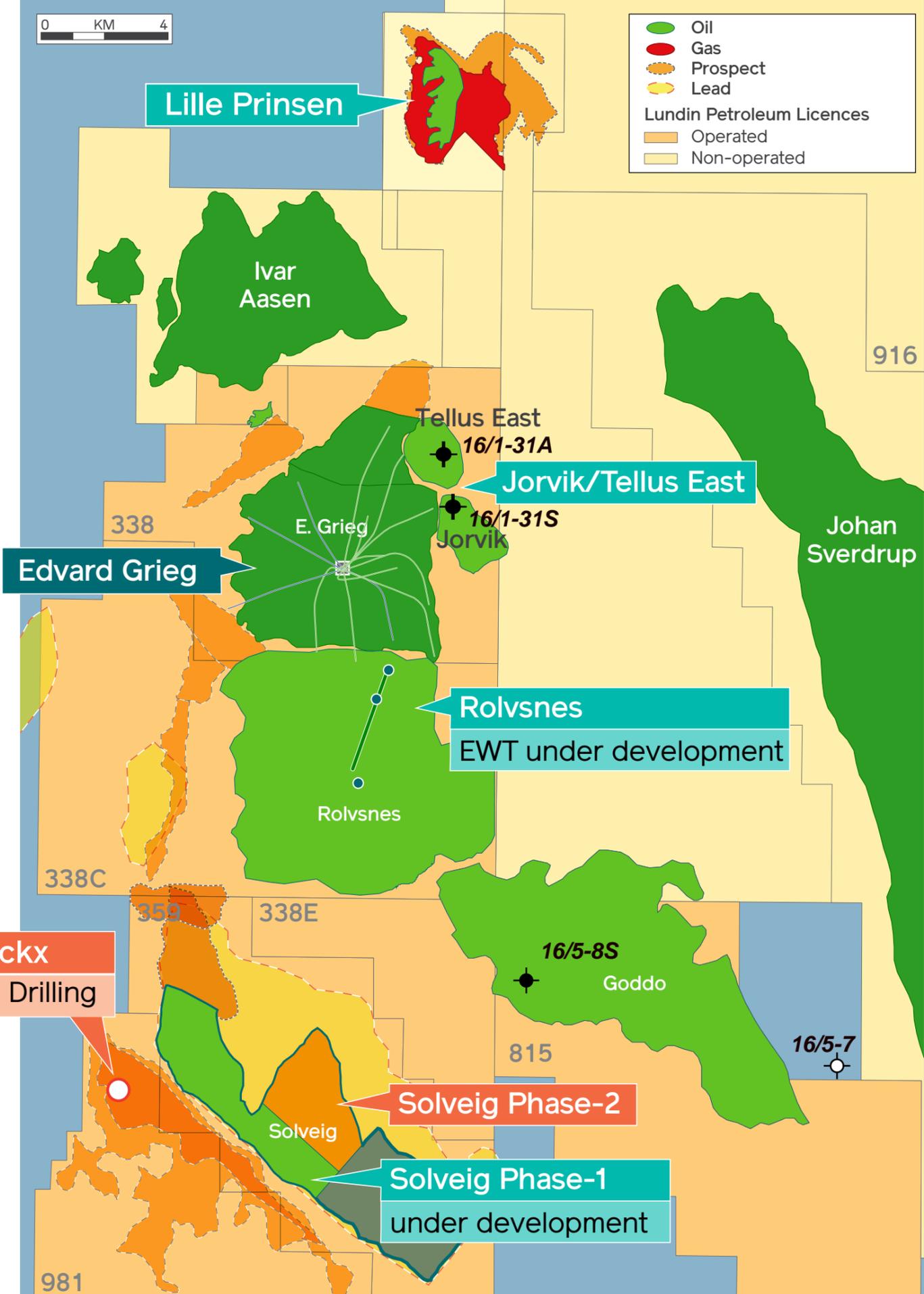
>750 MMboe potential

Gross Reserves / Resources (MMboe)

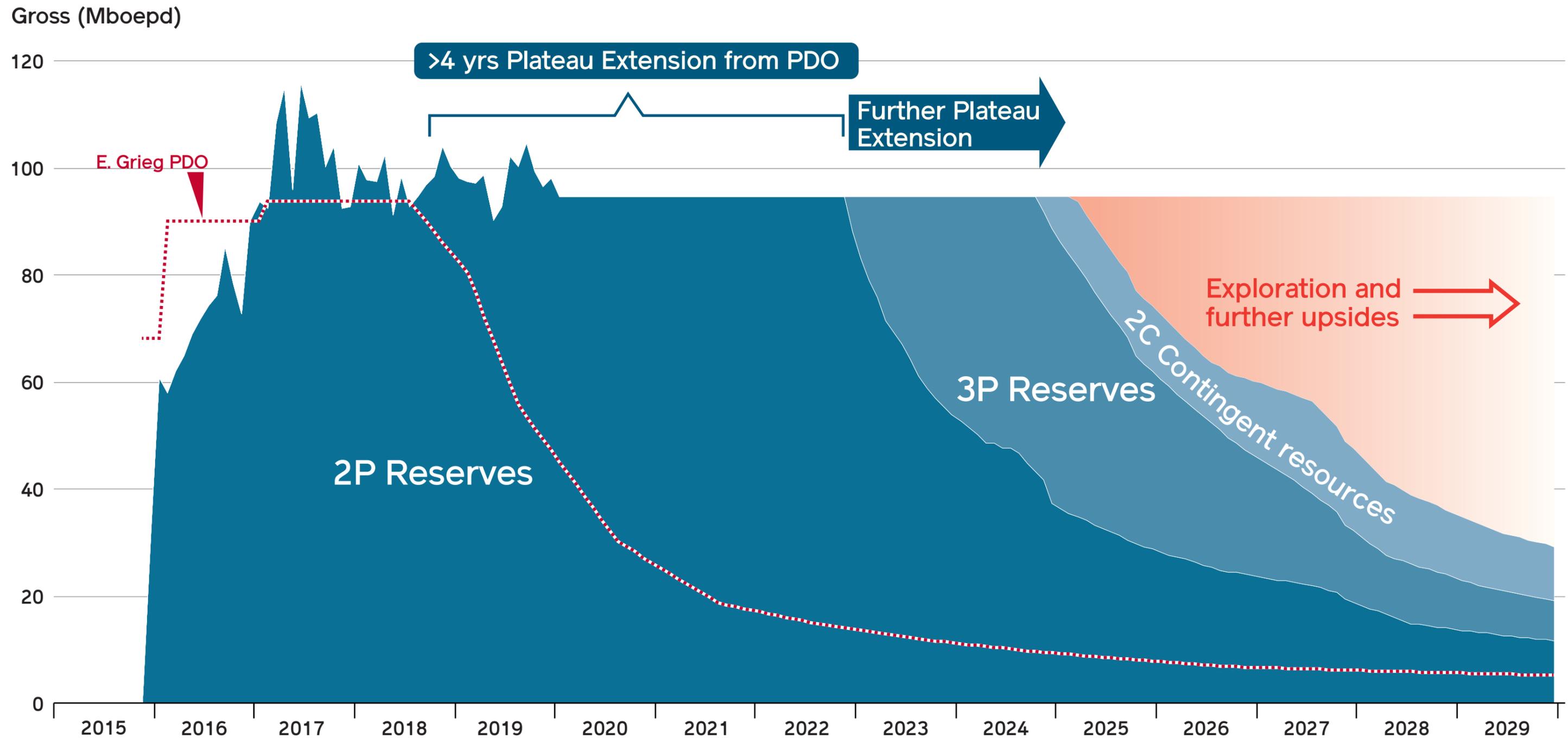


- Prospective Resources
- 3P Reserves
- 2C Contingent Resources
- Remaining 2P Reserves
- Cumulative Production

(1) Includes gross historical production and proved plus probable reserves (2P)



Greater Edvard Grieg Area Further Plateau Extension



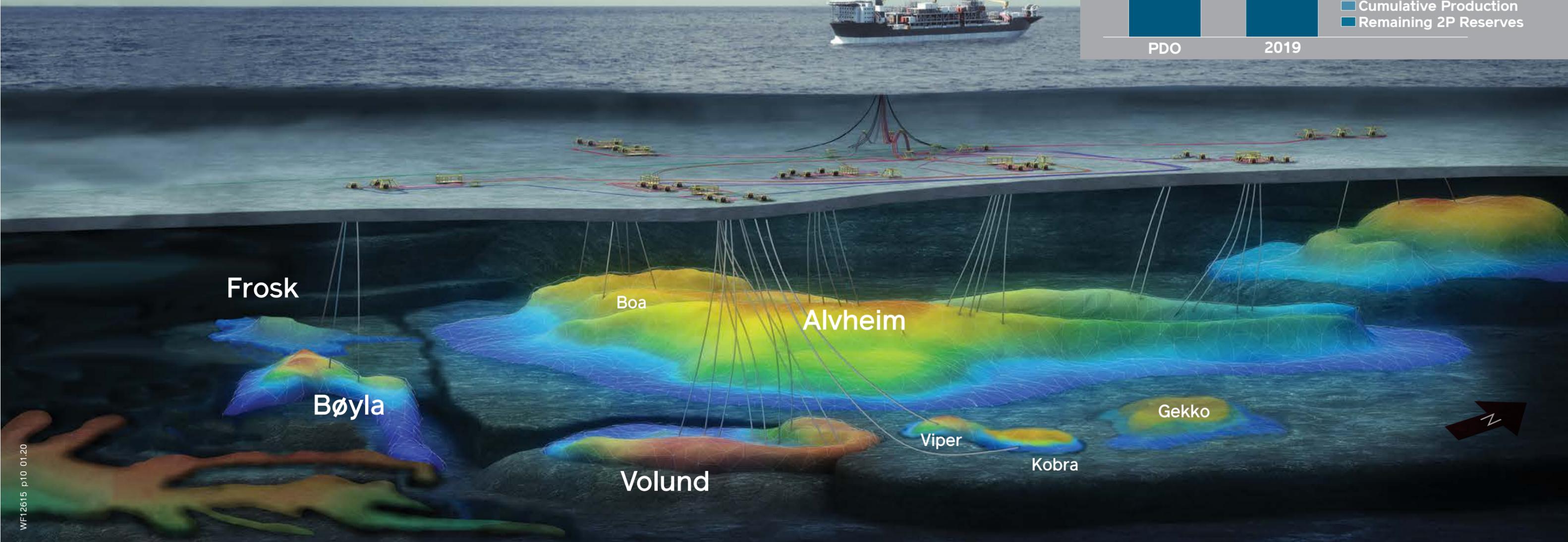
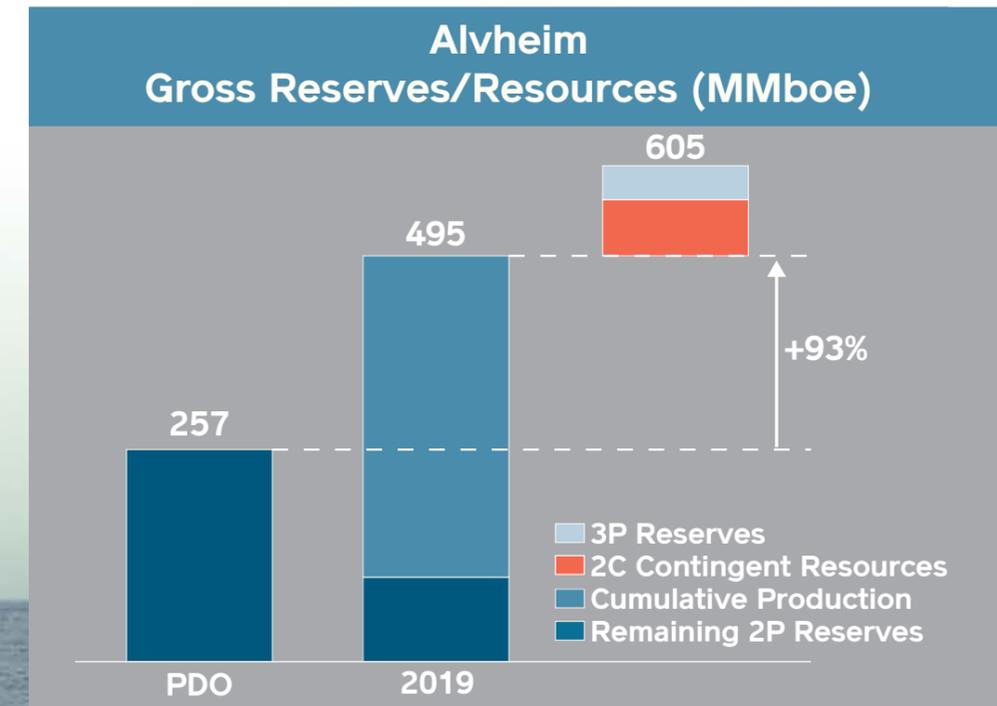
Note: 2P/3P Reserves includes Edvard Grieg, Solveig Phase 1 and Rolvsnes EWT

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Alvheim Area - Continuous Reserves Growth

- Frosk test producer on stream
- Alvheim infill pilots successful
- 2 infill wells in 2020

Alvheim FPSO



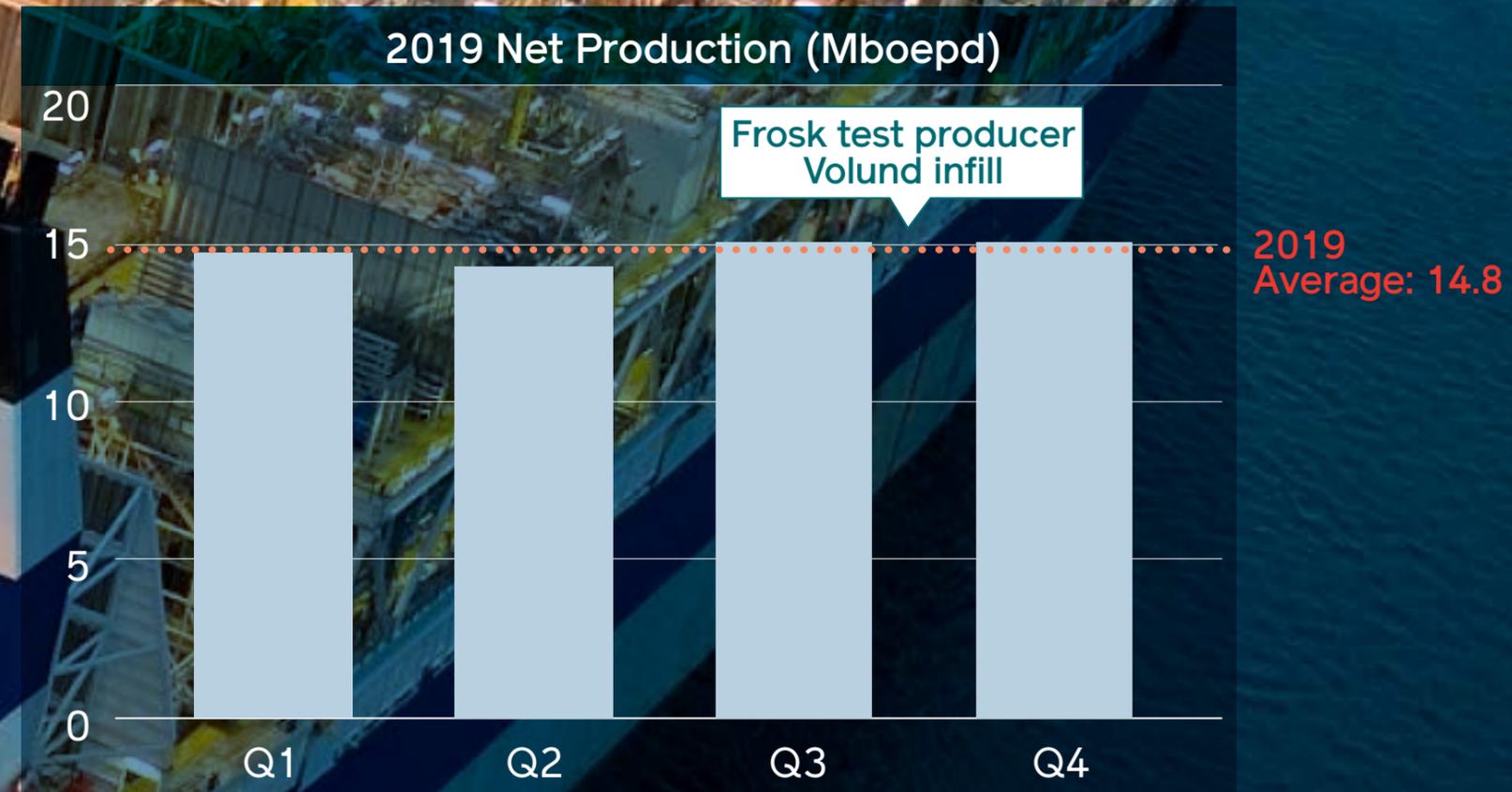
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Alvheim Area Continued Strong Performance

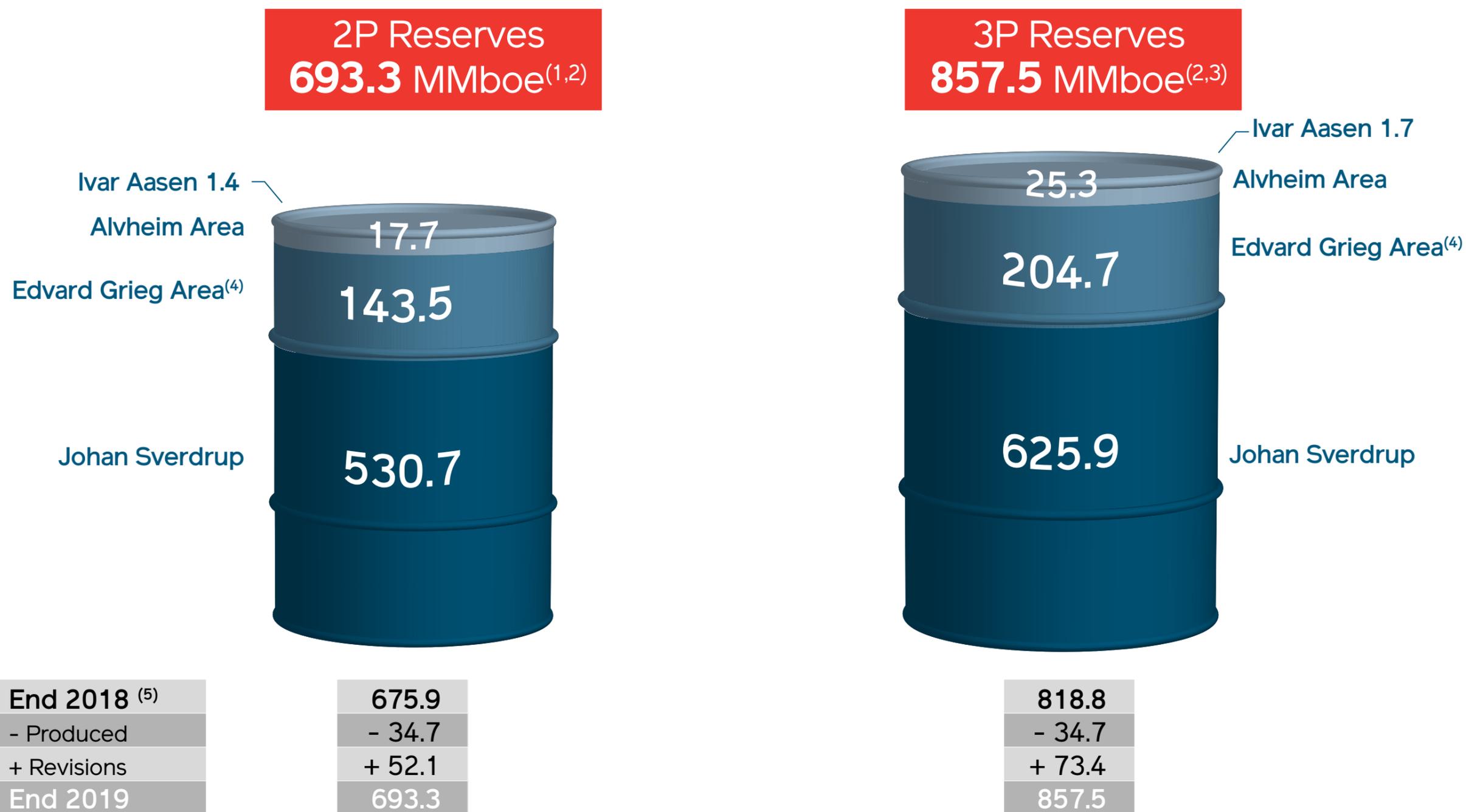
- ➔ **Strong facilities performance**
 - 2019 production efficiency 97%
- ➔ **Good results from 2019 infill wells**
 - No decline in 2019
- ➔ **2 Alvheim infill wells to be drilled in 2020**
 - On stream in 2020 and early 2021

OPEX 5.79 USD/boe ⁽¹⁾

⁽¹⁾ 2019 actual



Lundin Petroleum Year-end 2019 Reserves (Net)



1) 2P proved plus probable remaining reserves

2) Independently audited by ERCE

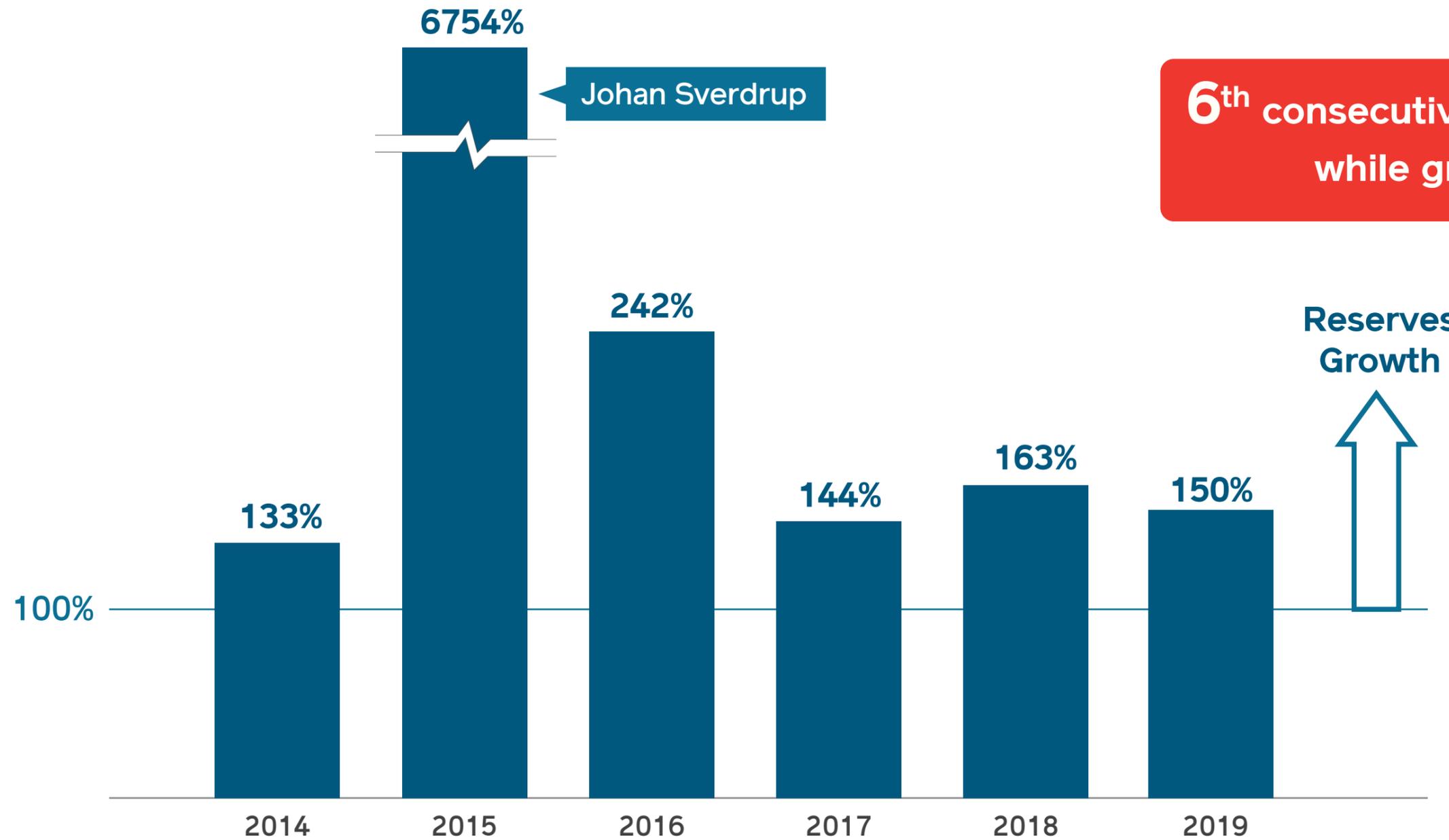
3) 3P proved plus probable plus possible remaining reserves

4) Includes Edvard Grieg field, Solveig Phase 1 and Rolvsnes EWT

5) Adjusted for sale of 2.6% interest in Johan Sverdrup

Lundin Petroleum Track Record of Growing Reserves

Reserve Replacement Ratio (%) ^(1, 2, 3)



6th consecutive year of reserves growth while growing production >4X

Reserves Growth

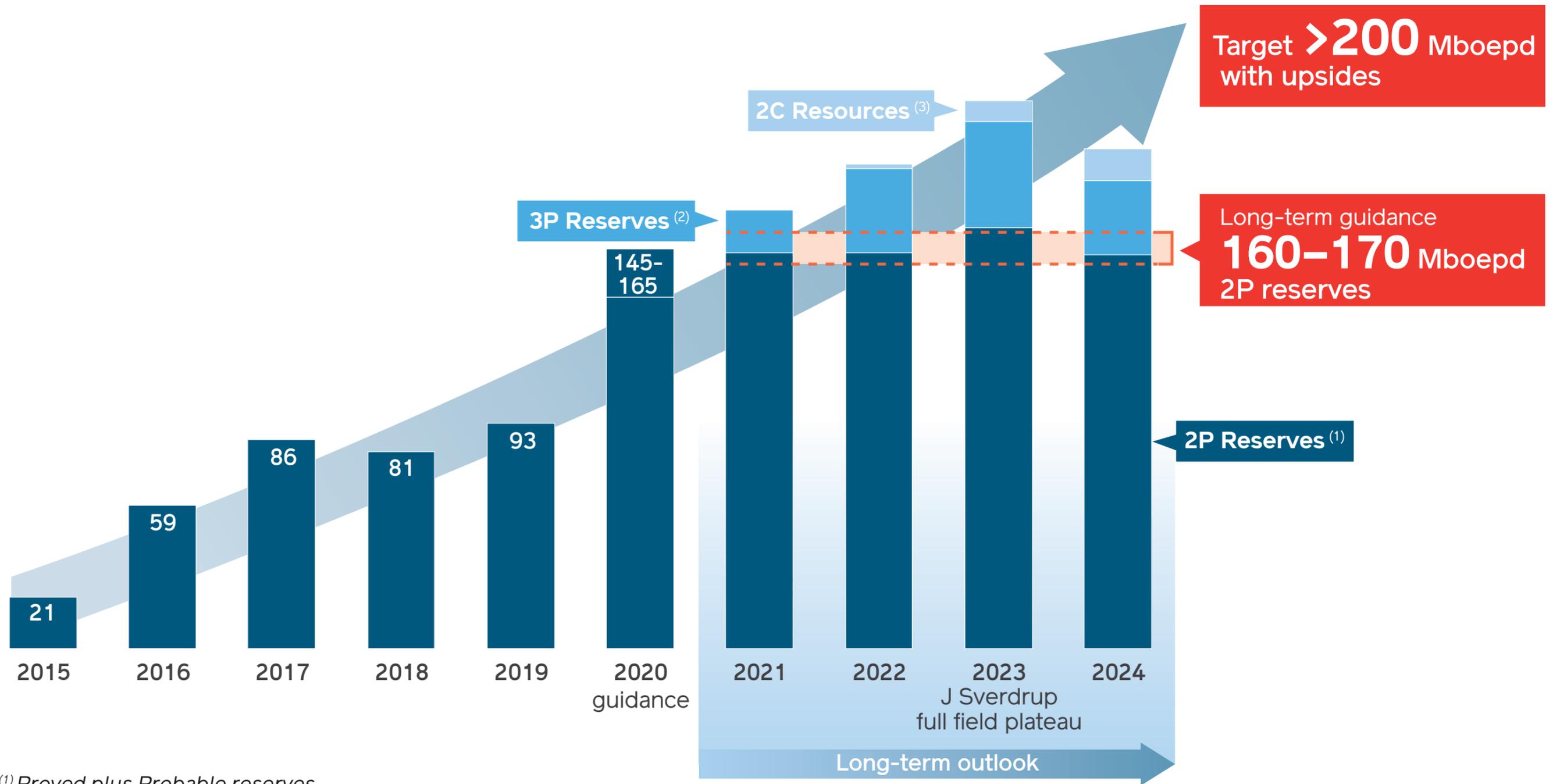


⁽¹⁾ 2P reserves

⁽²⁾ Relates to Lundin Petroleum portfolio in Norway

⁽³⁾ As per industry standards the reserve replacement ratio is defined as the ratio of reserve additions to production during the year, excluding asset transactions

Lundin Petroleum Increased Long-term Production Guidance (Mboepd)



(1) Proved plus Probable reserves
 (2) Possible reserves
 (3) 2C Contingent resources

Johan Sverdrup

in a league of its own



Johan Sverdrup In a League of its Own

OPEX
<2 USD/bbl
from Phase 1
plateau

Carbon
Footprint
0.7
kg CO₂/boe⁽³⁾



GROSS RESERVES		PRODUCTION CAPACITY		GROSS CAPEX ⁽¹⁾		BREAK EVEN PRICE
↑	2.2–3.2 billion boe (PDO 1.7 – 3.0 billion boe)	Phase 1 First oil 5 Oct 2019	Full Field First oil Q4 2022	Phase 1 PDO 123 Bn NOK Current 83 Bn NOK	Phase 2 PDO 85 Bn NOK ⁽²⁾ Current 41 Bn NOK	<20 USD/boe
		440 Mbopd	660 Mbopd	~4 Bn USD saving net Lundin ⁽⁴⁾		

⁽¹⁾ Nominal, fixed currency ⁽²⁾ Original PDO ⁽³⁾ Life of field ⁽⁴⁾ Including currency effects

Johan Sverdrup From Discovery to First Oil



Unlocking the Utsira High

2007
Edvard Grieg
discovery



Sizing it up

2010
Johan Sverdrup
discovery

100–400
MMboe⁽¹⁾



Rise of a giant

2015
PDO

1.7–3.0
Bn boe⁽¹⁾



4 platforms
20 development wells
Power cable from shore
Oil and gas export pipelines

2019
First Oil
ahead of schedule

2.2–3.2
Bn boe⁽¹⁾

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⁽¹⁾Gross Resources/Reserves

Johan Sverdrup Phase 1 Ramp-up Ahead of Expectations

Production wells onstream

8 pre-drilled wells producing

2 more wells to reach plateau

Development Drilling

~350 Mbopd⁽¹⁾
from 8 wells
~80% of plateau

Plateau 440 Mbopd⁽¹⁾

First Oil
5 Oct 2019

Production Efficiency

94%

Range 92–96%

Q4 2019

2020

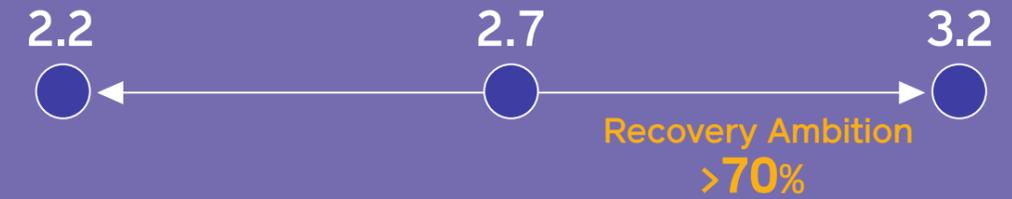
⁽¹⁾ Gross

Johan Sverdrup Excellent Reservoir Performance

63 wells

- Phase 1 - **35** wells, 20 pre-drilled
- Phase 2 - **28** wells

Reserves Range (Bn boe)⁽¹⁾



Facilities prepared for infill drilling

Fibre optics and tracers in the wells

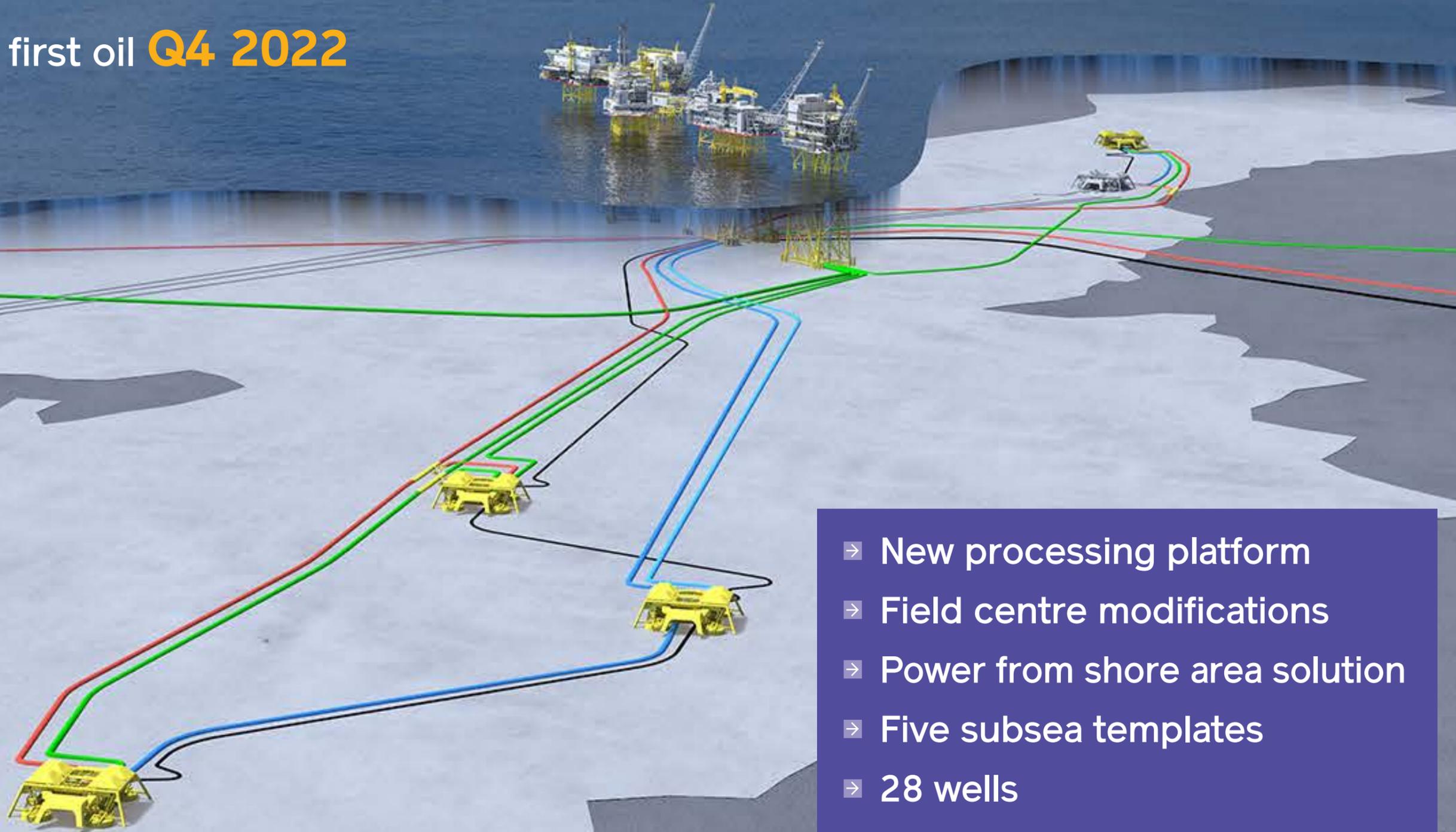
Permanent reservoir monitoring

Water Alternating Gas injection

⁽¹⁾ Gross

Johan Sverdrup Phase 2 on Track

- PDO approved - first oil **Q4 2022**
- **>20%** complete



- New processing platform
- Field centre modifications
- Power from shore area solution
- Five subsea templates
- 28 wells
- WAG

30%
of Norway's
oil production

Johan Sverdrup

A field for the future

Leading low OPEX
Quarter Norway average

Low carbon emissions
~5% of world average

Phase 2 on track
for first oil Q4 2022
660 Mbopd⁽¹⁾

Phase 1 on track
for plateau summer 2020
440 Mbopd⁽¹⁾



Continued organic growth

focused on growing through the drill bit

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Organic Value Creation through Innovation

- Subsurface **expertise**
- Cutting-edge **technology**
- Maximising **recovery**
- New **reservoirs** and **plays**

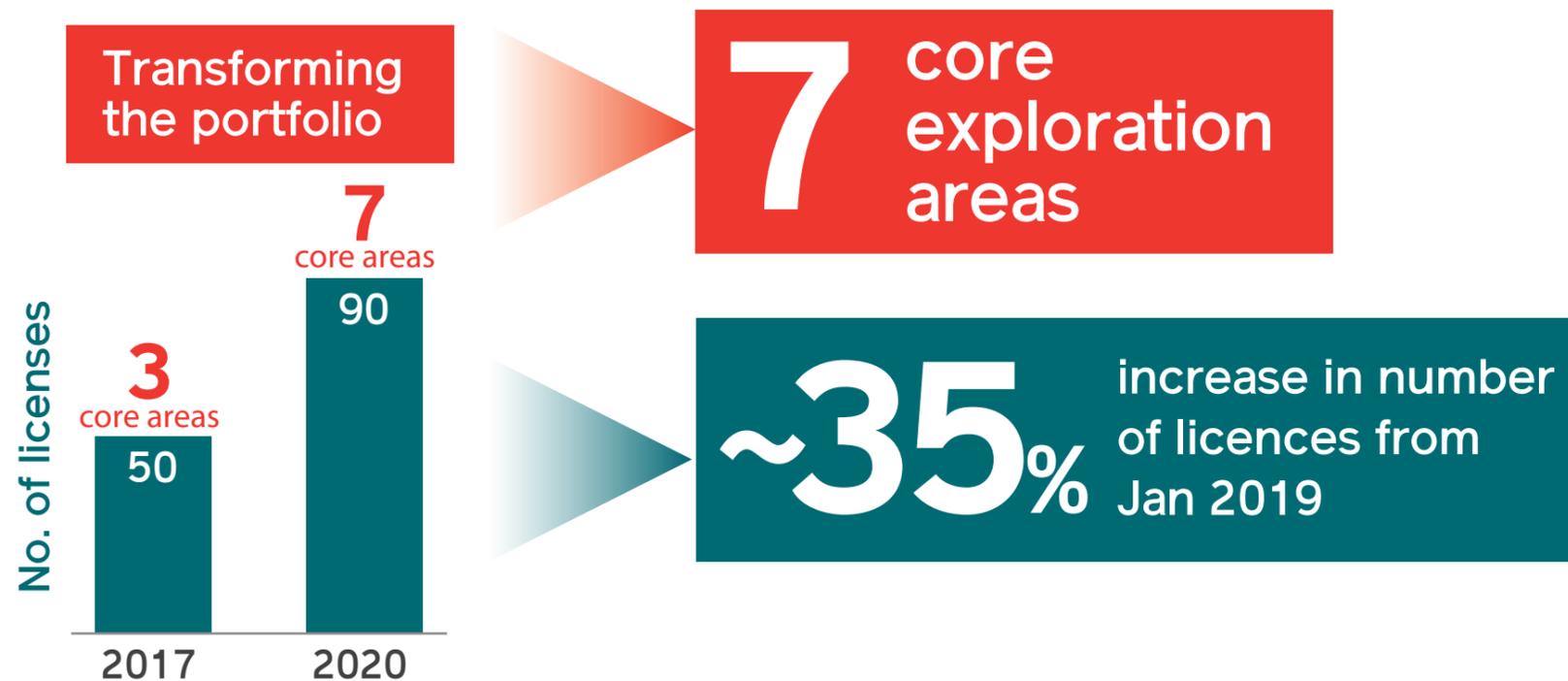


0.8
USD/boe

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finding costs ⁽¹⁾

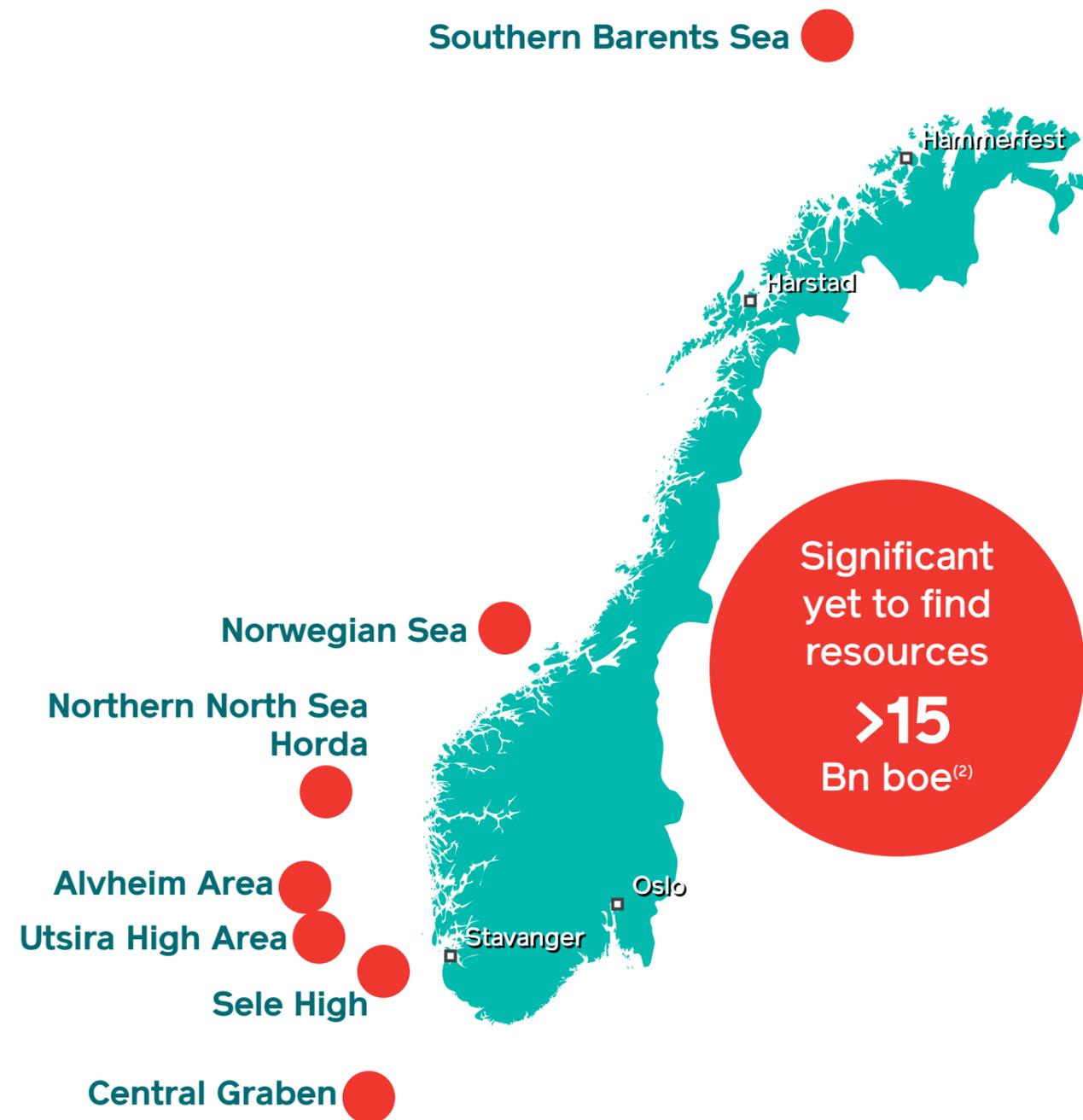
⁽¹⁾ Post tax

Lundin Petroleum Organic Growth Strategy



4 projects underway
4 projects in appraisal/
concept phase

10 exploration wells in 2020
>650 MMboe⁽¹⁾



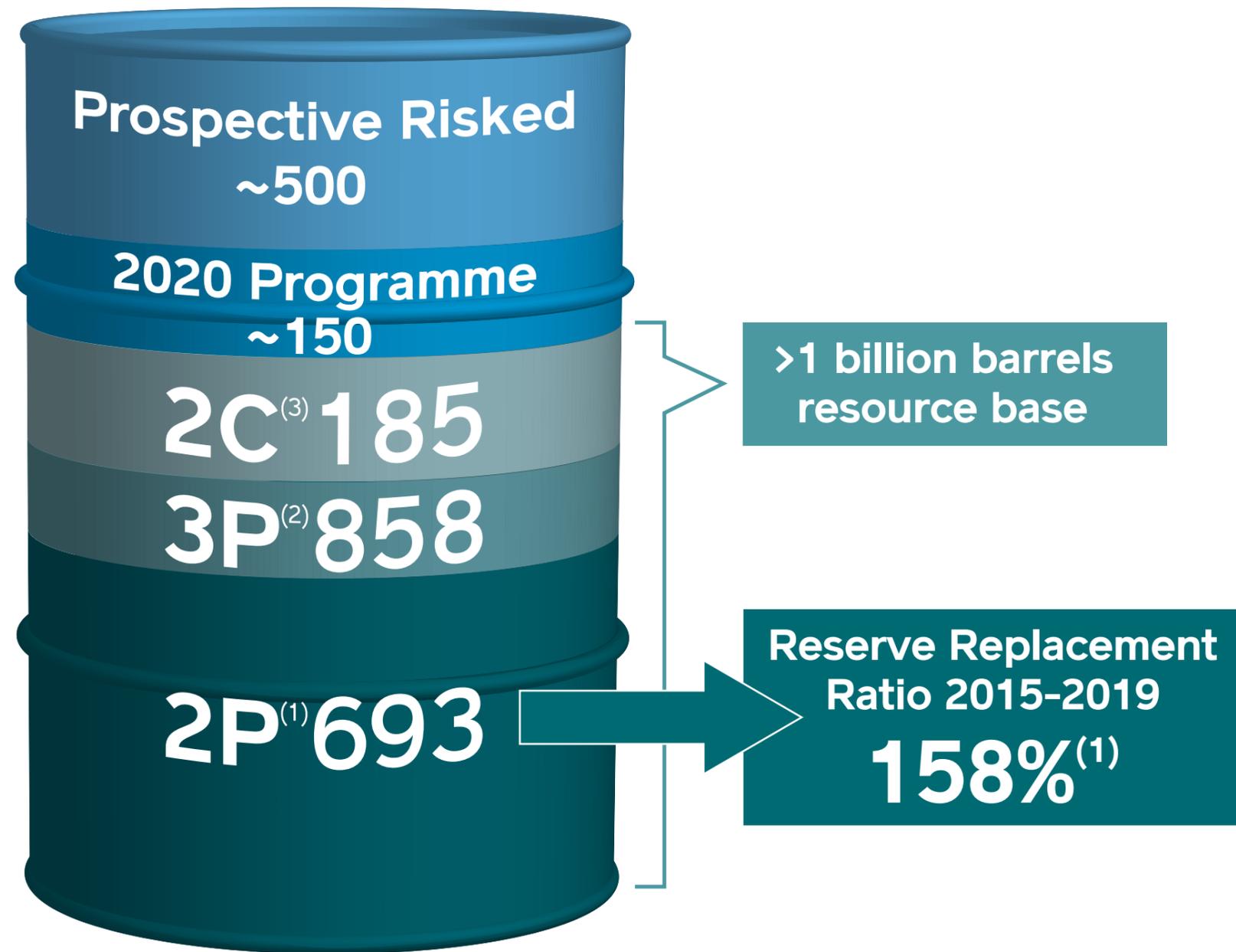
⁽¹⁾ Net unrisked resources

⁽²⁾ NPD estimate

● Core areas

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Organic Growth Opportunity Set (MMboe net)



Multiple Growth Opportunities

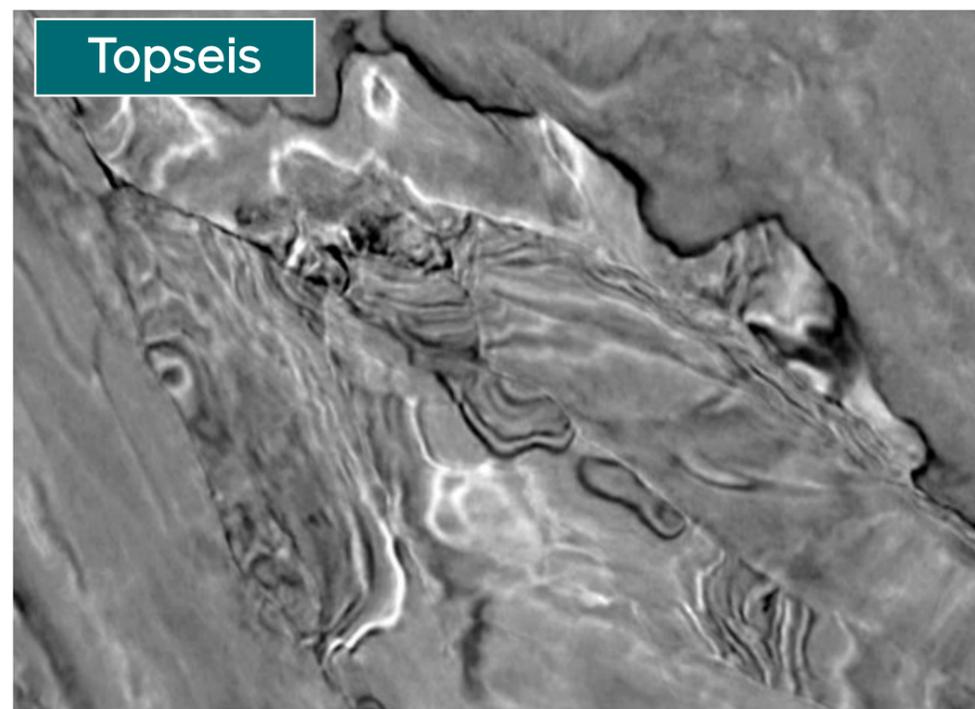
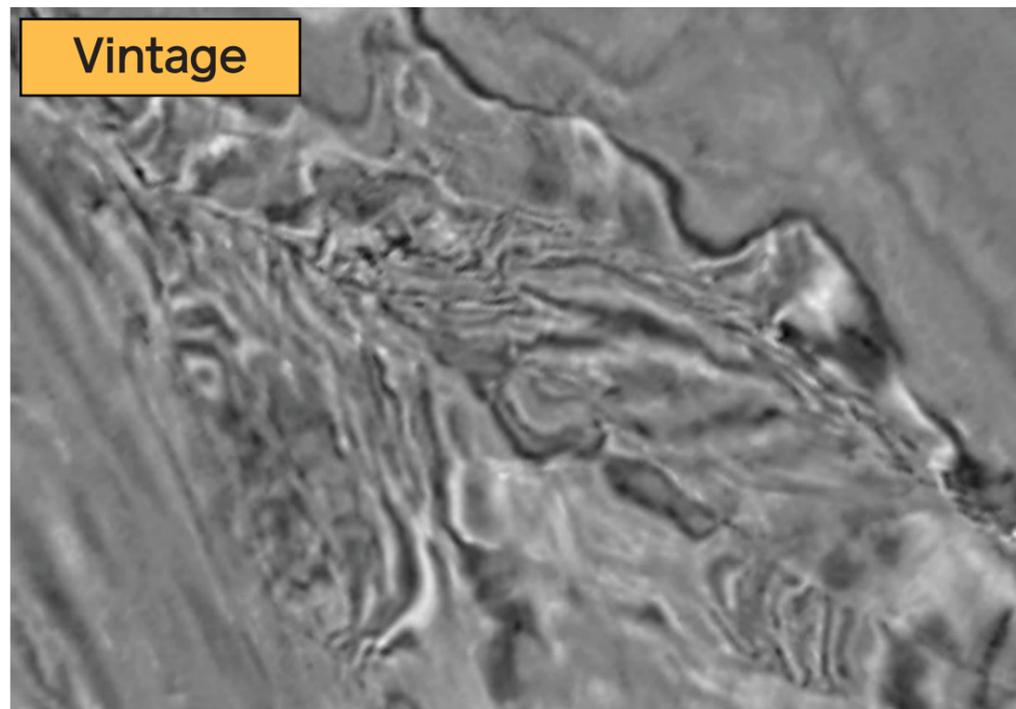
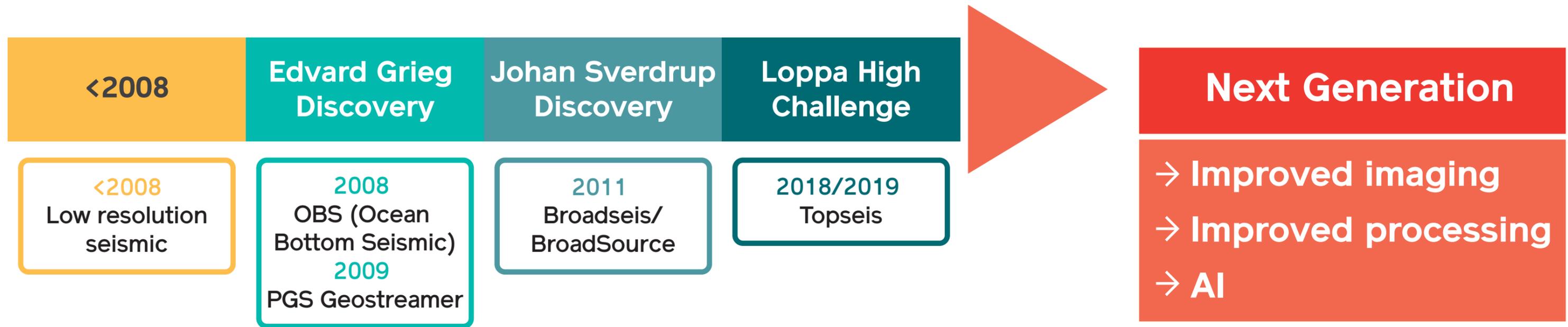


⁽¹⁾ 2P Reserves is Proved plus Probable remaining reserves

⁽²⁾ 3P Reserves is Proved plus Probable plus Possible remaining reserves

⁽³⁾ 2C Contingent Resources

Lundin Petroleum Front Runner in Geophysics



→ Reduced cost
→ Increased speed

Lundin Petroleum Reservoir Development - Value Adding Technology

Inflow Control Valves

Edvard Grieg (R&D)



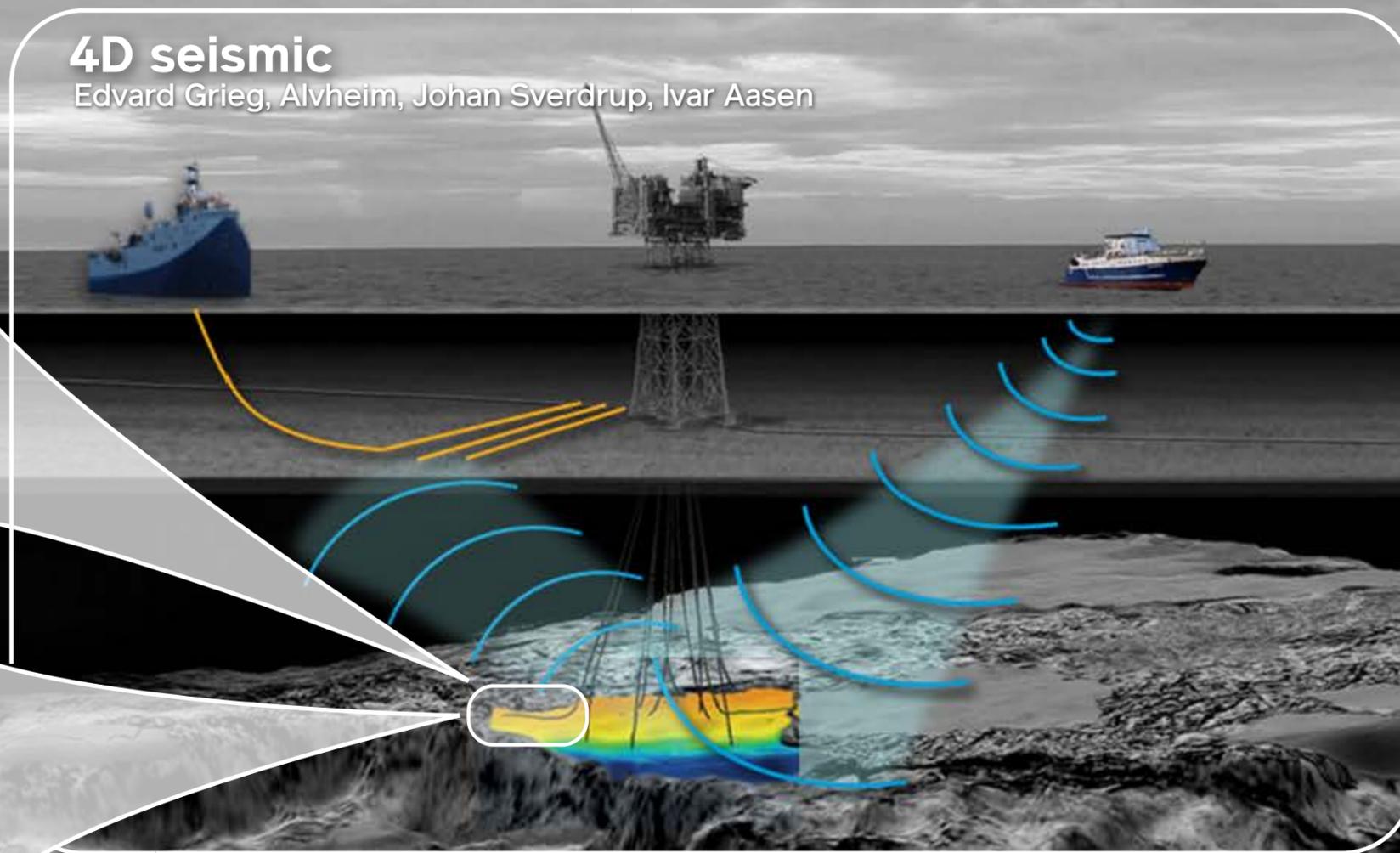
Fishbones Completion

Edvard Grieg, Ivar Aasen



4D seismic

Edvard Grieg, Alvheim, Johan Sverdrup, Ivar Aasen

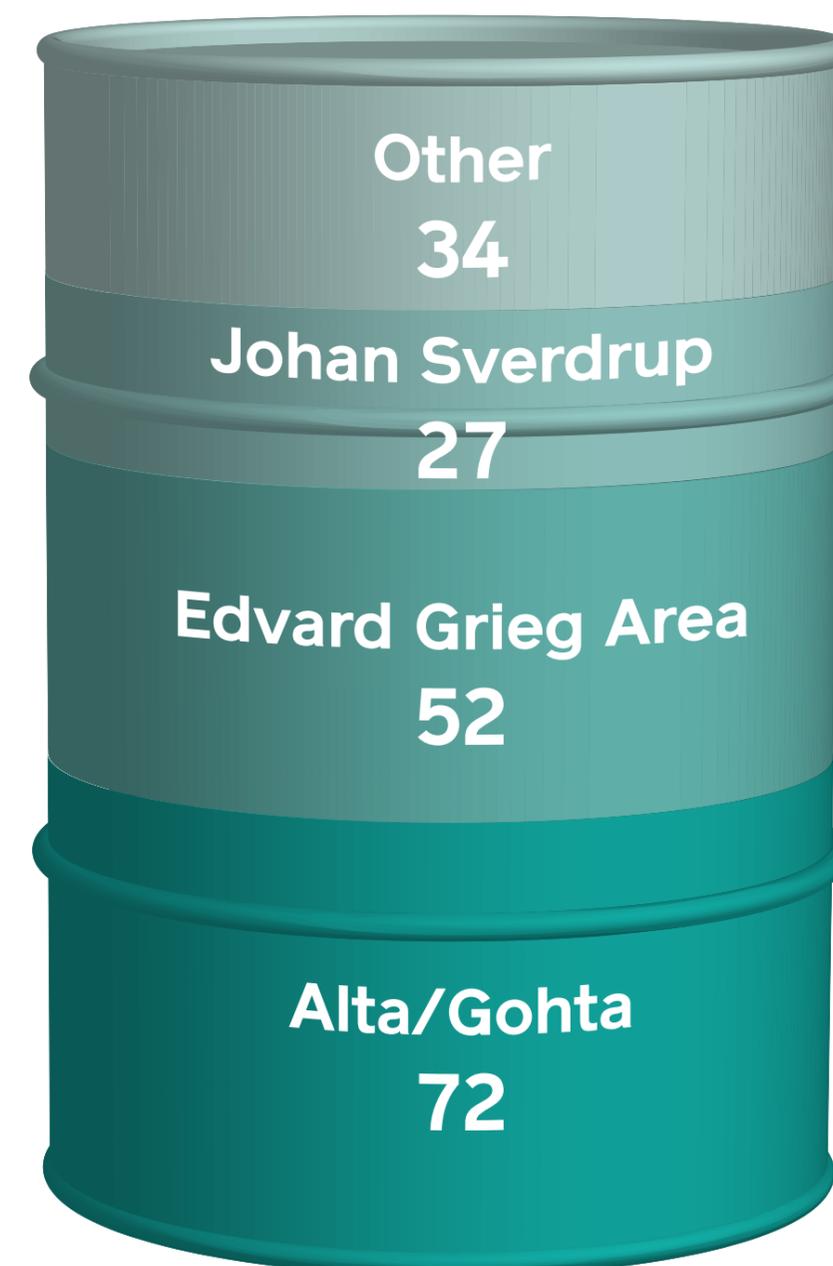


Lundin Petroleum

Year-End 2019 2C Contingent Resources (net)

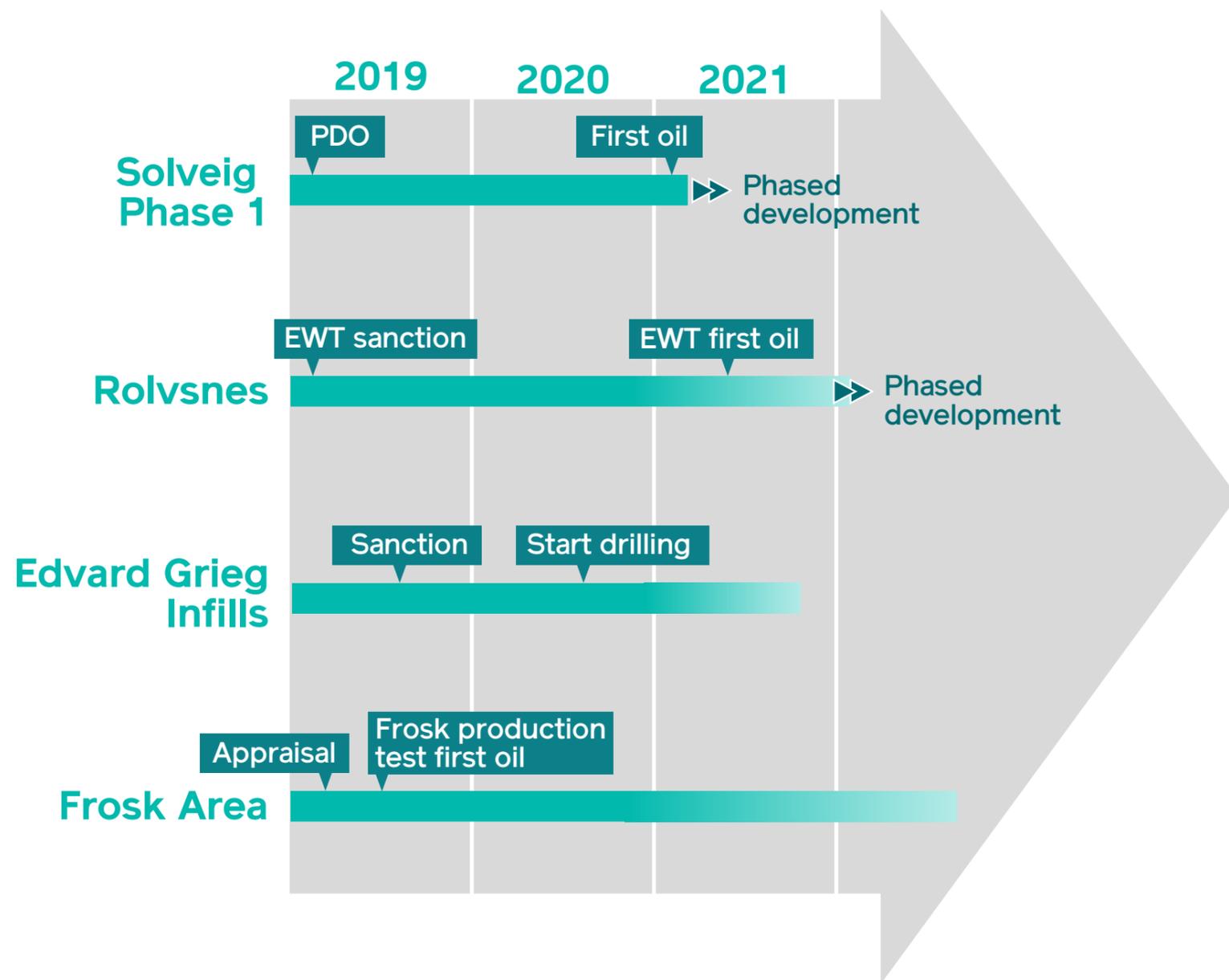
2C Contingent Resources
185.3 MMboe

	MMboe
End 2018	225.4
Acquisitions / Dispositions	8.7
Discoveries	5.3
New IOR projects	4.4
Technical Revisions	-9.2
End 2019 before projects matured to reserves	234.5
Matured to Reserves	-49.2
End 2019	185.3



Lundin Petroleum Pipeline of New Projects

Projects Underway



8 Potential new projects targeting **100–300** MMboe net resources



⁽¹⁾ Gross Reserves and Contingent Resources

Lundin Petroleum

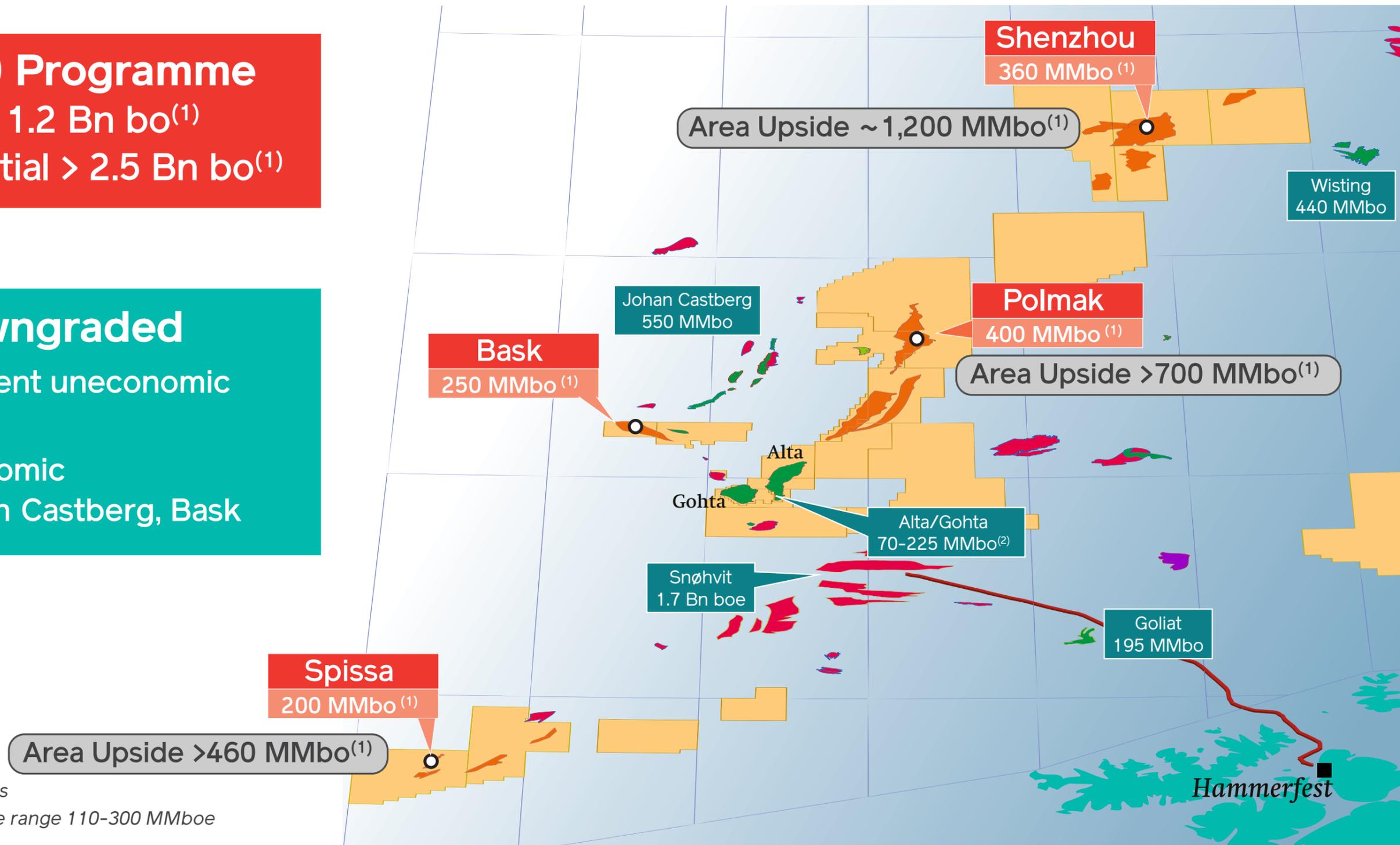
Southwestern Barents Sea Strategy

- 2020 Wells
- Prospects
- Lundin Petroleum Licences

Strategic 2020 Programme
 4 Prospects > 1.2 Bn bo⁽¹⁾
 Area Upside Potential > 2.5 Bn bo⁽¹⁾

Alta / Gohta downgraded

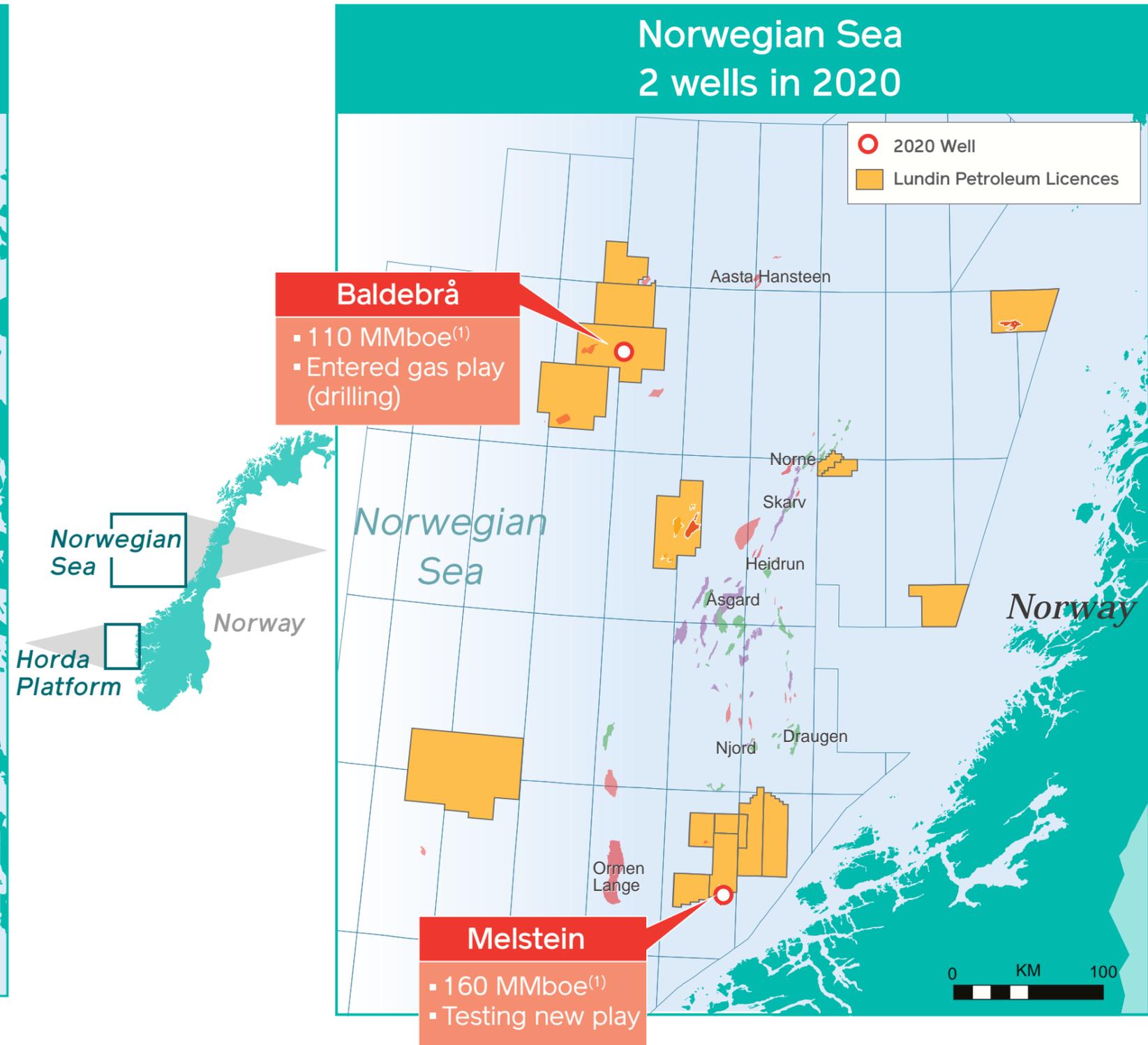
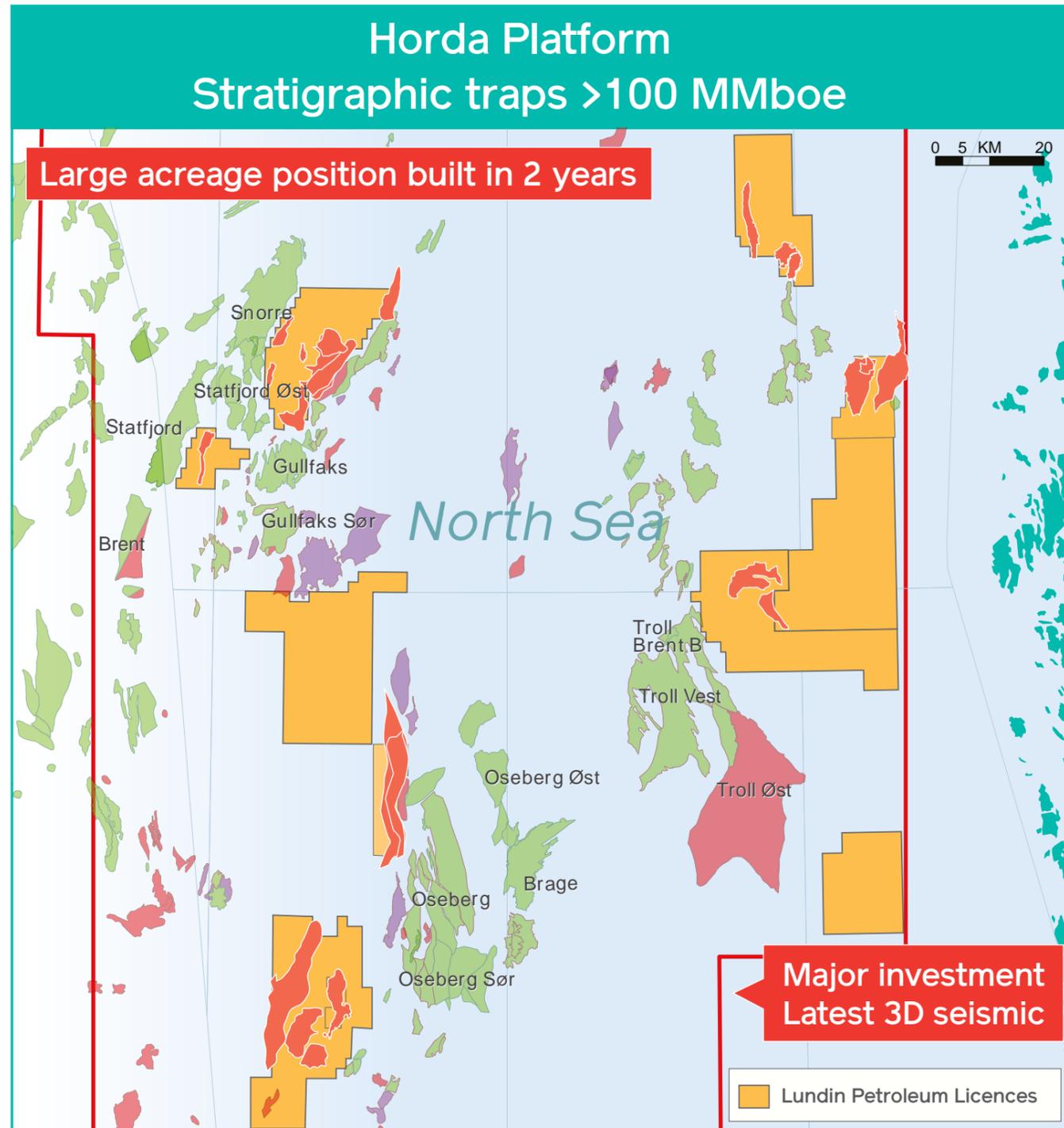
- Standalone development uneconomic requires > 200 MMbo
- Subsea tie-back economic potential hosts : Johan Castberg, Bask



⁽¹⁾ Gross unrisked prospective resources

⁽²⁾ Alta/Gohta gross contingent resource range 110-300 MMboe

Lundin Petroleum Building New Core Areas



⁽¹⁾ Gross unrisked resources

Lundin Petroleum Central North Sea

Usitra High / Alvheim Area
→ Continuing to find oil in prolific areas

Sele High
→ Large undrilled high
→ Follow on opportunities

Alvheim Area
750 MMboe⁽²⁾ discovered

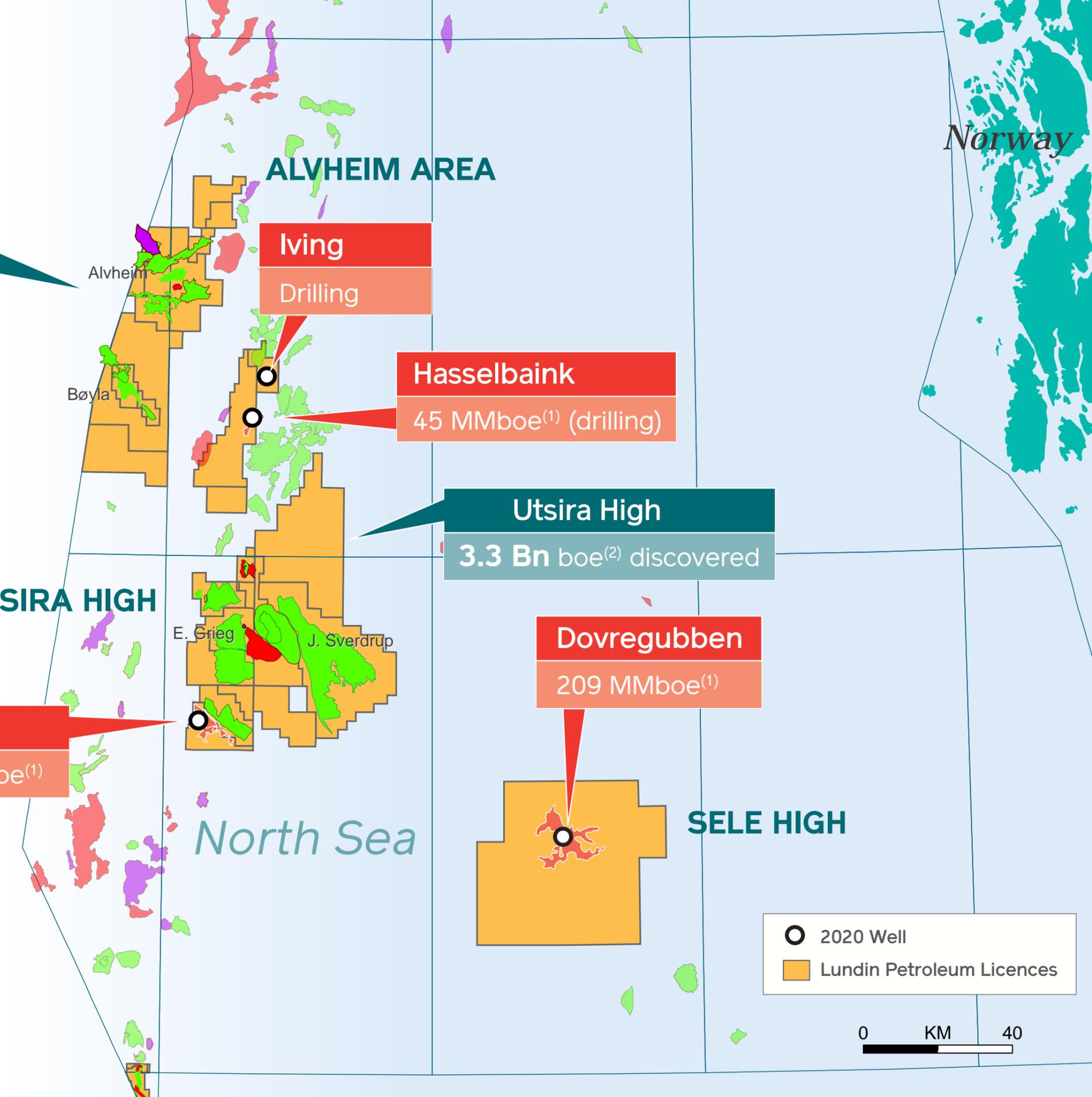
Merckx
152 MMboe⁽¹⁾

Iving
Drilling

Hasselbaink
45 MMboe⁽¹⁾ (drilling)

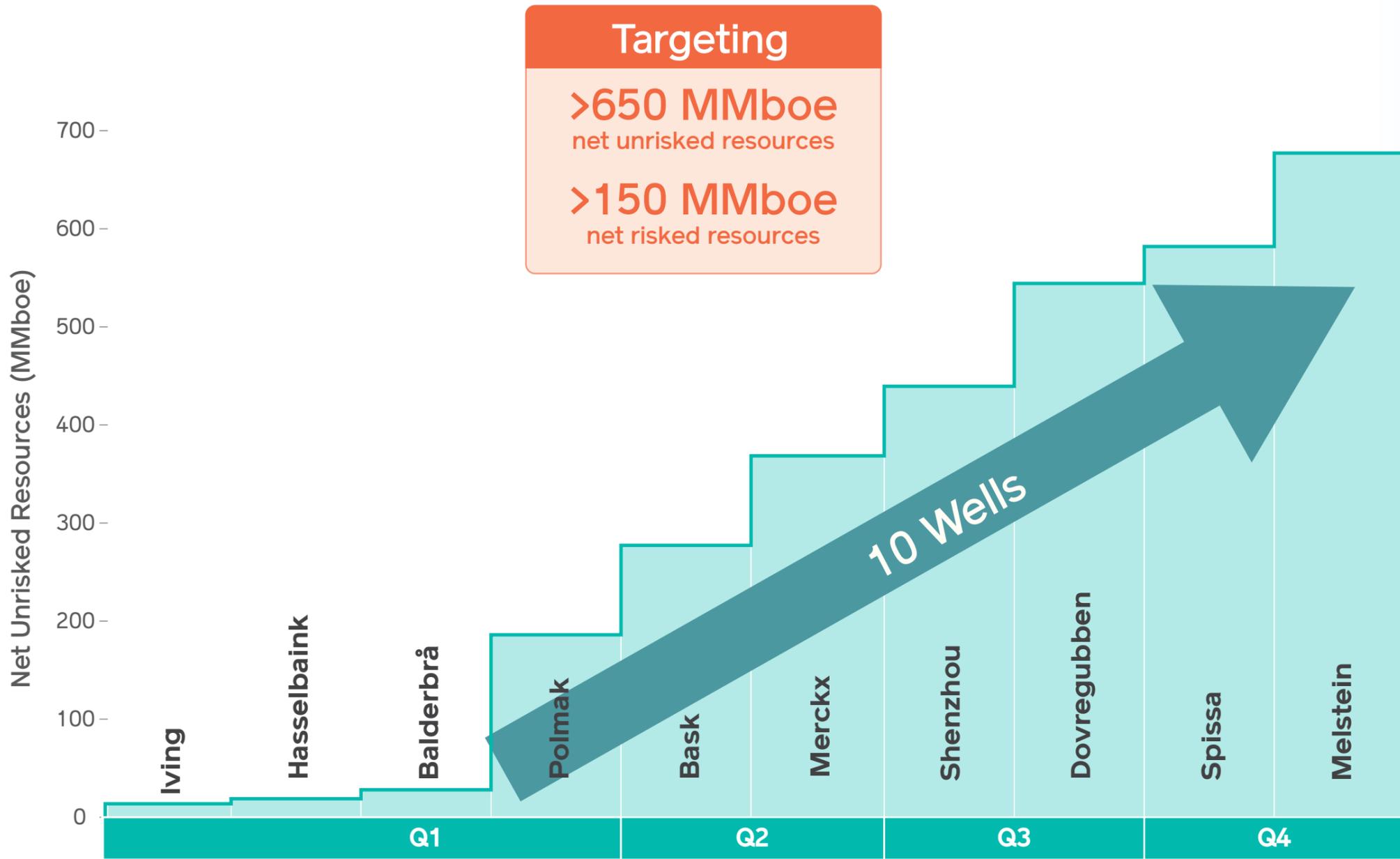
Utsira High
3.3 Bn boe⁽²⁾ discovered

Dovregubben
209 MMboe⁽¹⁾



⁽¹⁾ Gross unrisked resources ⁽²⁾ Gross

Lundin Petroleum 2020 Exploration and Appraisal Programme



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Multiple **growth opportunities**

Maximise recovery/step-outs,
Mature Basins, Frontier Areas

Pipeline of new projects

4 underway, **4** appraisal/concept phase

Significant Exploration Programme

2020 targetting **>650** MMboe⁽¹⁾

Delivering on our
Organic Growth
Strategy

⁽¹⁾ Net unrisked resources

Coffee break



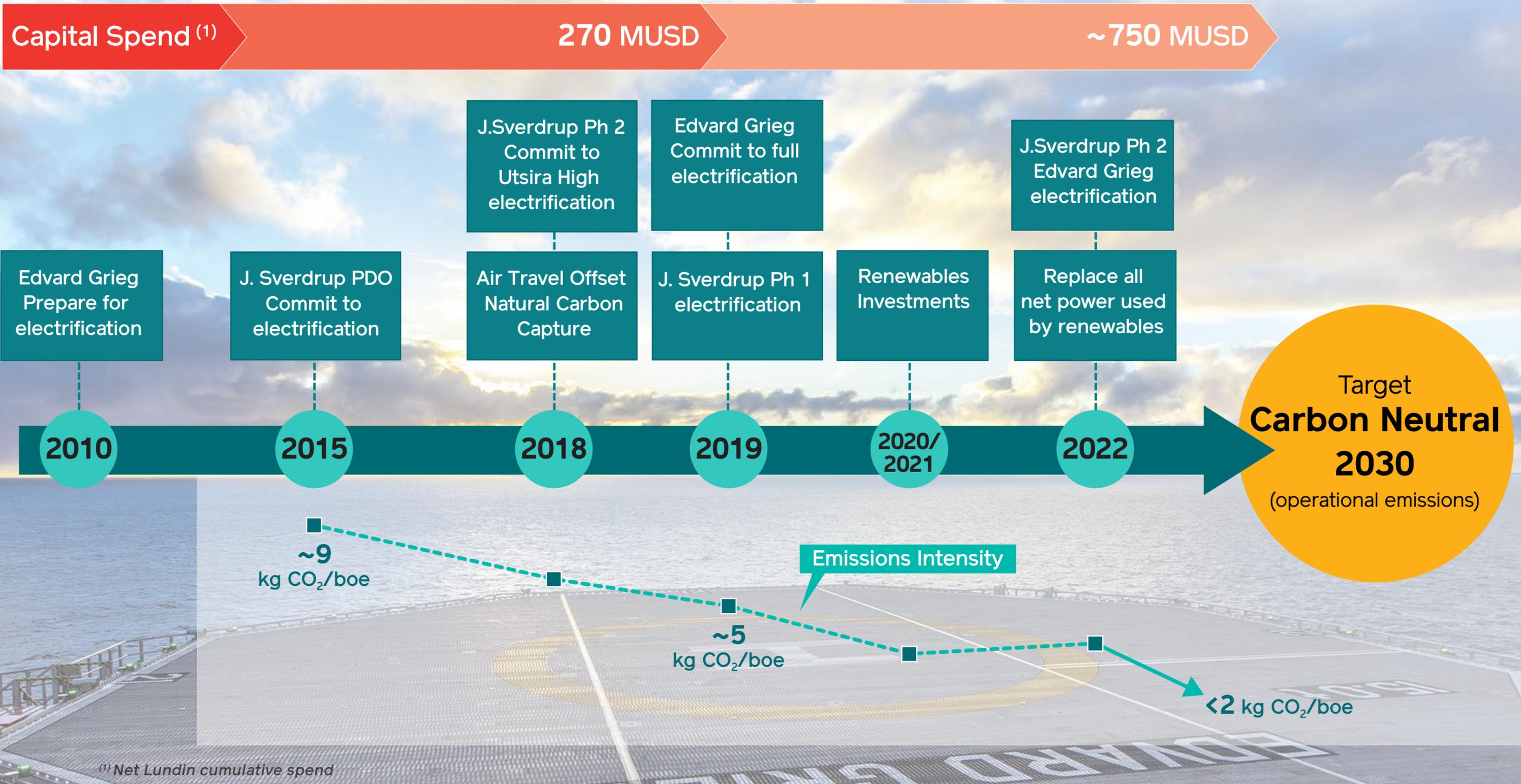
Decarbonisation Strategy

the path to carbon neutrality



Lundin Petroleum

Decarbonisation Strategy - The Path to Carbon Neutrality



Decarbonisation Strategy

Replacing Power Usage with Renewables

Leikanger Hydropower

Lundin to acquire **50%** operated by Sognekraft
 Net investment for 2020–2021 ~**60** MUSD

Metsälamminkangas (MLK) Windfarm

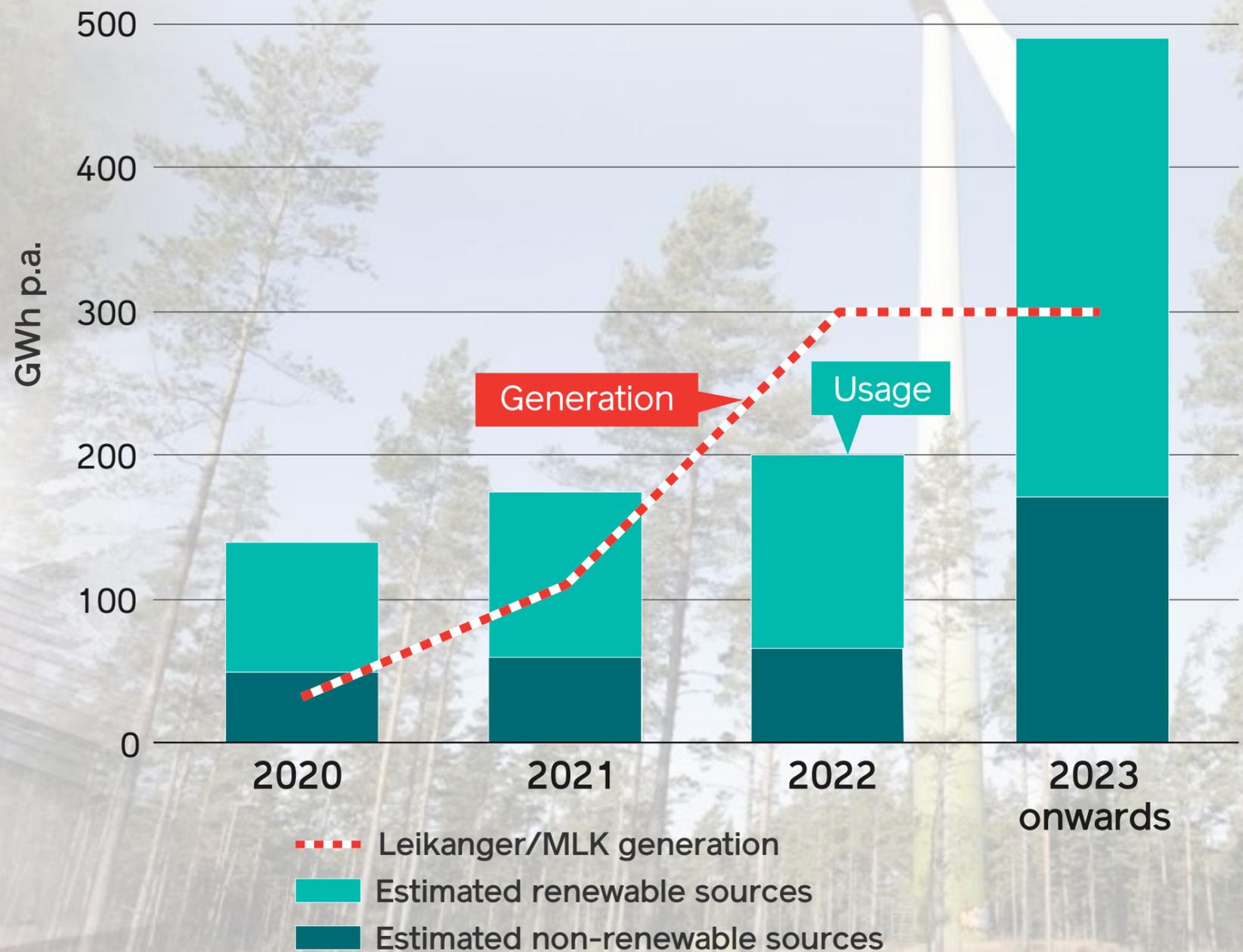
Lundin to acquire **100%** operated by OX2
 with intention to farm down 50%
 Net investment 2020–2021 ~**100** MUSD⁽¹⁾

Replace all net power usage
 with further renewables investments

Generating good leveraged returns

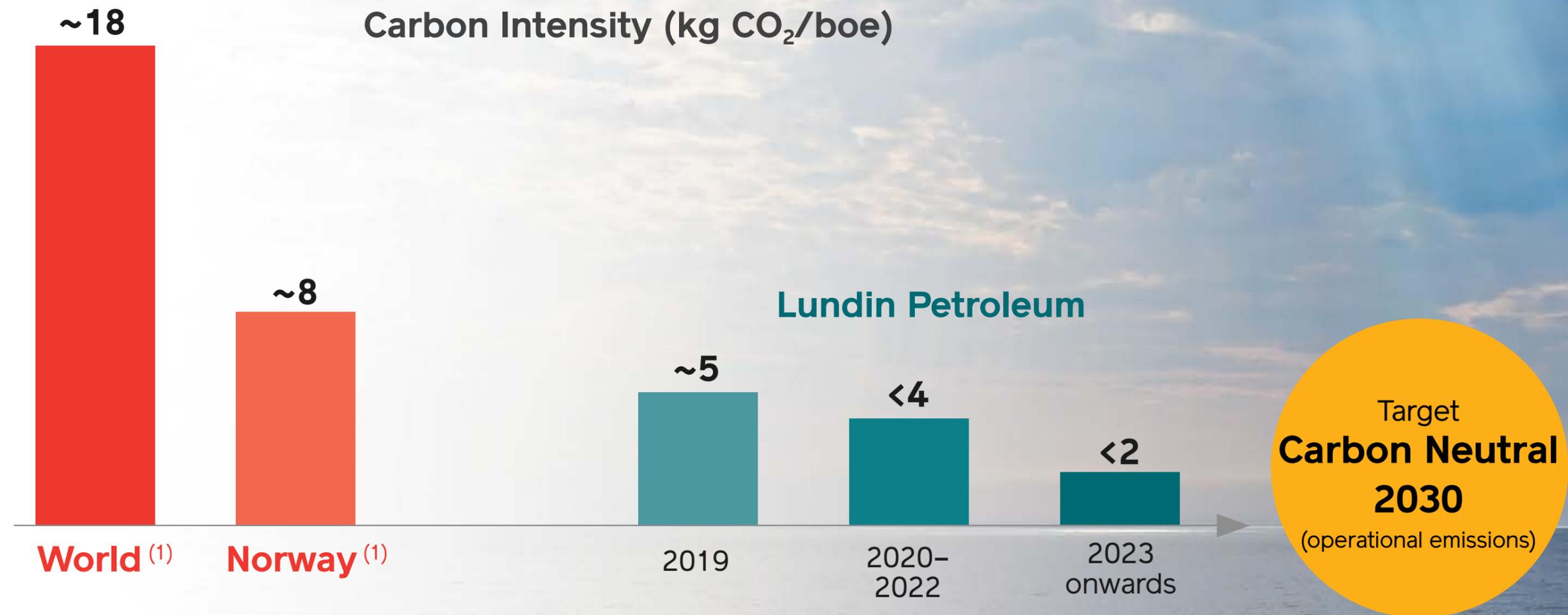
⁽¹⁾ After farm down

Lundin (Edvard Grieg & Johan Sverdrup)
 Net Power Usage and Replacement



Decarbonisation Strategy

Industry Leading



⁽¹⁾ Source NOROG/IOGP

Financial discipline and strength

proving the model works

Full Year 2019 and Fourth Quarter Financial Highlights

	Q4 2019	Full Year 2019
Production (boepd)	135.1	93.3
Average Brent oil price (USD/boe)	63.08	64.21
Cash operating costs (USD/boe)	3.54	4.03
EBITDA (MUSD)	695.5	1,918.4 ⁽¹⁾
Free cash flow (MUSD)	153.8	1,271.7
Net result (MUSD)	155.3	824.9
Adjusted net result (MUSD)	78.9	252.7

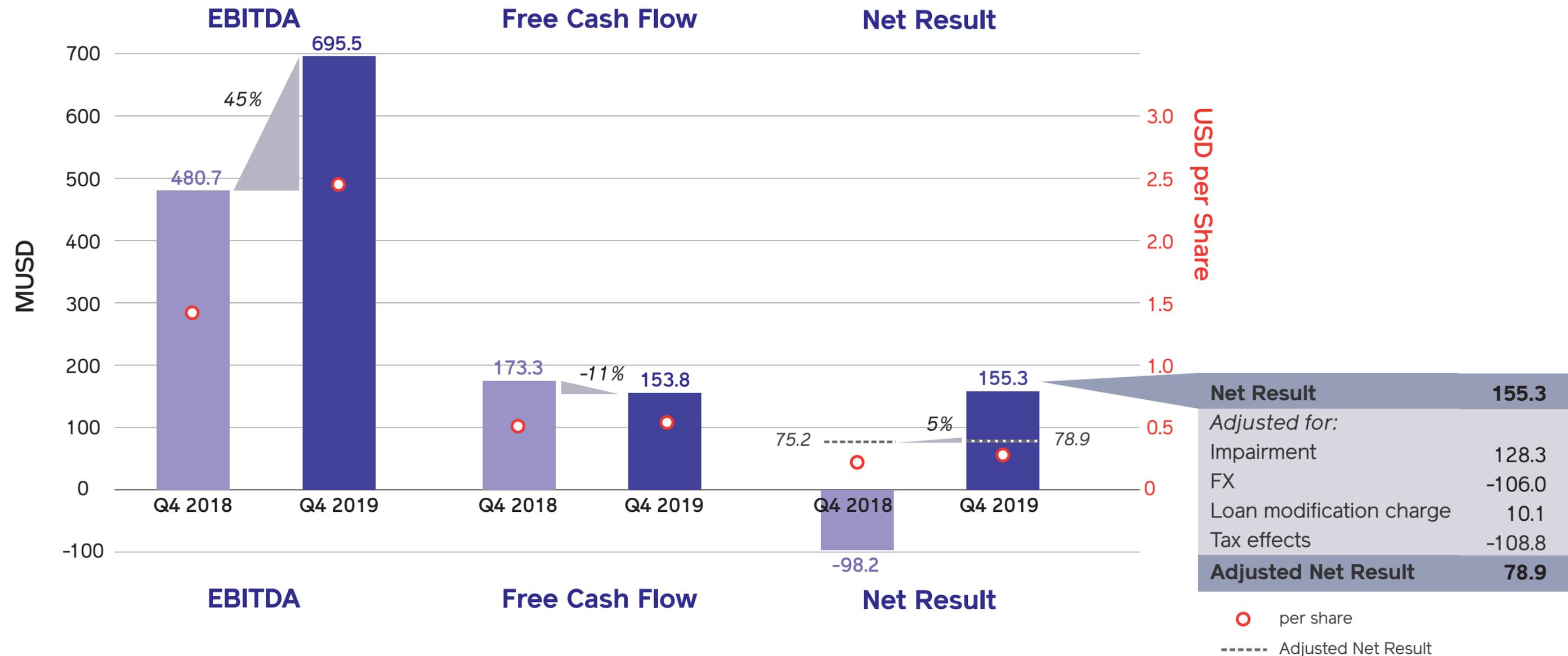
1) excludes the reported after tax accounting gain of MUSD 756.7 on the divestment of a 2.6 percent working interest in Johan Sverdrup

All comparative numbers in this presentation are restated following change in accounting principle for under/overlift balances.

Financial Results

Fourth Quarter 2019

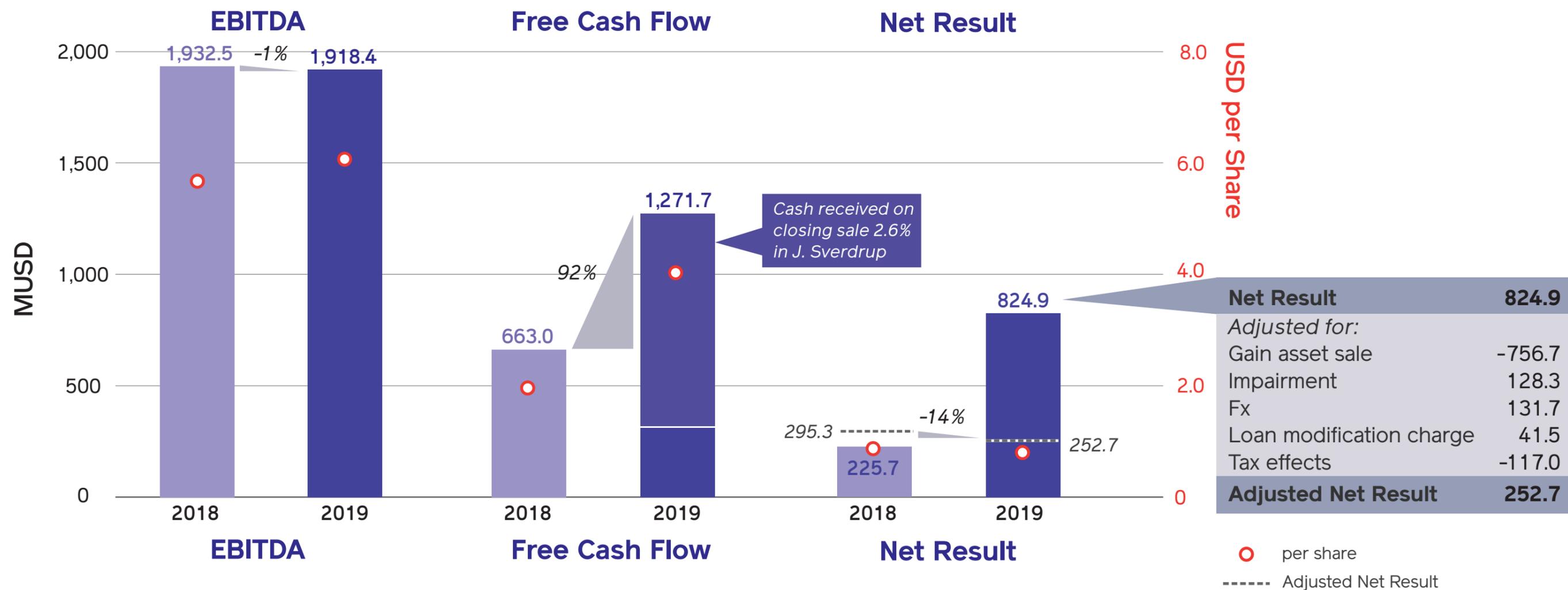
	Q4 18	Q4 19		Q4-18	Q4-19	
Price USD/boe	65.03	60.75	-7%	65.03	60.75	-7%
Sales boepd	88.2	132.5	50%	88.2	132.5	50%



Financial Results

Full Year 2019

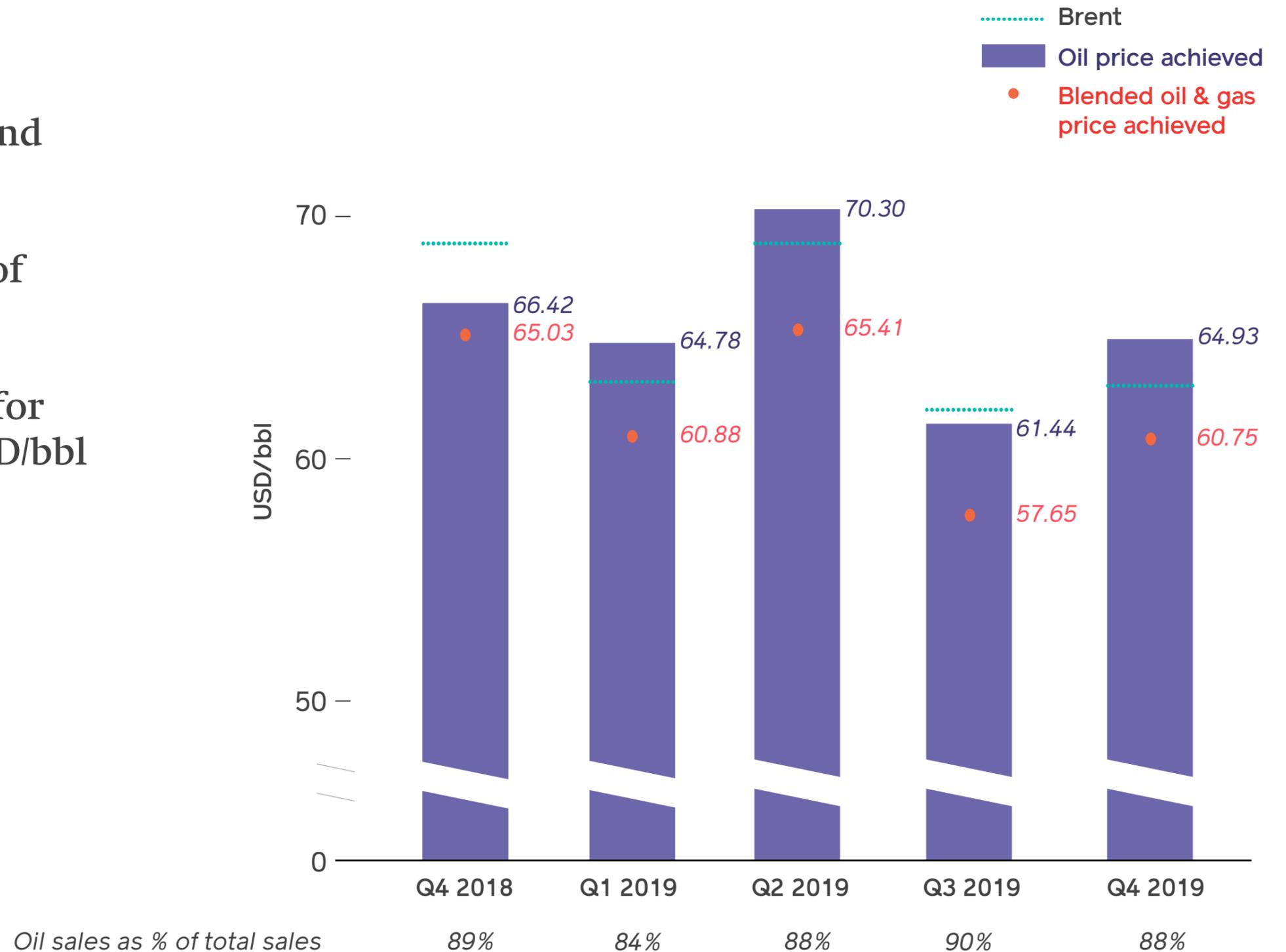
	2018		2019		2018		2019	
Price USD/boe	67.89		61.00	-10%	67.89		61.00	-10%
Sales boepd	83.6		93.2	11%	83.6		93.2	11%
Exploration costs MUSD					53.2		125.6	



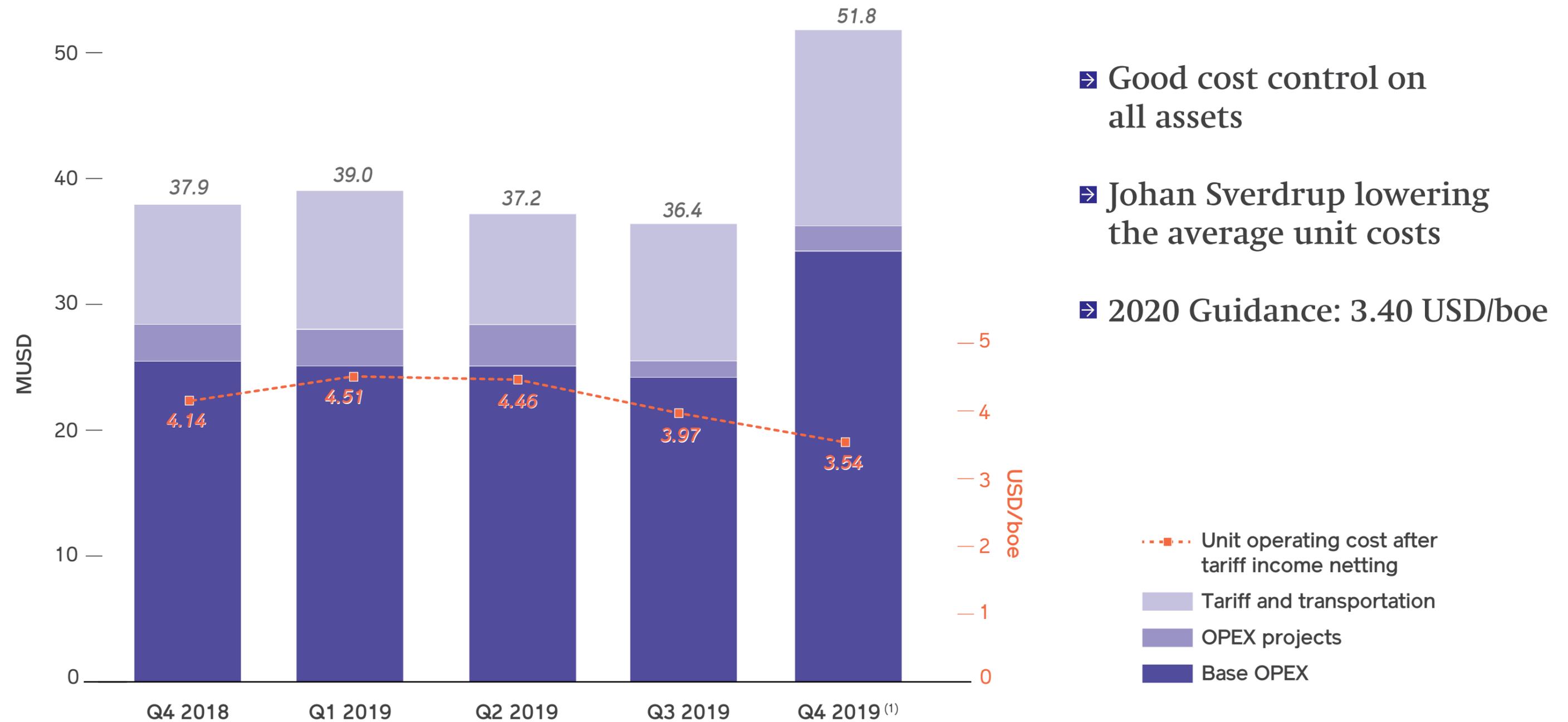
(1) Includes interest and pro and contra settlement from effective date to completion date as well as working capital balances and incurred transaction expenses

Full Year 2019 Realised Prices

- Strong demand for Grane blend - premium during Q4 2019
- Positive impact from timing of liftings during Q4 2019
- Weighted premium to Brent for full year 2019 of USD 0.51 USD/bbl



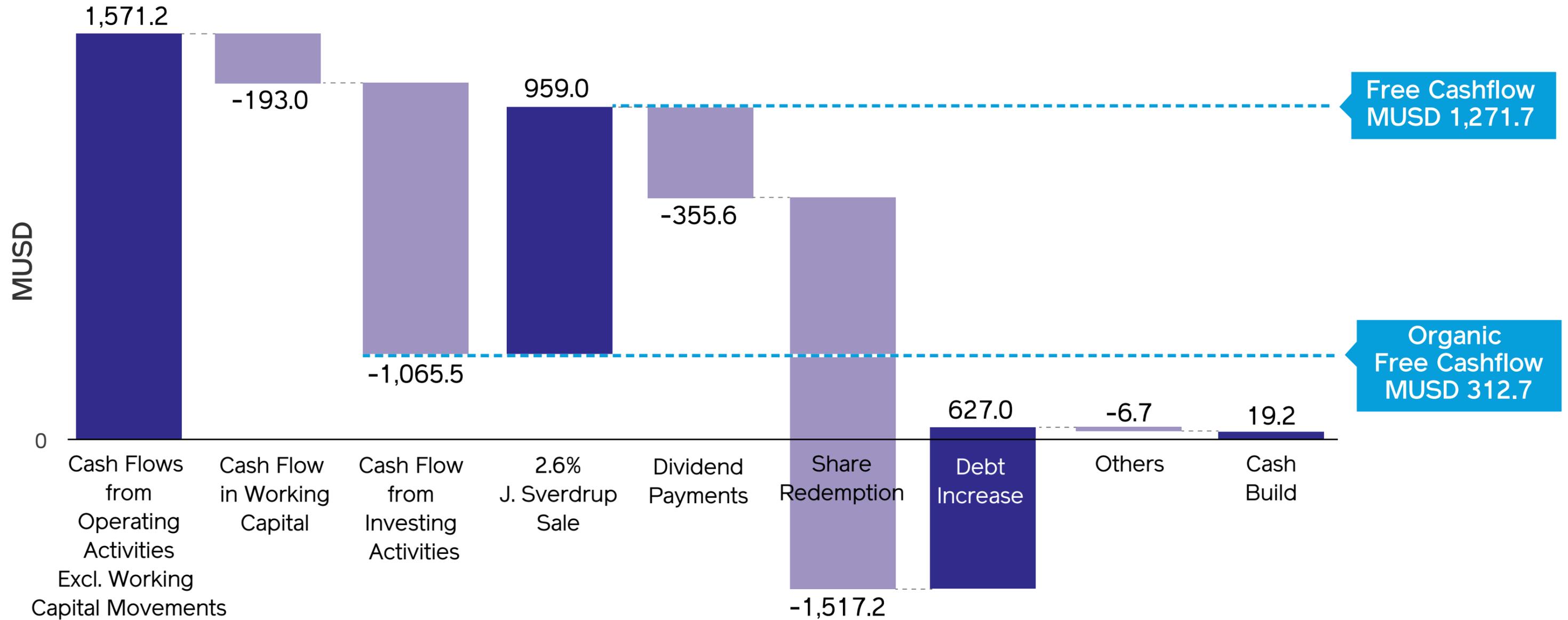
Full Year 2019 Operating Costs



- Good cost control on all assets
- Johan Sverdrup lowering the average unit costs
- 2020 Guidance: 3.40 USD/boe

⁽¹⁾ Start up Johan Sverdrup during Q4 2019

Full Year 2019 Cash Flow



2019 Actuals Compared to CMD

	CMD 60 USD/bbl	Actual 64.21 USD/bbl
Production (Mboepd)	75–95	93.3
EBITDA (MUSD)	1,625	1,918
Free Cash flow (MUSD)	140	313 ⁽¹⁾
Cash OPEX (USD/boe)	4.25	4.03
CAPEX and E&A Spend (Bn USD)	1.23	0.97

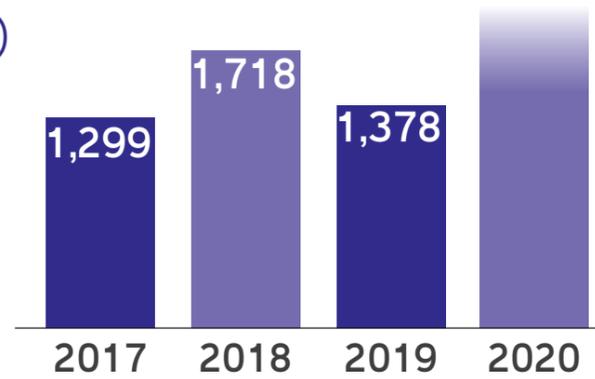
➤ Outperformed on all operational metrics despite sale of 2.6% of J. Sverdrup

⁽¹⁾ Excludes sale proceeds from 2.6% J. Sverdrup sale

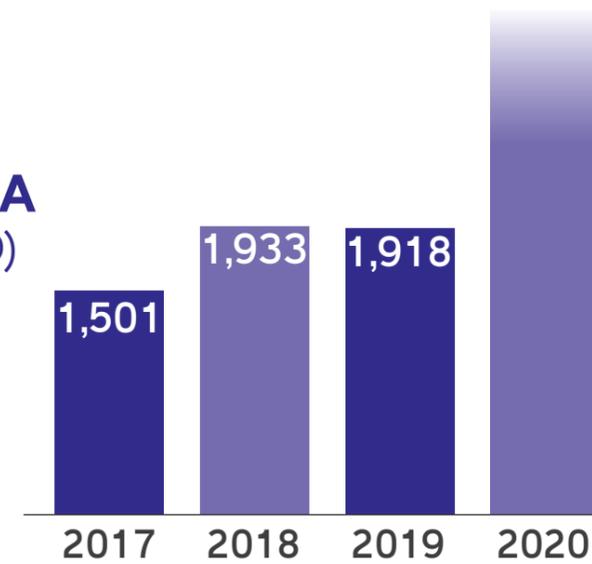
Lundin Petroleum

2019 Financial Summary - 2020 Outlook

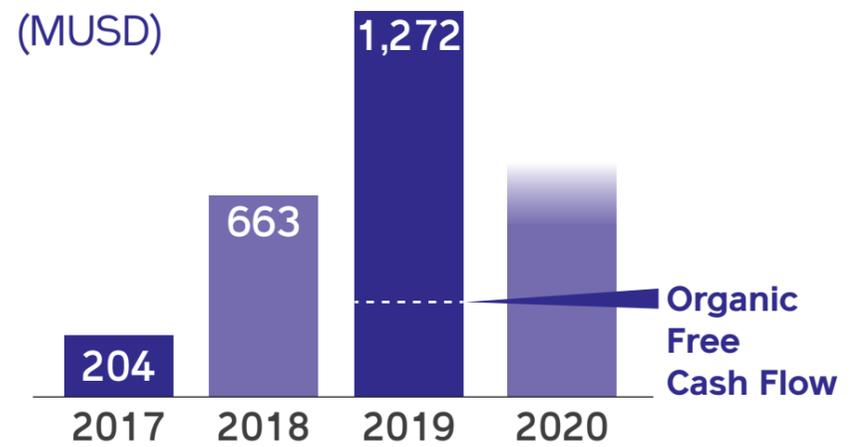
CFFO
(MUSD)



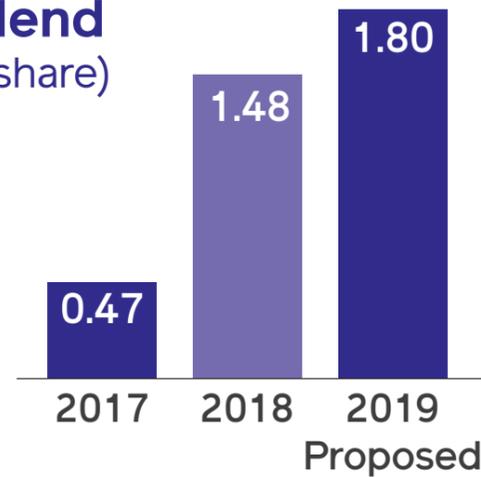
EBITDA
(MUSD)



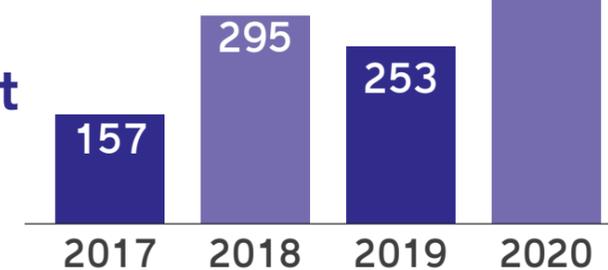
Free Cash Flow⁽¹⁾
(MUSD)



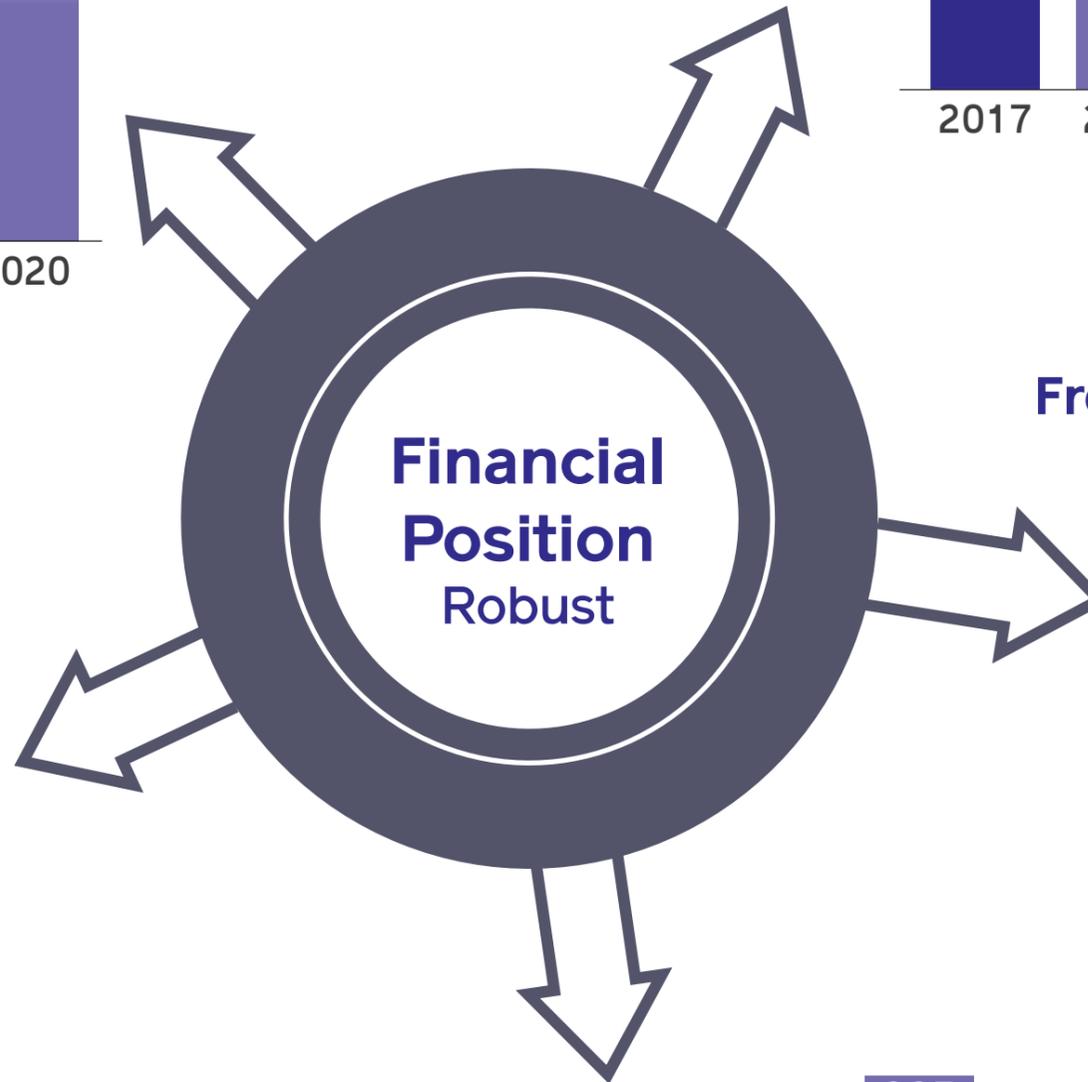
Dividend
(USD/share)



Adjusted Net Result
(MUSD)



**Financial
Position
Robust**



⁽¹⁾ Pre dividends

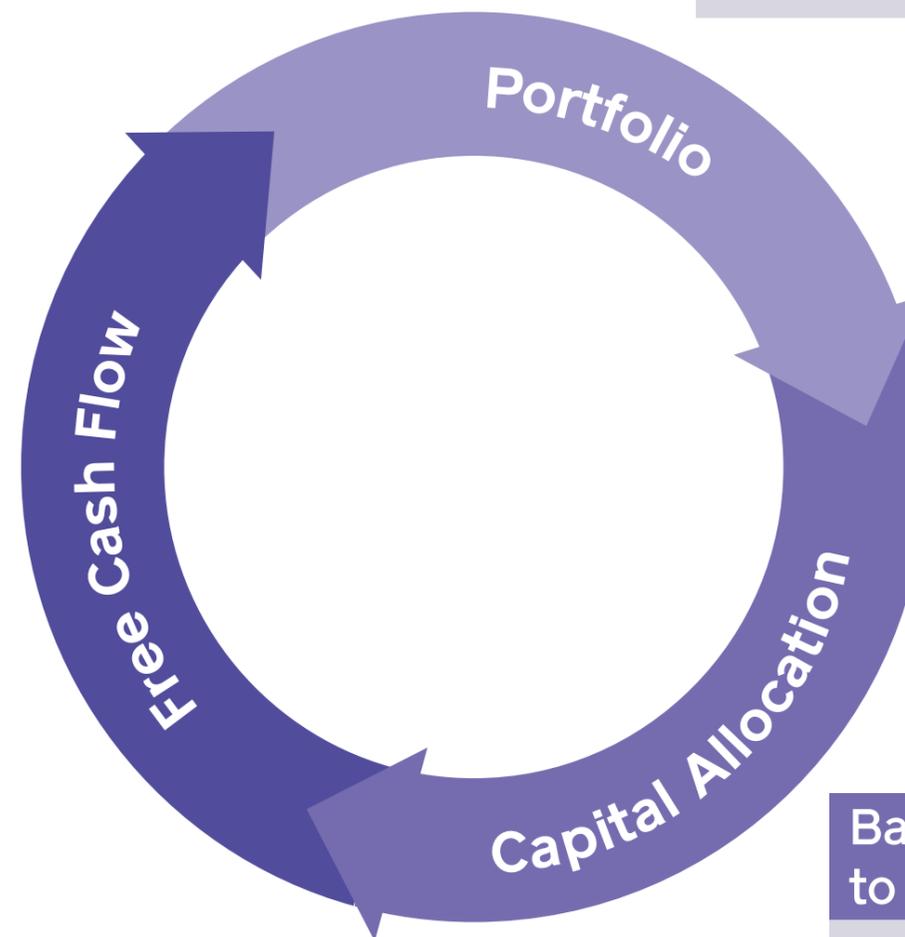
Lundin Petroleum Financial Model

High quality and low cost production base

- EBITDA margin > 90%
- 93% Oil - Quality close to Brent
- > 90% of reserves in production
- < USD 3/bbl of remaining 2P Capex spend

Strong free cashflow profile

- Free cash flow breakeven at ~20 USD/bbl Brent ⁽¹⁾
- Dividends sustained at Brent < USD 50/bbl ⁽²⁾
- Norway Fiscal regime protective against low oil price



Balanced capital allocation – resilient to low oil prices

- Flex on dividend vs debt repayments
- Net Debt/EBITDA ~1x by end 2021
- Capacity for further organic growth

⁽¹⁾ 2P reserves pre-dividends 2020-2026

⁽²⁾ 2020 esc. 2% p.a.

Lundin Petroleum 2020 Highlights

Dividends
511 MUSD
Increase of 22%

CFFO
~2.0 Bn USD ⁽¹⁾

Net Debt/EBITDAX
YE 2020
<1.2x ⁽¹⁾

OPEX
3.40 USD/boe

Oil & Gas CAPEX
E&A
1.1 Bn USD

Renewable
CAPEX
0.1 Bn USD

⁽¹⁾ BRENT price 65 USD/bbl

Note: Based on mid point of production guidance

2020 Forecast Netback (USD/boe)

	Forecast 2020		
<i>Average Brent oil price USD/boe</i>	50.00	65.00	80.00
Revenue	49.50	63.55	77.59
Cash Operating Costs ⁽¹⁾	-3.40	-3.40	-3.40
Other	-0.03	-0.03	-0.03
Cash Margin Netback	46.07	60.11	74.16
General & Administration ⁽²⁾	-0.57	-0.57	-0.57
EBITDA Netback	45.49	59.54	73.58

Numbers may not add up due to rounding

*All netback forecast for 2020 based on mid-point
of 2020 production guidance 145-165 Mboepd*

⁽¹⁾ *Tariff income from Ivar Aasen netted* ⁽²⁾ *Adjusted for depreciation*

NOK/USD 8.75

2020 Forecast

Profit Netback (USD/boe)

	Forecast 2020		
<i>Average Brent oil price USD/bbl</i>	50.00	65.00	80.00
Cash Margin Netback	46.07	60.11	74.16
Depletion/Depreciation	-10.95	-10.95	-10.95
G&A	-0.57	-0.57	-0.57
Financial Items, net	-4.26	-4.11	-3.97
Profit Before Tax	30.29	44.48	58.67
Current Tax	-18.96	-29.93	-40.89
Deferred Tax	-6.02	-5.94	-5.86
Tax Charge	-24.98	-35.87	-46.75
Profit After Tax	5.30	8.61	11.92
Tax Rate	82%	81%	80%
Adjusted Profit After Tax	5.92	9.22	12.54
Current Tax as % of EBITDA	42%	50%	56%

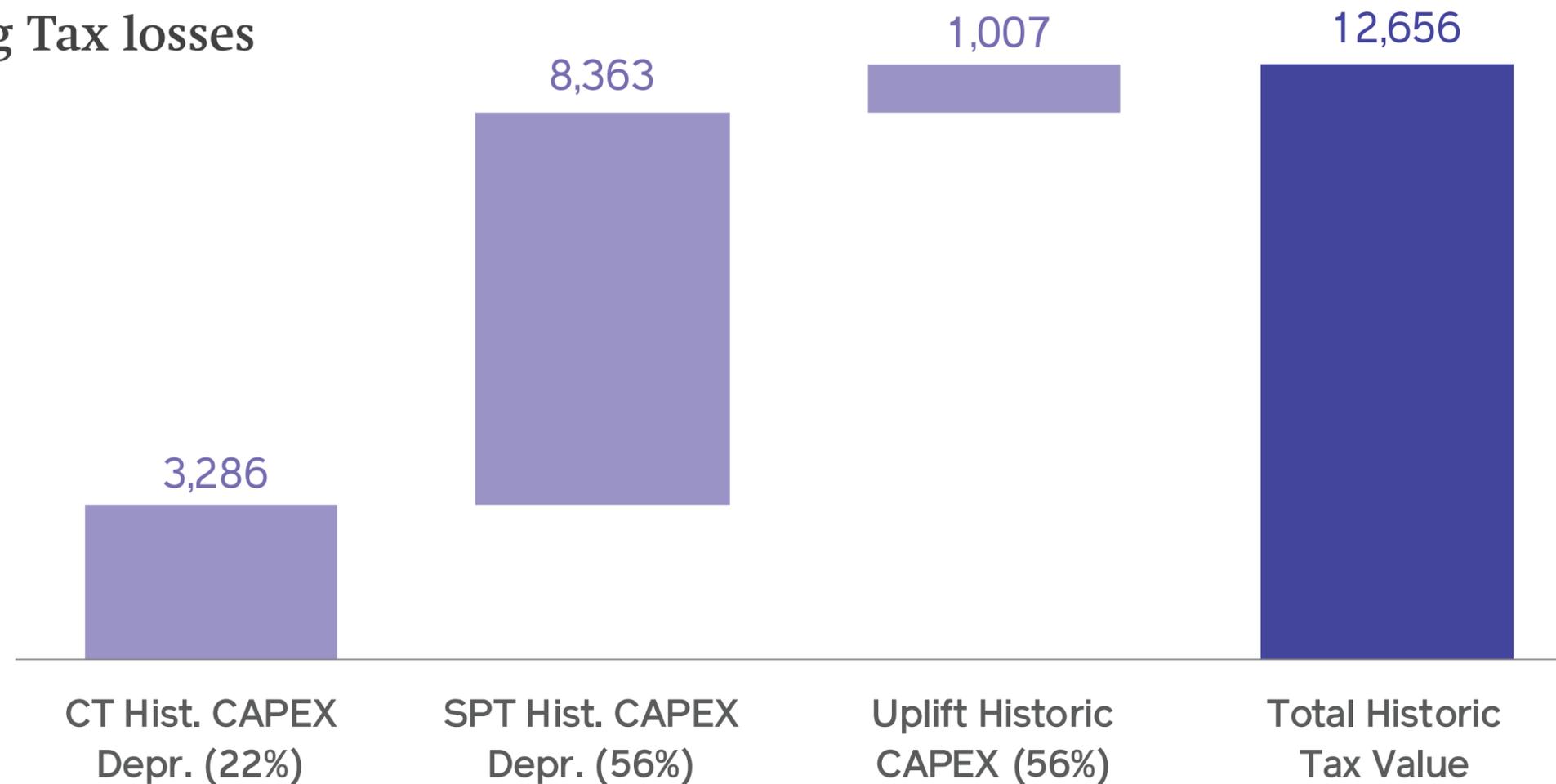
Numbers may not add up due to rounding

Lundin Petroleum Norway Tax Value

Tax Value from Historic CAPEX Spend (MNOK as at 1 Jan 2020)

1.4 Bn USD

- No Remaining Tax losses as of YE 2019



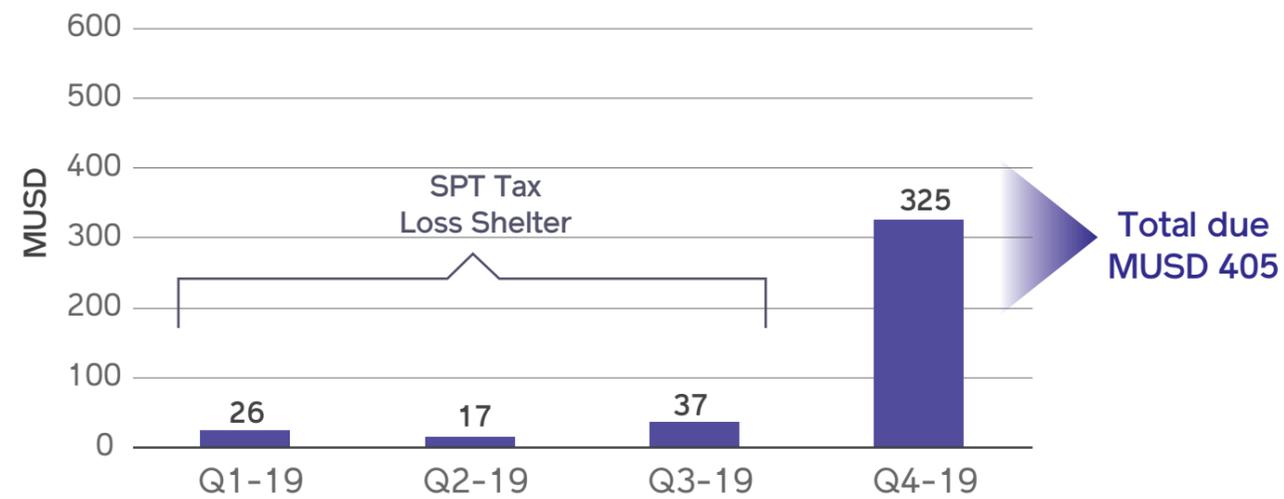
Notes:

Represents tax value of undepreciated historical offshore CAPEX

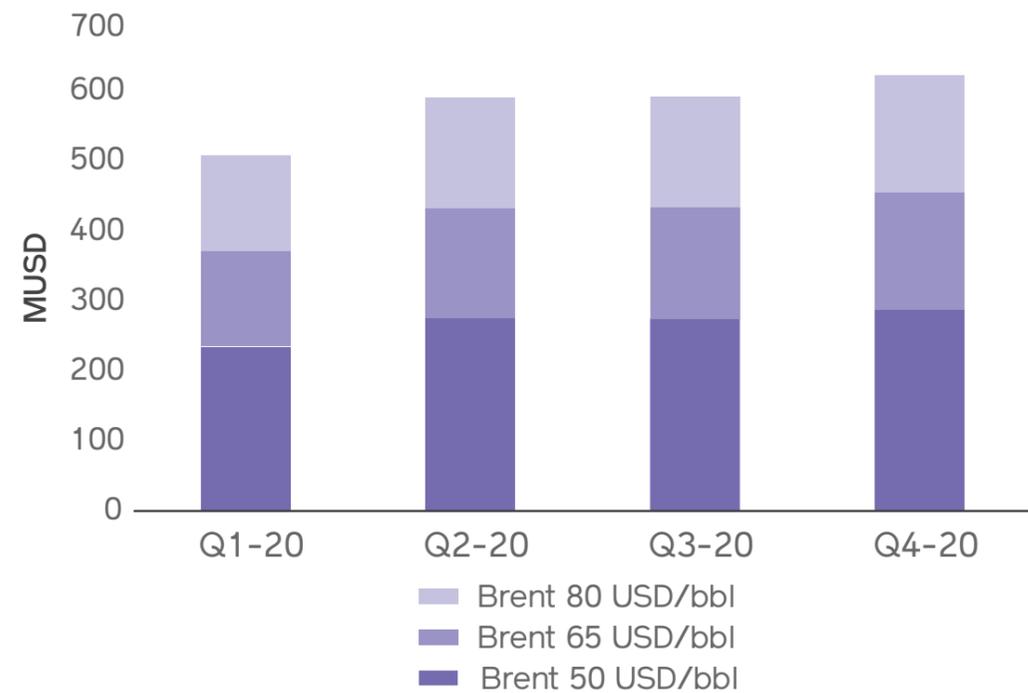
Norway

Tax Due and Paid

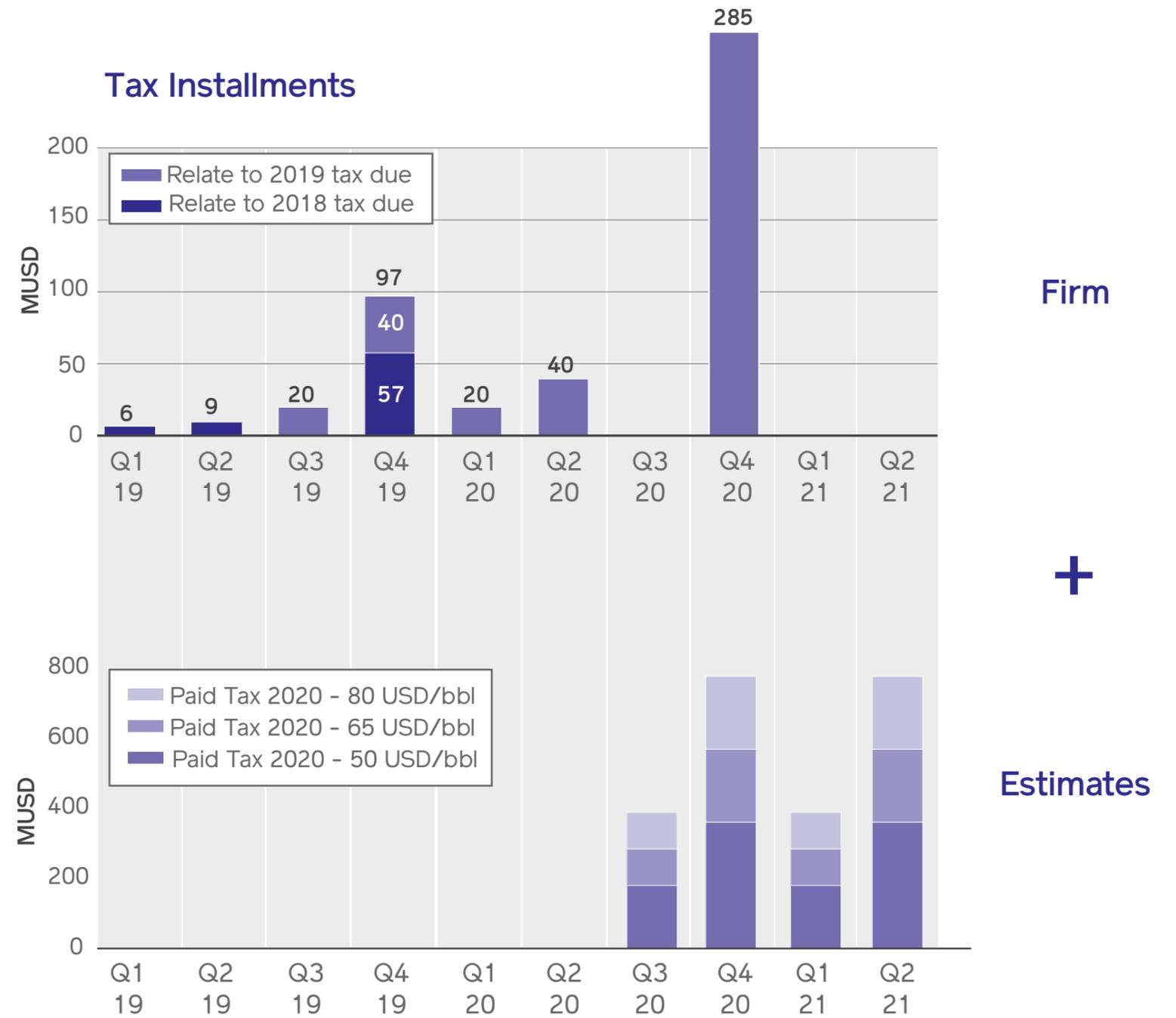
Tax Due – 2019 Actual



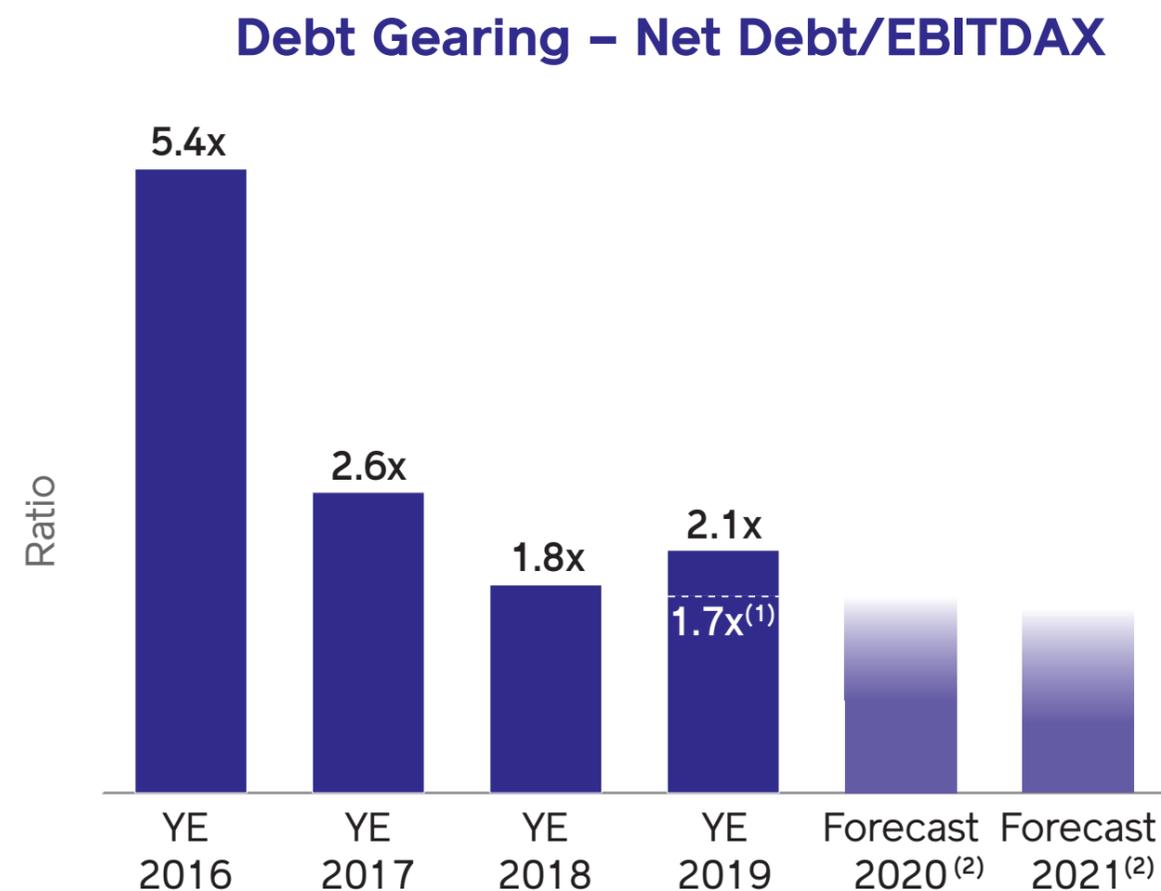
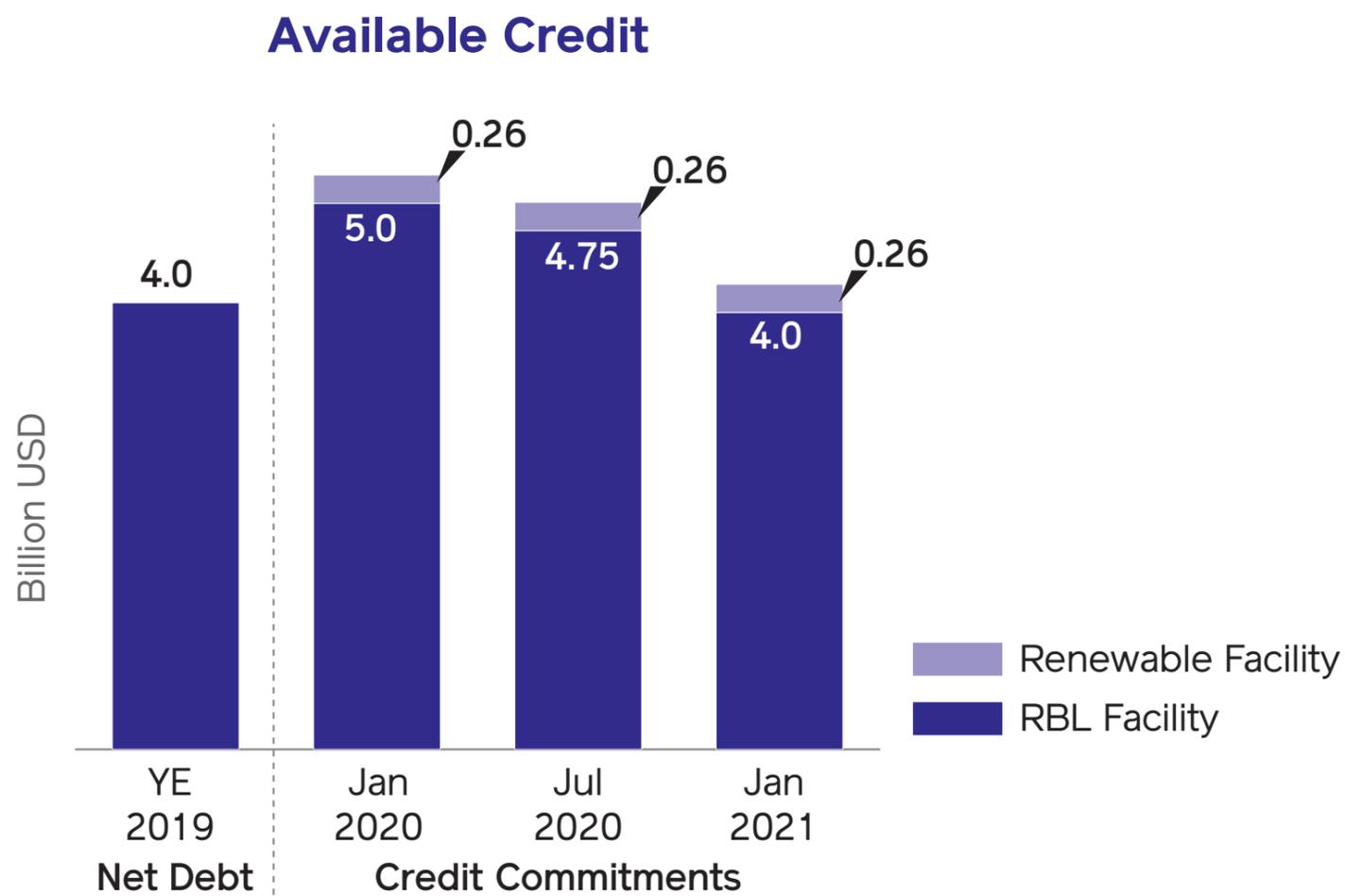
Tax Due – 2020 Forecast



Tax Installments



Lundin Petroleum Debt and Liquidity



- ⇒ RBL margin 200-250 BPS -> Current 225 BPS
- ⇒ Renewable margin variable -> Current 125 BPS

Approaching investment grade credit metrics

Likely re-financing in 2020/21

1) Excluding Equinor Deal Summer 2019 and share buy-back 2) Brent range 50 to 80 USD/bbl (2020) esc. 2% p.a.

2020 Forecast

Funding and Liquidity (USD/boe)

		Forecast 2020		
	Average Brent oil price USD/bbl	50.00	65.00	80.00
CFFO	A	26.88	34.25	41.62
Development Capex Oil and Gas		-15.78	-15.78	-15.78
Development Capex Renewable ⁽¹⁾		-1.76	-1.76	-1.76
Exploration & Appraisal Capex		-3.97	-3.97	-3.97
Decommissioning		-0.88	-0.88	-0.88
Cash Flow from Investing Activities	B	-22.39	-22.39	-22.39
Cash Flow available for Dividends	A + B	4.49	11.86	19.23
Dividend 2019	C	-8.61	-8.61	-8.61
Free Cash Flow after Dividends	A + B + C	-4.12	3.25	10.62
Available Liquidity at beginning of 2020 ⁽²⁾		22.09	22.09	22.09
Reduction in Available Liquidity under RBL		-17.63	-17.63	-17.63
Available Liquidity at end of 2020		0.35	7.71	15.08

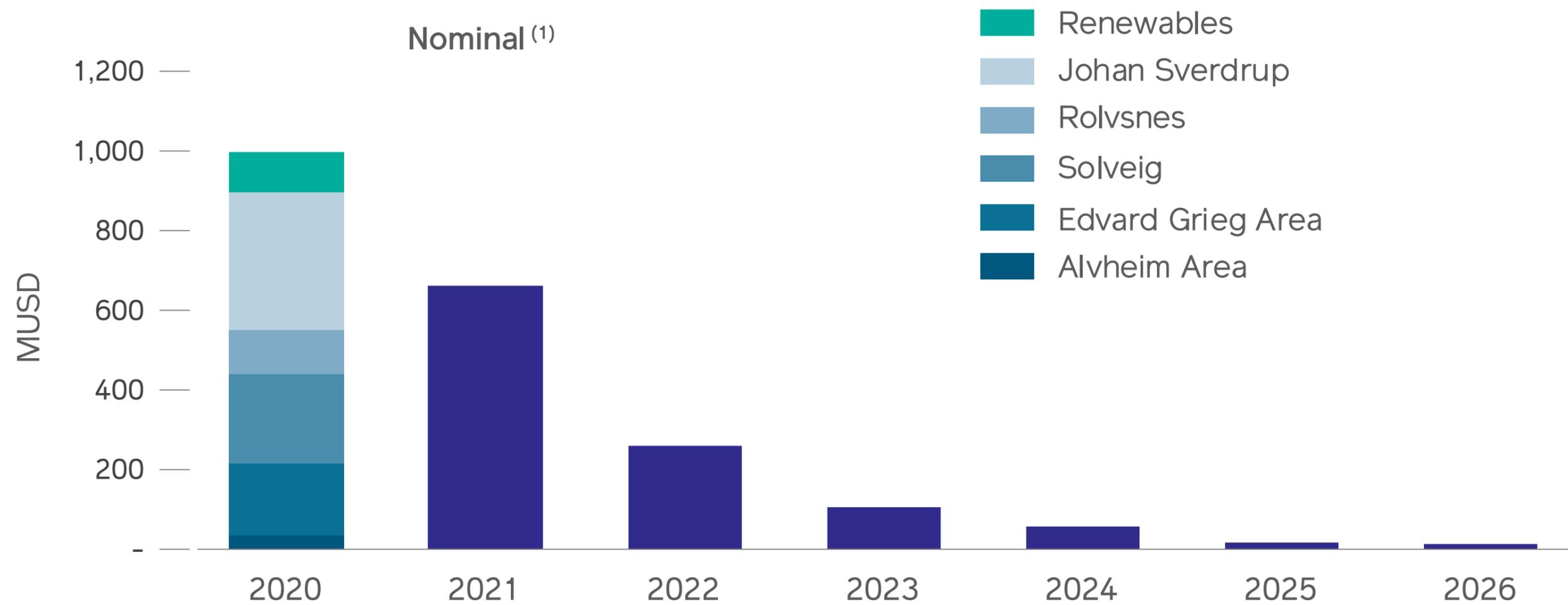
Numbers may not add up due to rounding

Development Oil&Gas 895 MUS\$D, development renewable 100 MUS\$D, E&A 225 MUS\$D and decommissioning 50 MUS\$D

⁽¹⁾ Includes investments through joint ventures

⁽²⁾ Includes 260 MUS\$D financing obtained early 2020 relating to renewable projects

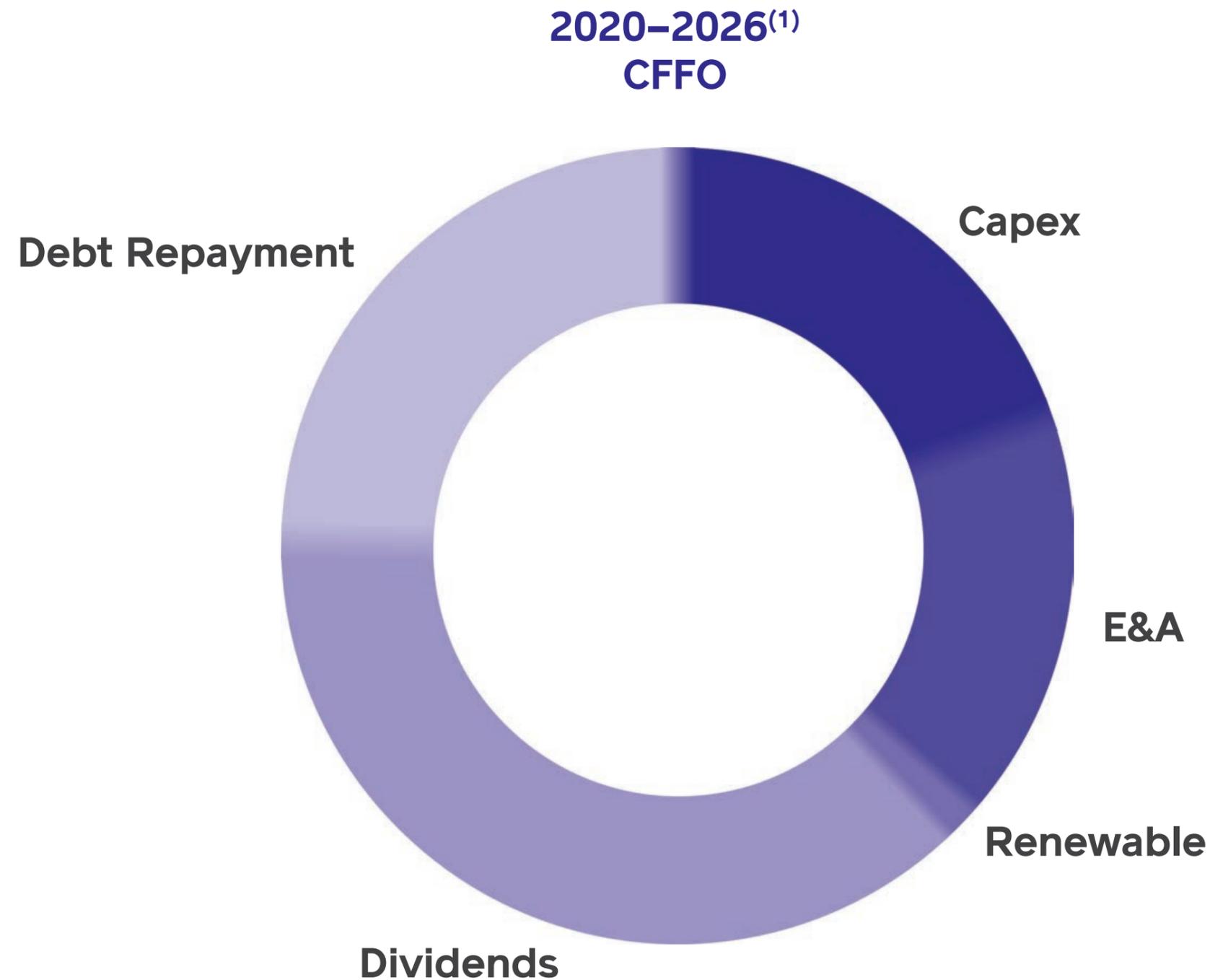
Lundin Petroleum Capex



¹⁾ 2% inflation

Capital Allocation

65 USD/bbl Brent +2% ESC



⇒ Good flexibility on capital allocation

→ Net Debt/Ebitda ~1x by end 2021

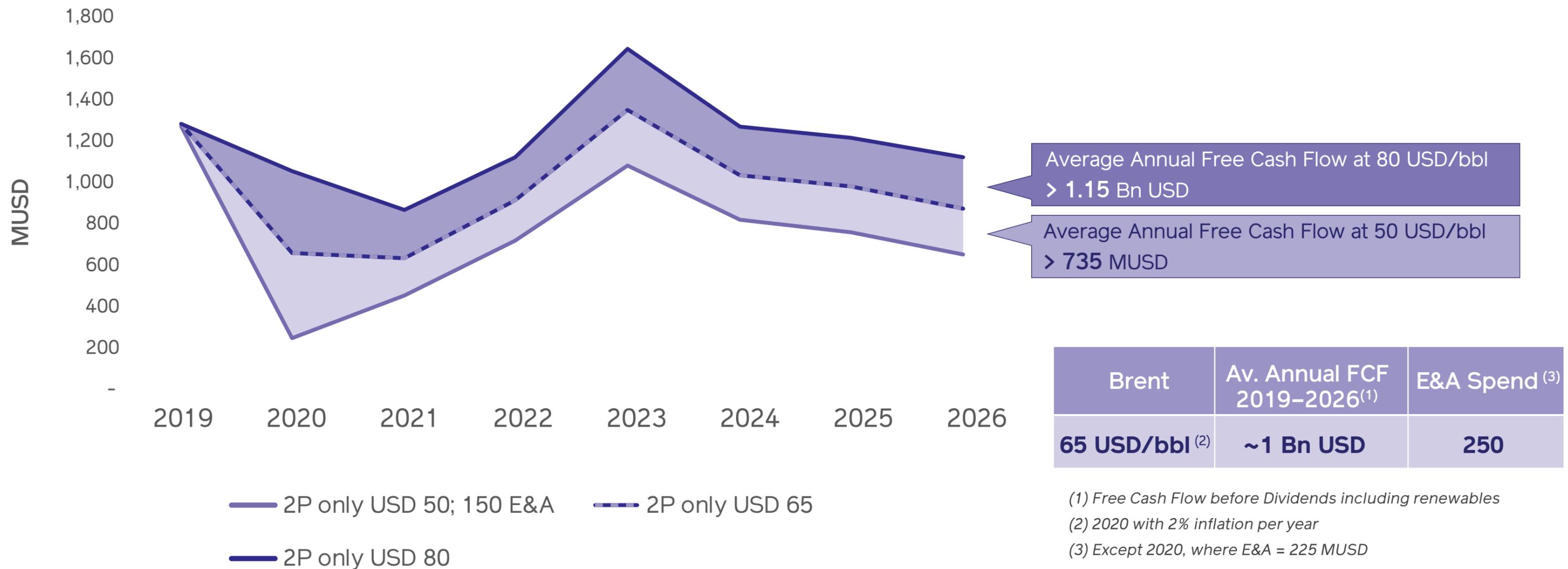
→ Flexibility on annual E&A spend

→ Norway fiscal regime offers protection against lower oil price

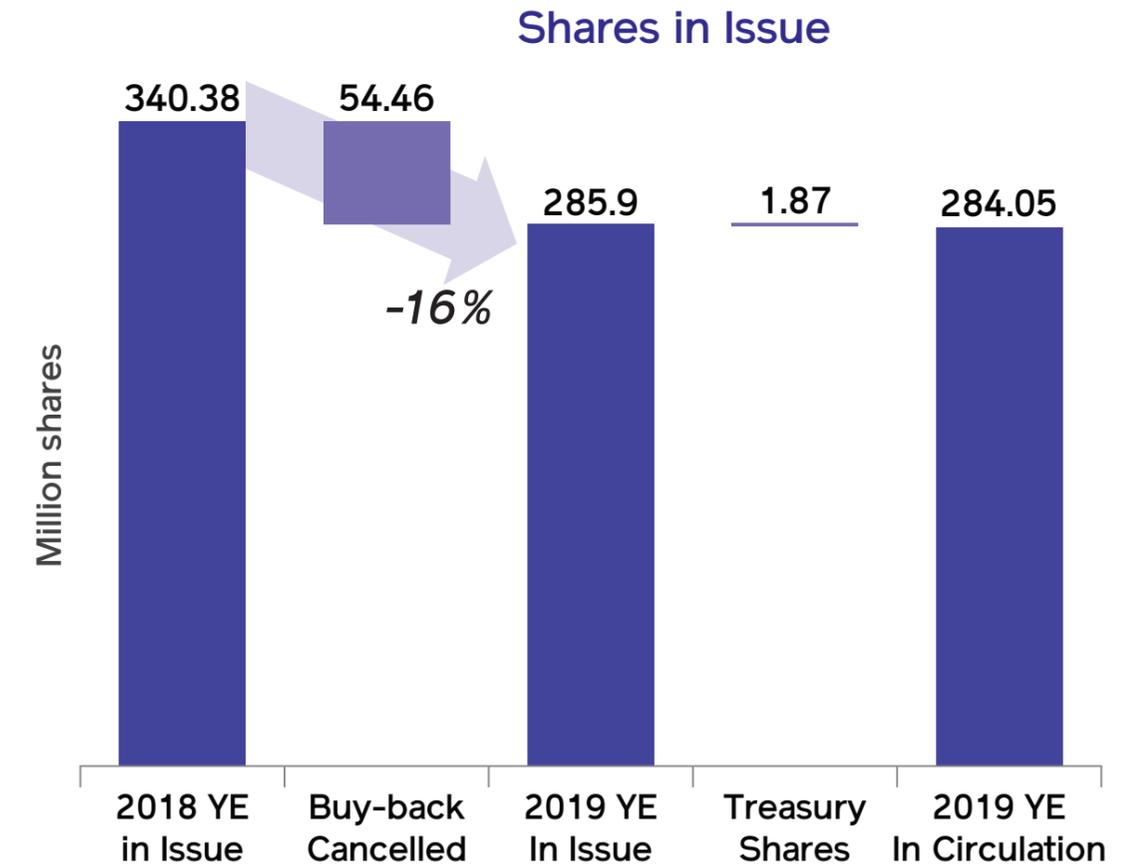
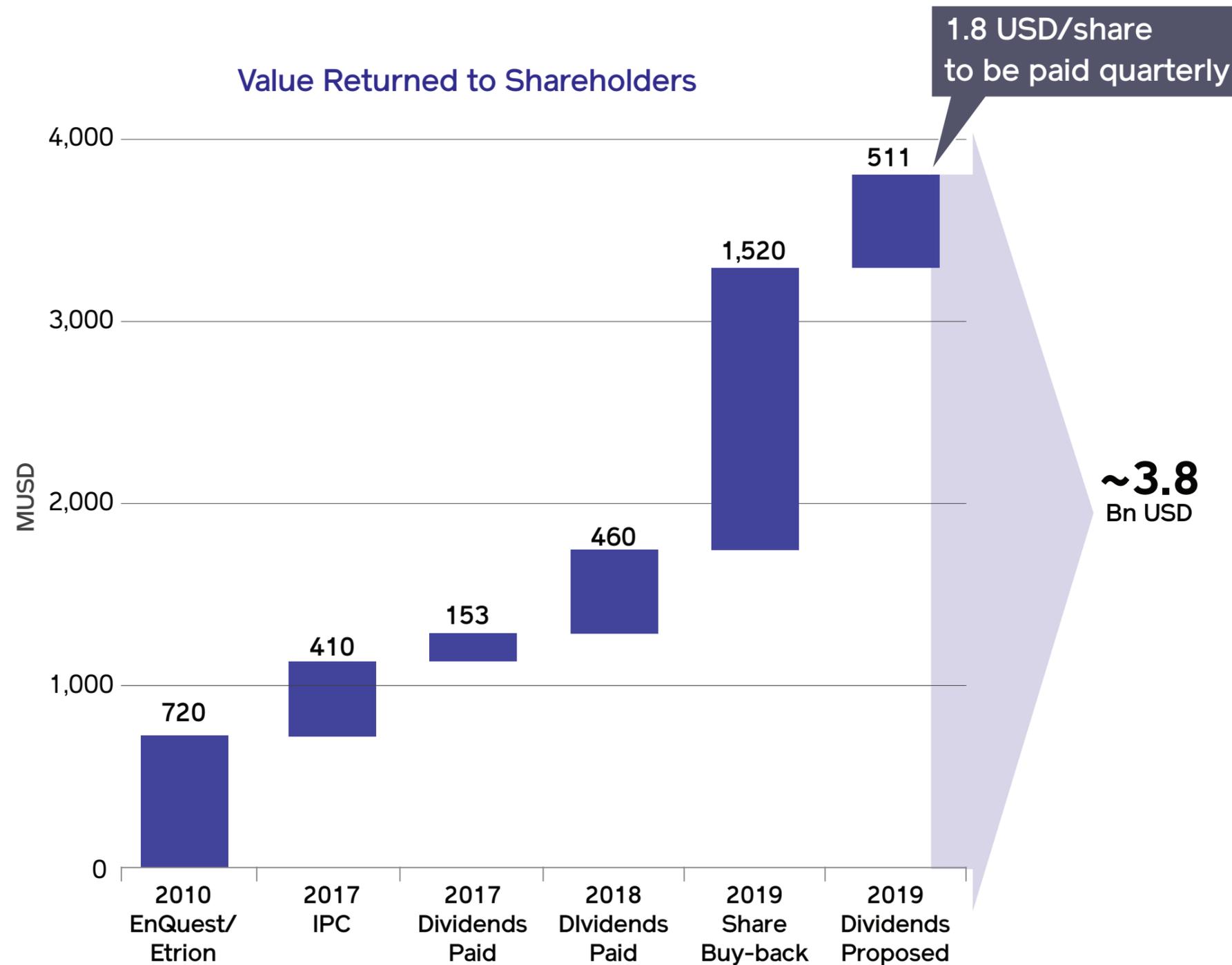
⁽¹⁾ Based on 2P reserves and dividend growth y-o-y to 2026

Lundin Petroleum Free Cash Flow

Free Cash Flow from 2P Reserves (pre-Dividend)



Shareholder Returns and Dividends Track Record



Reduced Share Count:

- Accretive to portfolio outperformance
- Accretive to exploration success
- Better ownership alignment

Total shareholder return 2001-2019: 35% CAGR



- World class production portfolio with **high quality crude oil** and low production costs

- Significant free cash flow** generation even at low oil prices

- Debt gearing set to reduce towards **1x Net Debt/EBITDA**

- 2019 Dividend increased by **22%** and set to continue increasing Y-O-Y

- Balanced **capital allocation** between growth, debt repayment and dividends

Concluding remarks



Lundin Petroleum

What to Expect in 2020

Production
145–165
Mboepd

Sustained Low OPEX
3.40
USD/boe

Johan Sverdrup
Phase 1 Plateau
Summer 2020

Organic Growth
4 projects underway
10 E&A wells targeting
>650 MMboe ⁽¹⁾

Decarbonisation Strategy
Proposed name change



Dividends
Proposed **511** MUSD
>5% yield

(1) Net unrisks resources

Long-term value creation

160–170
Mboepd long-term

Target
>200 Mboepd
Multiple organic
growth sources

Industry leading low OPEX
3.2–4.2 USD/boe
2020 onwards

~1 Bn USD
average free cash flow
per year⁽¹⁾

Free Cash Flow
~10% yield

511 MUSD
dividend in 2020

Target
Carbon Neutral
2030

Sustainable
dividends
>5% yield

Safe and
responsible
operations

⁽¹⁾ From 2019–2026 at 65 USD/bbl

Disclaimer

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 Lundin Petroleum'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 Lundin Petroleum 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 Lundin Petroleum'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.

Lundin Petroleum



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