

Allocation of acquisition cost

The allocation of the acquisition cost for shares as a result of Lundin Petroleum AB's ("Lundin Petroleum") distribution of shares in International Petroleum Corporation ("IPC") has been determined to be 92.5 percent for Lundin Petroleum shares and 7.5 percent for IPC shares.

Lundin Petroleum completed in April 2017 the distribution of all of the Company's shares in IPC to its shareholders. Each three shares in Lundin Petroleum entitled the holder to one common share in IPC. The last day of trading with the right to participate in the dividend was 18 April 2017 and the first day of trading excluding the right to participate in the dividend was 19 April 2017. The record date to receive shares in IPC was 20 April 2017 and the distribution occurred on 24 April 2017.

The Swedish Tax Agency has in a letter reply considered that the requirements for treating the distribution in accordance with the so-called Lex ASEA-rules have been met. The distribution shall in such case not be taxed in Sweden. The acquisition cost for shares in Lundin Petroleum shall instead be divided between Lundin Petroleum shares and the shares received in IPC.

The Swedish Tax Agency has issued general advice regarding the allocation of the acquisition cost and has determined that 92.5 percent of the acquisition cost for shares in Lundin Petroleum shall be allocated Lundin Petroleum shares and 7.5 percent to shares received in IPC. The general advice applies as of the fiscal year 2017.

The Swedish Tax Agency's general advice SKV A 2017:5 and notice SKV M 2017:4 are available (in Swedish) on the Swedish Tax Agency's website www.skatteverket.se.

Lundin Petroleum is one of Europe's leading independent oil and gas exploration and production companies with operations focused on Norway and listed on NASDAQ Stockholm (ticker "LUPE"). Read more about Lundin Petroleum's business and operations at www.lundin-petroleum.com

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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.