

# *Exploration - 2007 and Beyond*



# High Impact Exploration 2007 - 2009



## NORWAY/UK

Active exploration program in 2007/08 with secured rigs

## NORWAY

Multitude of prospects in proven hydrocarbon provinces (Luno, Aegis, West Hanz)

## NORWAY

2006 APA Round - 7 new blocks  
2007-2009 potential 10 new exploration wells (3 firm in 2007)

## NORWAY / UK

Songa Dee Rig - 2009  
2 year contract +  
1 year option

## UK

UK 24th Round  
Several prospects in proven areas with infrastructure  
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## SUDAN

3 high impact wells in 2007 and further potential 4 wells in 2008-09

## CONGO (Brazzaville)

Drilling activity likely to commence in 2008 (4 wells)

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Several prospects in proven areas with infrastructure  
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**RUSSIA**  
2 high impact exploration wells in 2007 with a further 2 in 2008

**VIETNAM**  
Drilling activity likely to start in 2008 (2 wells)  
1 well in 2009

**CONGO (Brazzaville)**  
Drilling activity likely to commence in 2008 (4 wells)

**SUDAN**  
3 high impact wells in 2007 and further potential 4 wells in 2008-09

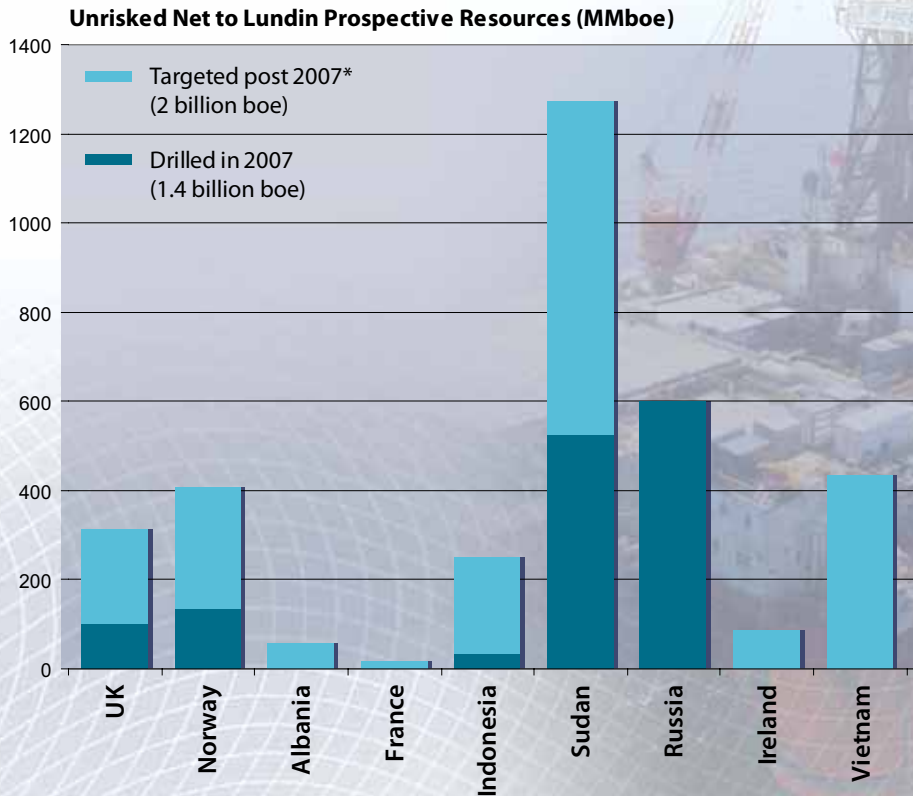
**INDONESIA**  
Continued drilling. 6 wells in 2007 and 8 wells in 2008-09

## Drilling Activity 2007-2009



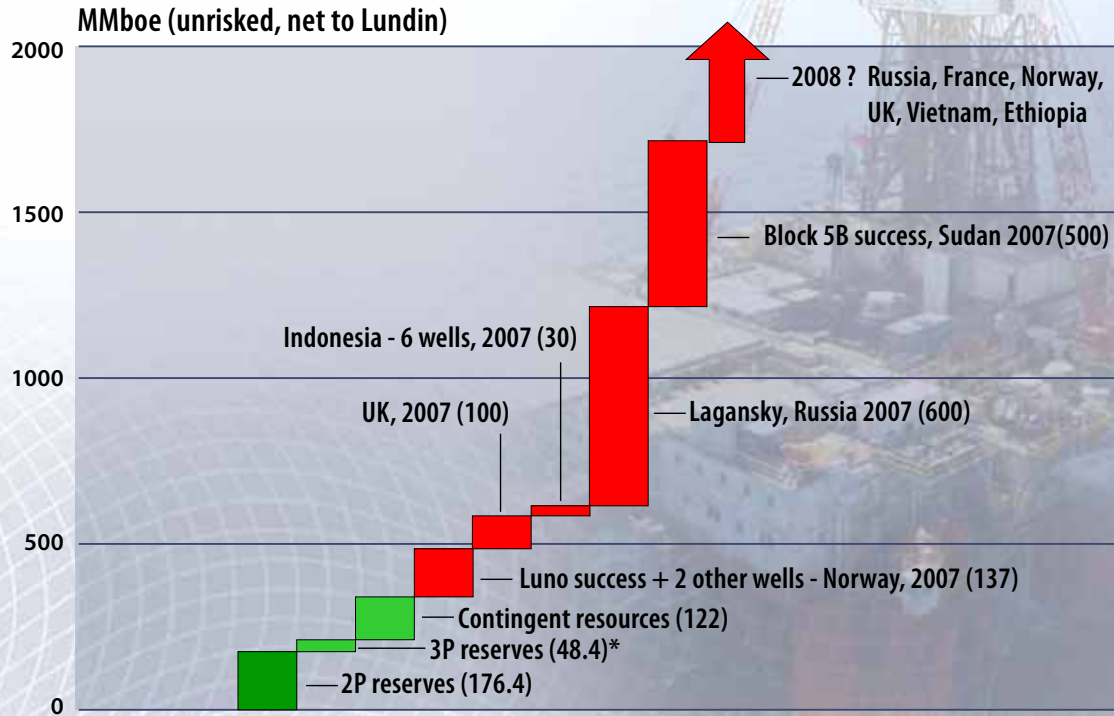
Country	Number of Exploration Wells			
	2007 firm	2008 estimate	2009 estimate	Total
Norway	3	3	4	10
UK	5	3	3	11
Russia	2	2	-	4
Sudan	3	2	2	7
Congo	-	3	1	4
Vietnam	-	2	1	3
Indonesia	6	4	4	14
France	-	1	1	2
Ethiopia	-	-	1	1
<b>Total</b>	<b>19</b>	<b>21</b>	<b>16</b>	<b>56</b>

# Prospective Resources – Unrisked



\* excluding Congo and further exploration potential in Russia

# Exploration Upside Potential



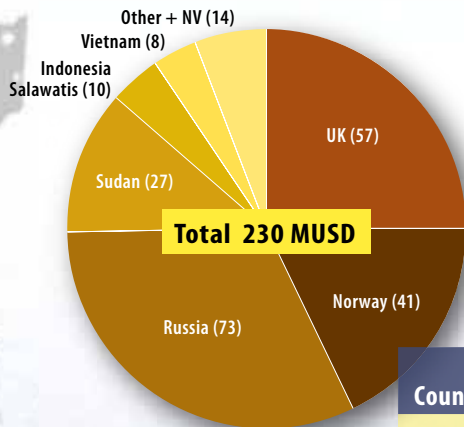
\* excludes 3P reserves from Russia



# Exploration Budget 2007



# USD 230 Million Exploration Work Programme - 2007



Country	Wells	Area	Unrisked Prospective Resource Potential MMboe Net Lundin
UK	5	PL1301, PL1129, PL1107/1109 PL1399, PL1089/1295	100
Norway	3	PL335, PL338, PL292	140
Russia	2	Lagansky	600
Sudan	3	Block 5B	500
Indonesia	6	Salawati Island/Basin 5 wells Blora Licence	30
	<b>19</b>		<b>~1.4 billion barrels</b>

# Exploration Activity 2007



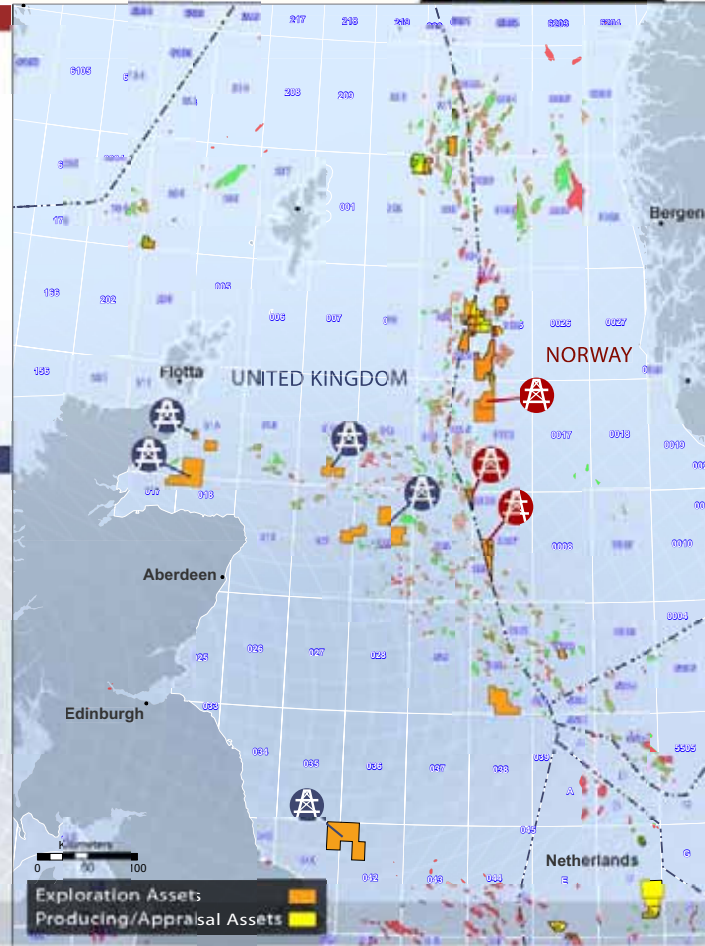
Country	Licence	Net Interest	Operator	Contracted Rig	Likely Drilling Schedule 2007			
					Q1	Q2	Q3	Q4
Norway	PL338	50%	Lundin	Bredford Dolphin		█		
	PL335	18%	BG	Maersk Giant		█		
	PL292	40%	BG	Maersk Giant			█	
UK	P1399	15%	Endeavour	Galaxy II			█	
	P1129	25%	Lundin	Galaxy II			█	
	P1301	30%	Lundin	Galaxy II			█	
	P1109 & P1107	40%	Lundin	Galaxy II				█
	P1089 & P1295	10%	OilExCo	Sedco 712		█		
Indonesia	Salawati Basin	25.93%	PetroChina Int.	Land rig	█ 2 wells			█
	Salawati Island	14.51%	JOB Pertamina Petrochina	Land rig		█ 2 wells		
	Bloro Licence	43.29%	Lundin	Land rig		█		
Russia	Lagansky	70%	Lundin	Land rig*		█		█
Sudan	Block 5B	24.5%	Petronas	Land rig**			█ 3 wells	

\* Jack up pontoon mounted    \*\* Modular floater mounted

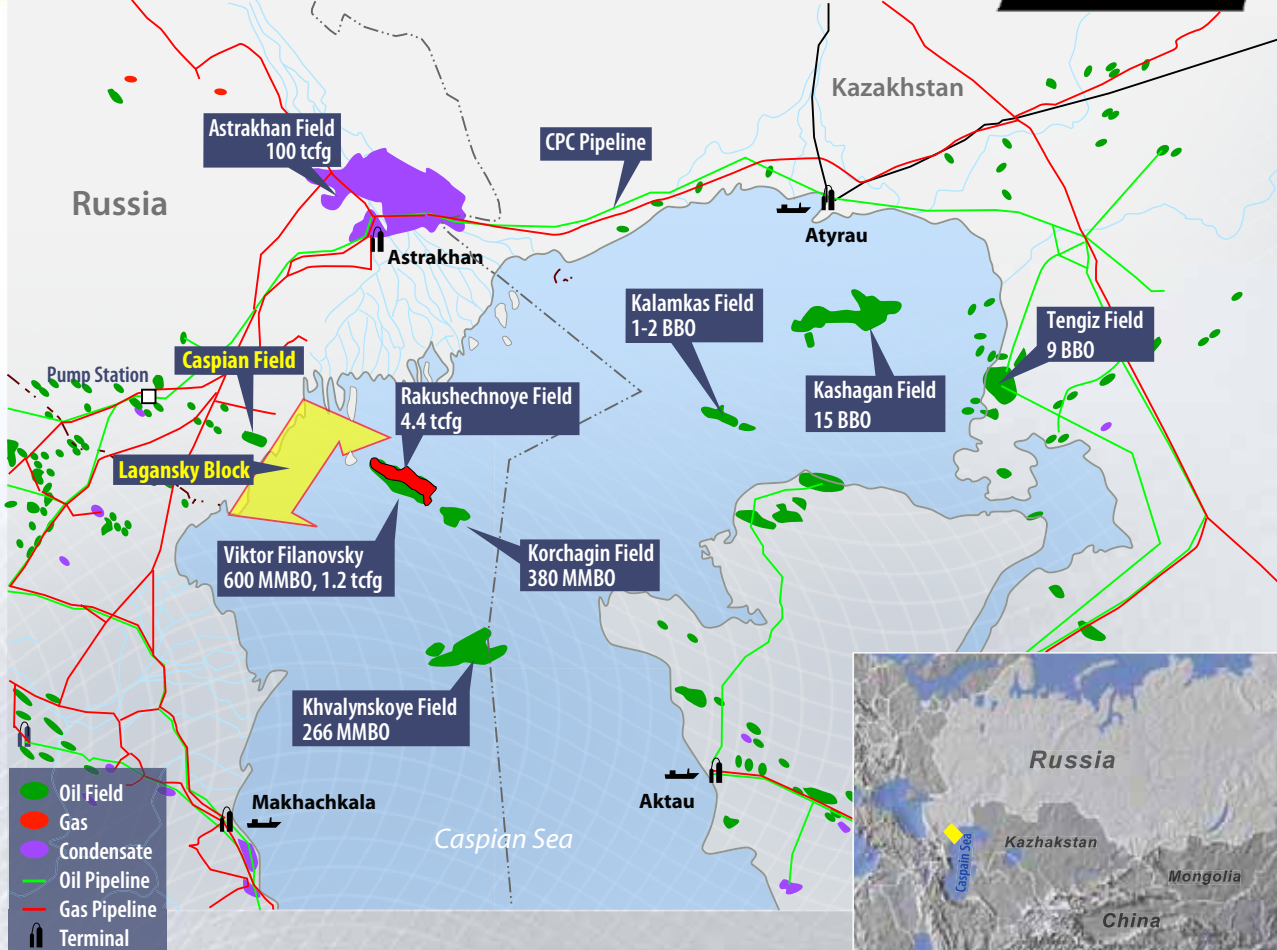
# Major North Sea Exploration Activity - 2007



Norway Licence	Interest	Operator	2007 Drilling
▶ PL103 (Jotun Unit)	7%	Exxon/Mobil	
▶ PL103B	70%	Lundin	
▶ PL148	50%	Lundin	
▶ PL 006c (SE Tor discovery)	100%	Lundin	
▶ PL167 & 167b	20%	Statoil	
▶ PL292	40%	BG	1 Well
▶ PL203	15%	Marathon	
▶ PL 088bs	15%	Marathon	
▶ PL 036c	15%	Marathon	
▶ PL150 (Volund)	35%	Marathon	
▶ PL304	60%	Lundin	
▶ PL335	18%	BG	1 Well
▶ PL338	50%	Lundin	1 Well
▶ PL340	15%	Marathon	
▶ PL359	70%	Lundin	
▶ PL363	60%	Lundin	
▶ Block 24/6a	50%	Total	
<b>UK Licence</b>			
UK Licence	Interest	Operator	2007 Drilling
▶ Heather P242	100%	Lundin	
▶ Broom P242/P902	55%	Lundin	
▶ Thistle	99%	Lundin	
▶ Deveron	99%	Lundin	
▶ Solan/Strathsmore P164	100%	Lundin	
▶ P0090 Block 9/10b	85%	Lundin	
▶ Block 9/14c & 15c	37.5%	Conoco	
▶ P0090 Block 9/15a	33.3%	Mobil	
▶ P1275 Block 3/1b	100%	Lundin	
▶ P1384 Block 211/28b	60%	Lundin	
▶ P1301 Block 12/17b	30%	Lundin	1 Well
▶ P1176 Block 20/15b & 21/11c	25%	Endeavour	
▶ P1129 Block 41/10a, 41/5, 42/2a & 42/7	25%	Lundin	1 Well
▶ P1125 Block 30/(22a,23a,27a,29a,28)	25%	Lundin	
▶ P1107 & P1109 Block 21/(8,14,15)	40%	Lundin	1 Well
▶ P1399 Block 12/(26b,27), 17/15b, 18/(1,2a)	15%	Endeavour	1 Well
▶ P1397 Block 12/23a	15%	Endeavour	
▶ P1089 & P1295 Block 14/(28a,29b,23b)	10%	Oil Exco	1 Well



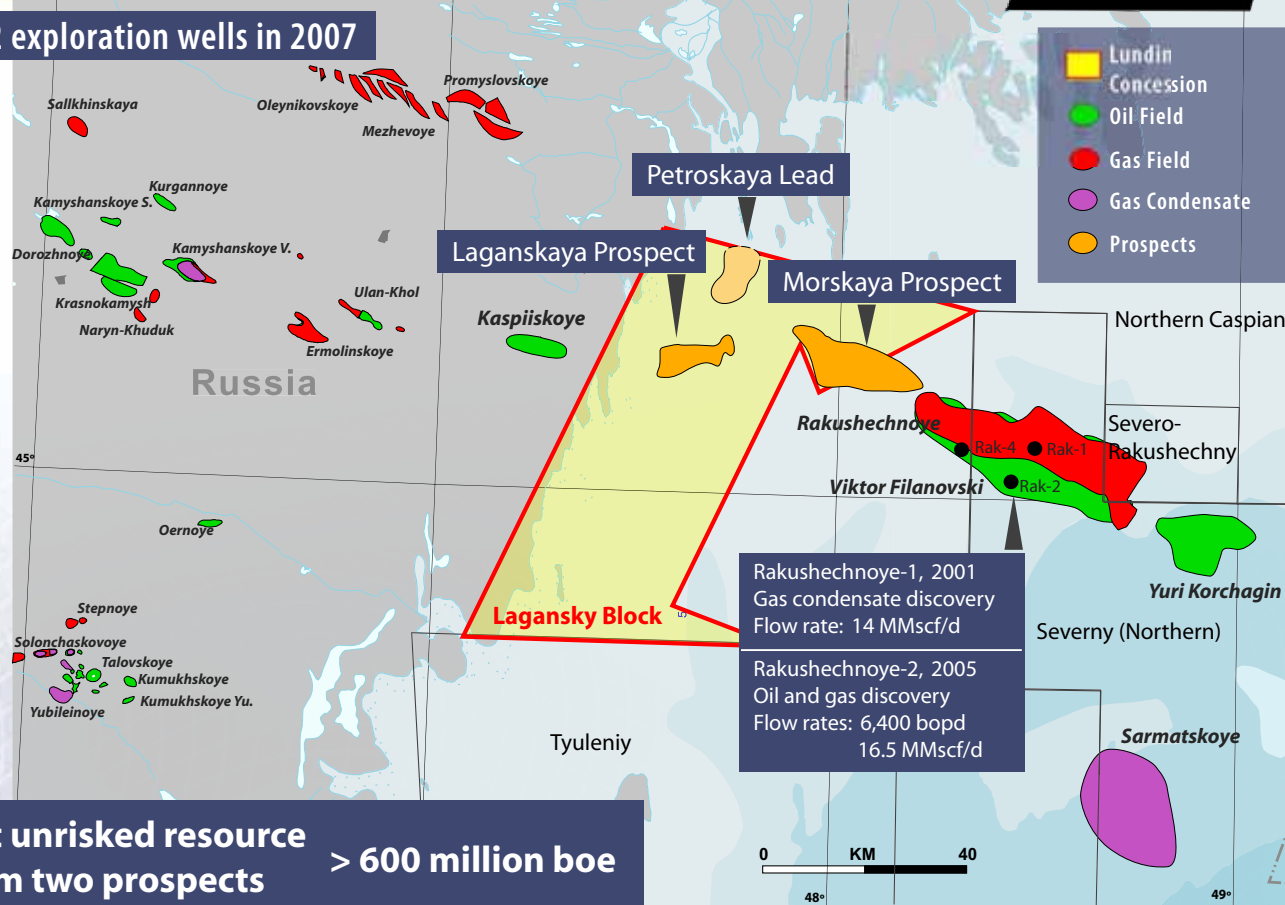
# Russia - Major Prospectivity in The Caspian Sea



# Russia Exploration - Lagansky Block



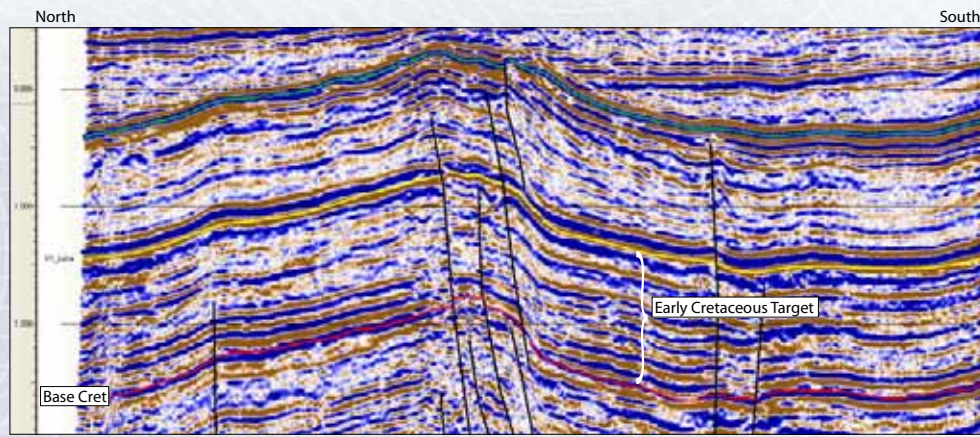
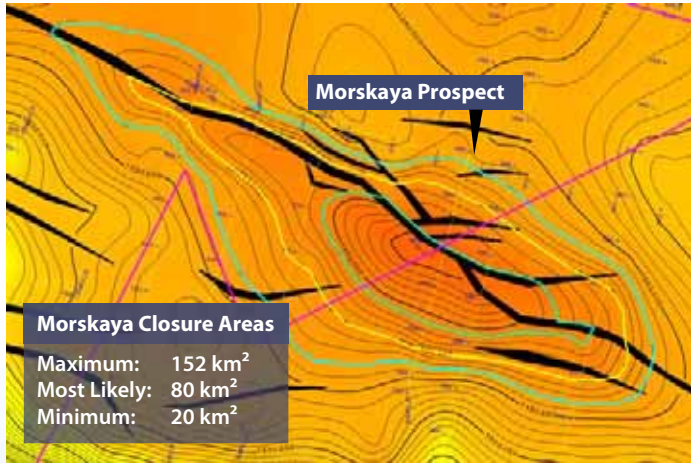
➔ 2 exploration wells in 2007



**Net unrisked resource from two prospects > 600 million boe**

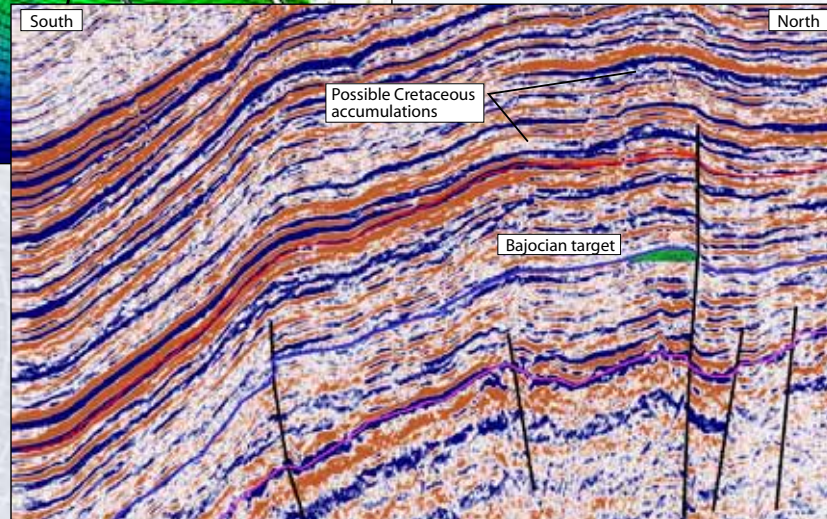
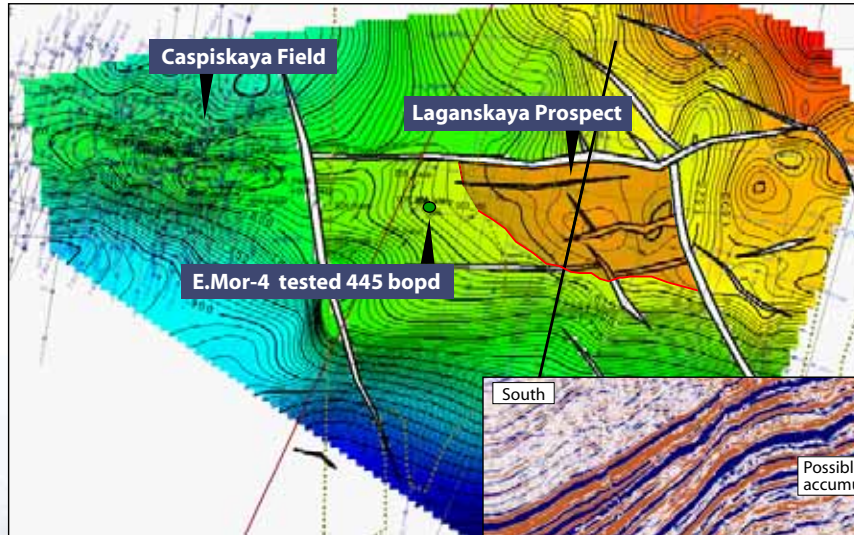
- Map full extent of Morskaya based on most recent seismic data
- Map Petrovskaya structure and confirm with new seismic
- Evaluate DHI s(AVO) on prospects for risk reduction and ranking
- Shoot 500 km 2D seismic and 200 sq km 3D seismic
- Drill and test Morskaya-1
- Fully evaluate Morskaya structure and site Morskaya-2
- Shoot survey from Caspisky field to Lagansky block.  
Map seismic and evaluate extent of Lagansky structure
- Permit and drill Laganskaya-1

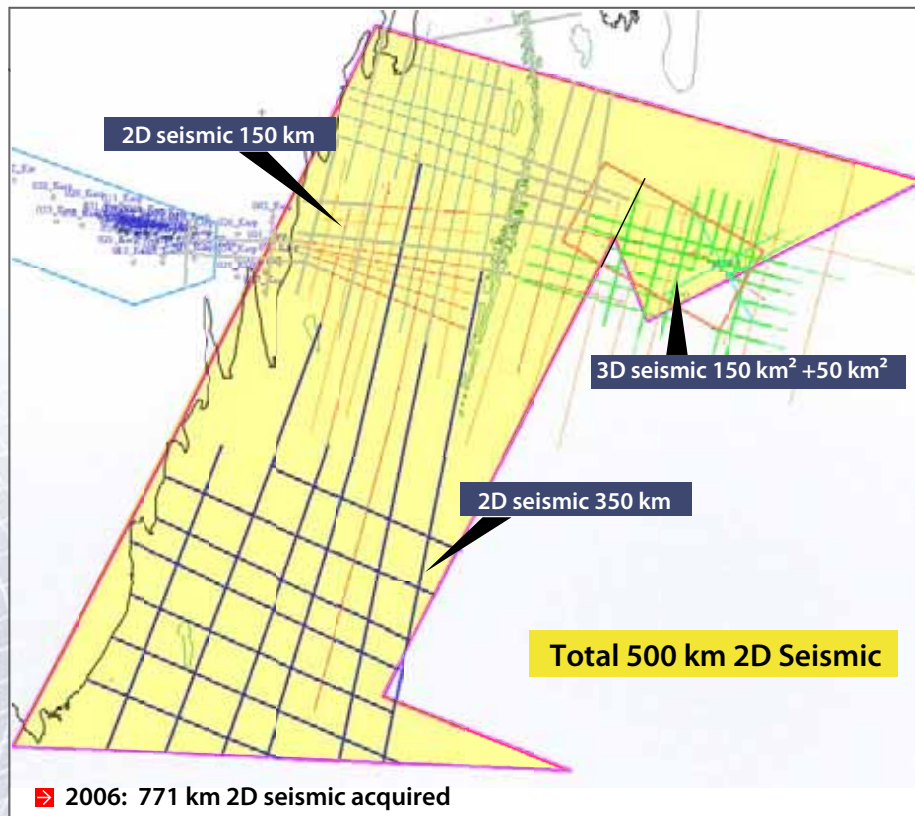
# Russia, Lagansky - Morskaya Prospect





# Russia, Lagansky - Laganskaya Prospect





# Russia - Lagansky Block



Alterations being made on the mud barge



Volga canal down towards the Lagansky Block

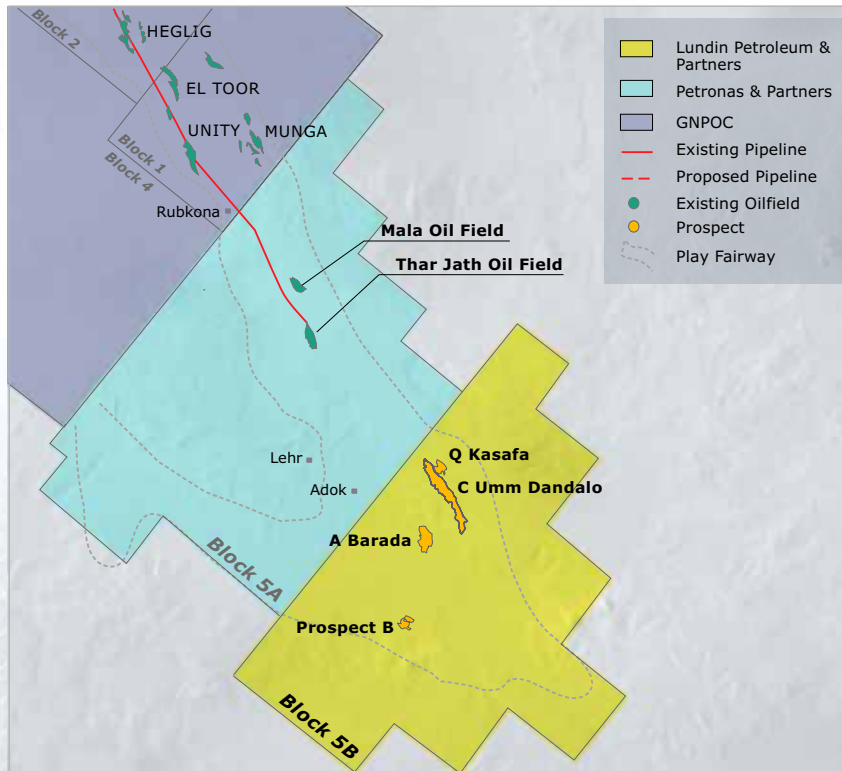


Drilling rig pontoon at winter wharfrage

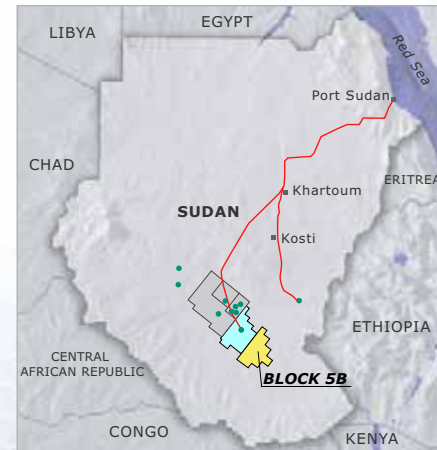


Load testing on drilling rig pontoon

# Sudan - Block 5B



➔ 3 exploration wells in 2007



➔ 1 Exploration Licence : Block 5B

➔ Operator : Petronas/Sudapet (WNPOC)

Partners	5B interest
Lundin Petroleum	24.5%
Petronas Carigali	39.0%
ONGC Videsh Ltd	23.5%
Sudapet	13.0%

## Seismic operations

- 2D seismic: 509 km acquired (23/01/07), acquisition ongoing

## Drilling preparation

- **Modular floater**
  - 25 units completed
- **Kosti Logistics base**
  - 96% completed
- **Equipment for site setup**
  - Arrival in Sudan by mid Jan 2006
  - 2 tug boats have cleared customs and in transit to Kosti
  - Target for start of shredding/dredging - mid Feb 2007
- **Accommodation**
  - Catamaran accommodation barge has arrived at Kosti
  - Trimaran accommodation barge fabrication has commenced with estimated completion at 60 days
  - Trimaran topside accommodation (125 man) 45% complete
- **Rig**
  - Shipment of rig from France is scheduled for end March 2007
  - Estimated spud date is mid-year 2007



Drill barge equipment layout



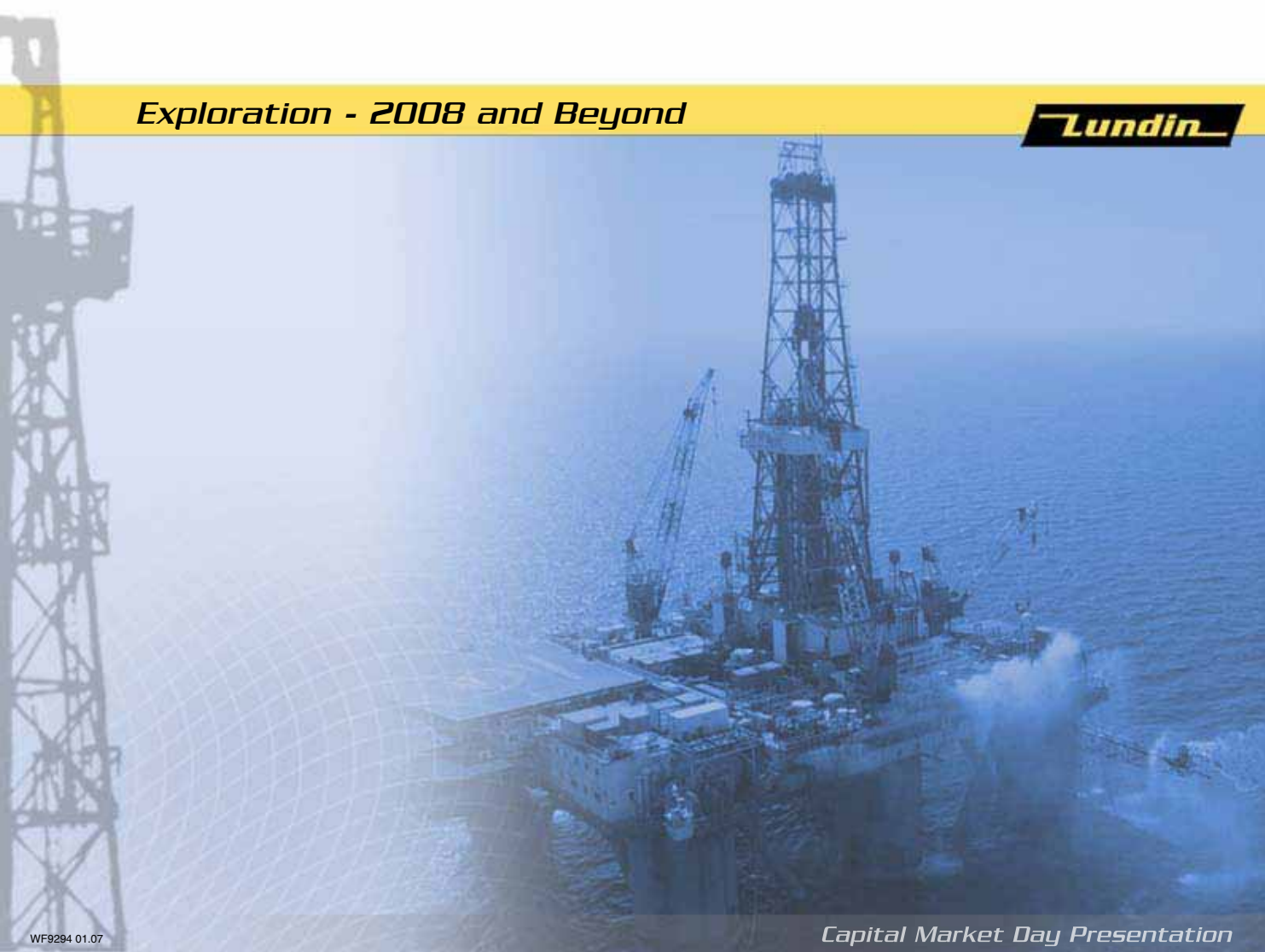
Offices and workshops at Kosti logistics base

# Total Prospective Resources - 2007



Country	Block/Basin	Prospect Name	Operator	Likely Spud	LUPE Equity	Unrisked Gross			Unrisked Net			Risked Net Resources			
						mmbbls	bcf	mmboe	mmbbls	bcf	mmboe	CoS	mmbbls	bcf	mmboe
Norway	PL338	Luno	Lundin	2Q 07	50%	250	0	250	125	0	125	39%	49	0	49
Norway	PL335	Orange	BG	2Q 07	18%	44	0	44	8	0	8	25%	2	0	2
Norway	PL292	Phi North	BG	Q3 07	40%	9.1	0	9.1	4	0	4	29%	1	0	1
<b>Total Norway</b>						<b>303</b>	<b>0</b>	<b>303</b>	<b>137</b>	<b>0</b>	<b>137</b>		<b>52</b>	<b>0</b>	<b>52</b>
UK	12/27 area (P1399)	Delgany	Endeavour	2Q 07	15%	0	444	74	0	67	11	20%	0	13	2
UK	14/23b,28b,29a (P1089 & P1295)	Birch, Kopervik & Piper	Oilexco	1Q 07	10%	408	0	408	41	0	41	22%	9	0	9
UK	12/17b (P1301)	12/17-J1	Lundin	3Q 07	30%	40	0	40	12	0	12	25%	3	0	3
UK	21/8, 14, 15 (P1107 & P1109)	Banchory & Scolty	Lundin	4Q 07	40%	51	0	51	20	0	20	21%	4	0	4
UK	41/5,10, 42/1,2,7 (P1129)	Lytham & Haupt	Lundin	3Q 07	25%	0	388	65	0	97	16	41%	0	40	7
<b>Total UK</b>						<b>499</b>	<b>832</b>	<b>638</b>	<b>73</b>	<b>164</b>	<b>100</b>		<b>16</b>	<b>53</b>	<b>25</b>
Indonesia	Blora	Tengis-1	Lundin	2Q 07	43.3%	49	0	49	21	0	21	20%	4	0	4
Indonesia	Salawati Island	Matoa	JOB Petrochina	3Q 07	14.5%	3.5	0	3.5	1	0	1	35%	0.2	0.0	0.2
Indonesia	Salawati Island	Unspecified	JOB Petrochina	3Q 07	14.5%	0	0	0	0	0	0		0	0	0
Indonesia	Salawati Basin	Walio	Petrochina	1Q 07	25.9%	36	0	35.5	9	0	9	24%	2	0	2
Indonesia	Salawati Basin	SE Arar-2	Petrochina	1Q/Q2 07	25.9%	0	46	7.7	0	12	2	35%	0	4	1
Indonesia	Salawati Basin	Unspecified	Petrochina	3Q 07	25.9%	0	0	0.0	0	0	0		0	0	0
<b>Total Indonesia</b>						<b>88</b>	<b>46</b>	<b>96</b>	<b>31</b>	<b>12</b>	<b>33</b>		<b>7</b>	<b>4</b>	<b>7</b>
Sudan	Muglad - 5B	Umm Dandalo	Petronas	3Q 07	24.5%	1542	0	1542	378	0	378	23%	85	0	85
Sudan	Muglad - 5B	Barada	Petronas	3Q/4Q 07	24.5%	541	0	541	133	0	133	34%	45	0	45
Sudan	Muglad - 5B	Kasafa	Petronas	4Q 07	24.5%	60	0	60	15	0	15	19%	3	0	3
<b>Total Sudan</b>						<b>2143</b>	<b>0</b>	<b>2143</b>	<b>525</b>	<b>0</b>	<b>525</b>		<b>133</b>	<b>0</b>	<b>133</b>
Russia	Lagansky	Morskaya 1	Lundin	2Q 07	70.0%	810	0	762	533	0	533	30%	160	0	160
Russia	Lagansky	Laganskaya 1	Lundin	4Q 07	70.0%	116	0	116	81	0	81	20%	16	0	16
<b>Total Russia</b>						<b>878</b>	<b>0</b>	<b>878</b>	<b>615</b>	<b>0</b>	<b>615</b>		<b>176</b>	<b>0</b>	<b>176</b>
<b>Combined Total</b>						<b>3911</b>	<b>878</b>	<b>4057</b>	<b>1380</b>	<b>176</b>	<b>1410</b>		<b>384</b>	<b>57</b>	<b>393</b>

*Exploration - 2008 and Beyond*



### United Kingdom

- Existing licence: prospect maturation
  - likely 3 new exploration wells in 2008 and 3 new exploration wells in 2009
- Near field exploration (Holly prospect, next to Heather)
- Applied for licences in the UK 24th Round



### Norway

- Existing licence: prospect maturation
  - likely 3 new exploration wells in 2008 and 4 new exploration wells in 2009
- Near field exploration (Alvheim Deep, South Kneler & Ibsen)
- APA 2006 Round - 7 new blocks awarded
- 2 year rig contract (Songa Dee) signed from 1Q 2009 with 1 year option 50/50 joint venture Lundin/Marathon





**Russia**

- 2 new exploration / appraisal wells (2008) in the Lagansky Block



## Congo (Brazzaville)

- Over 1000 km<sup>2</sup> 3D seismic acquired in 2006
- Exploration drilling to start in 2008 (1 appraisal and 3 exploration)

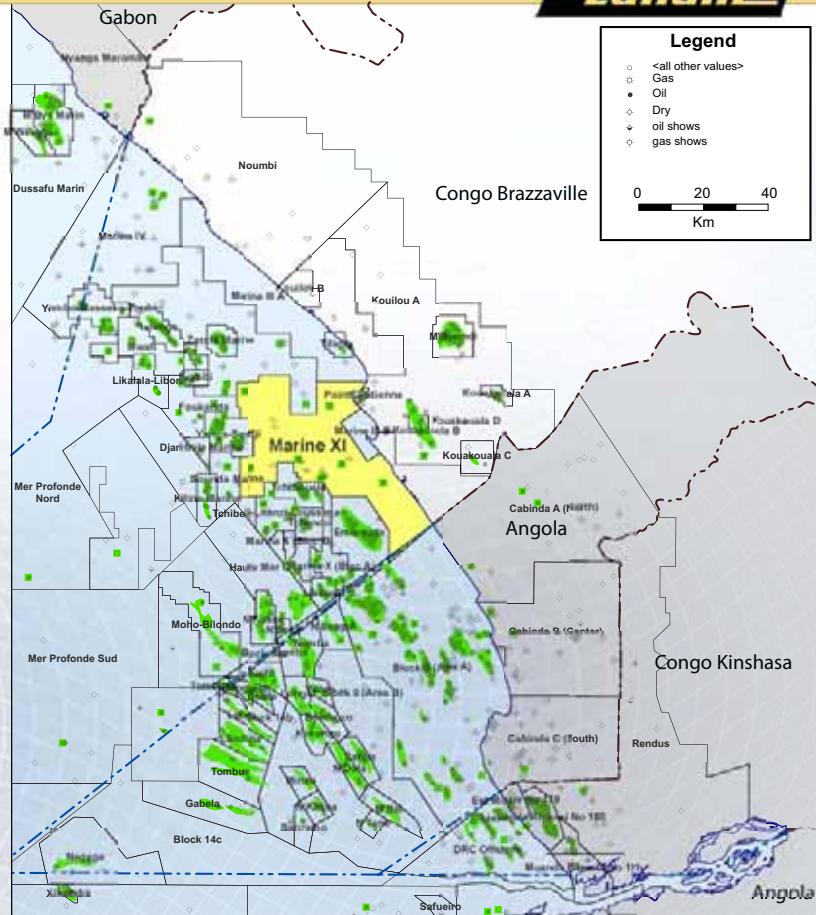
## Ethiopia

- 2D seismic acquisition in 2008
- Likely exploration drilling in 2009?

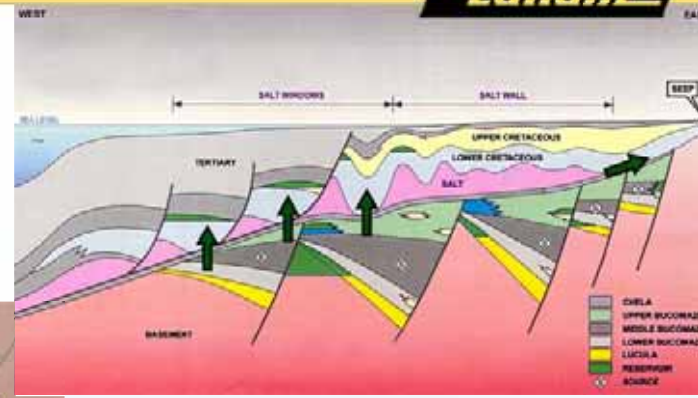
# Congo (Brazzaville) - Marine XI



- **Marine XI partnership**
  - ➔ Soco International 37.5% (operator)
  - ➔ Lundin Petroleum 18.75%
  - ➔ Vitol 18.75%
  - ➔ SNPC 15%
  - ➔ Africa Oil & Gas 10%



# Congo (Brazzaville) - Marine XI



3D seismic acquisition

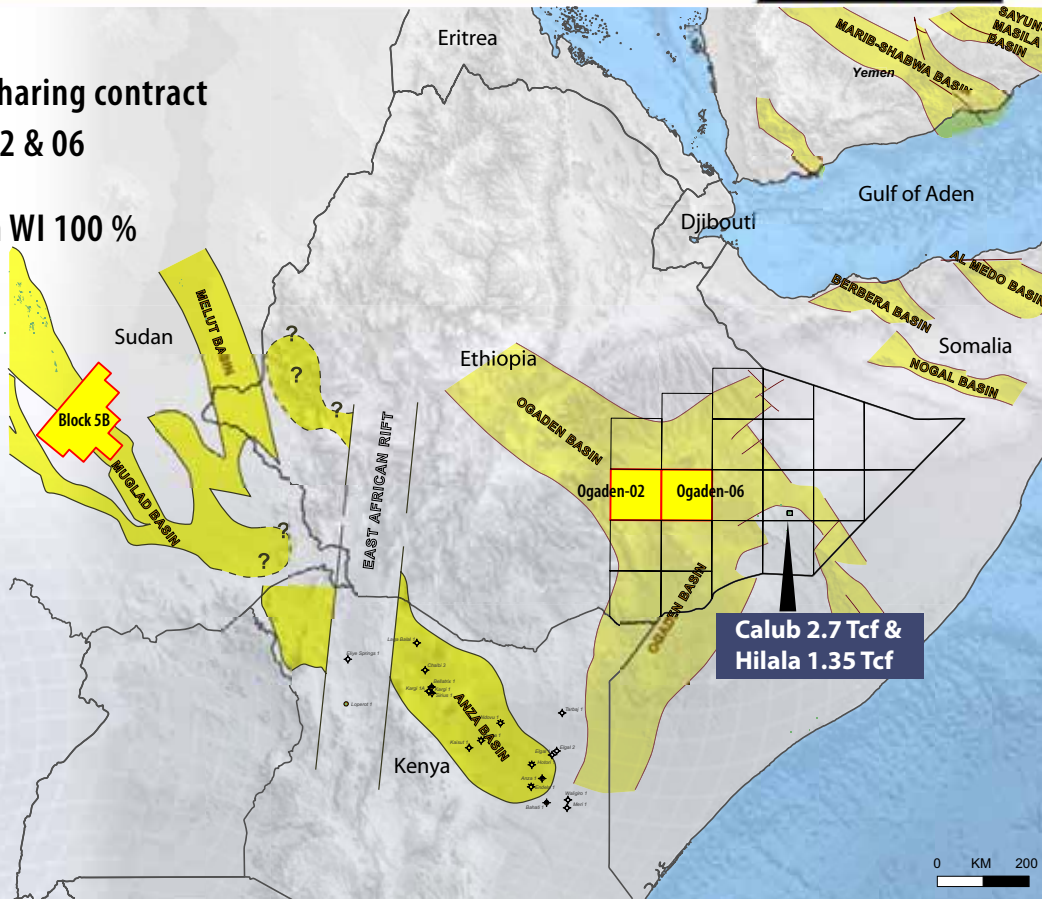


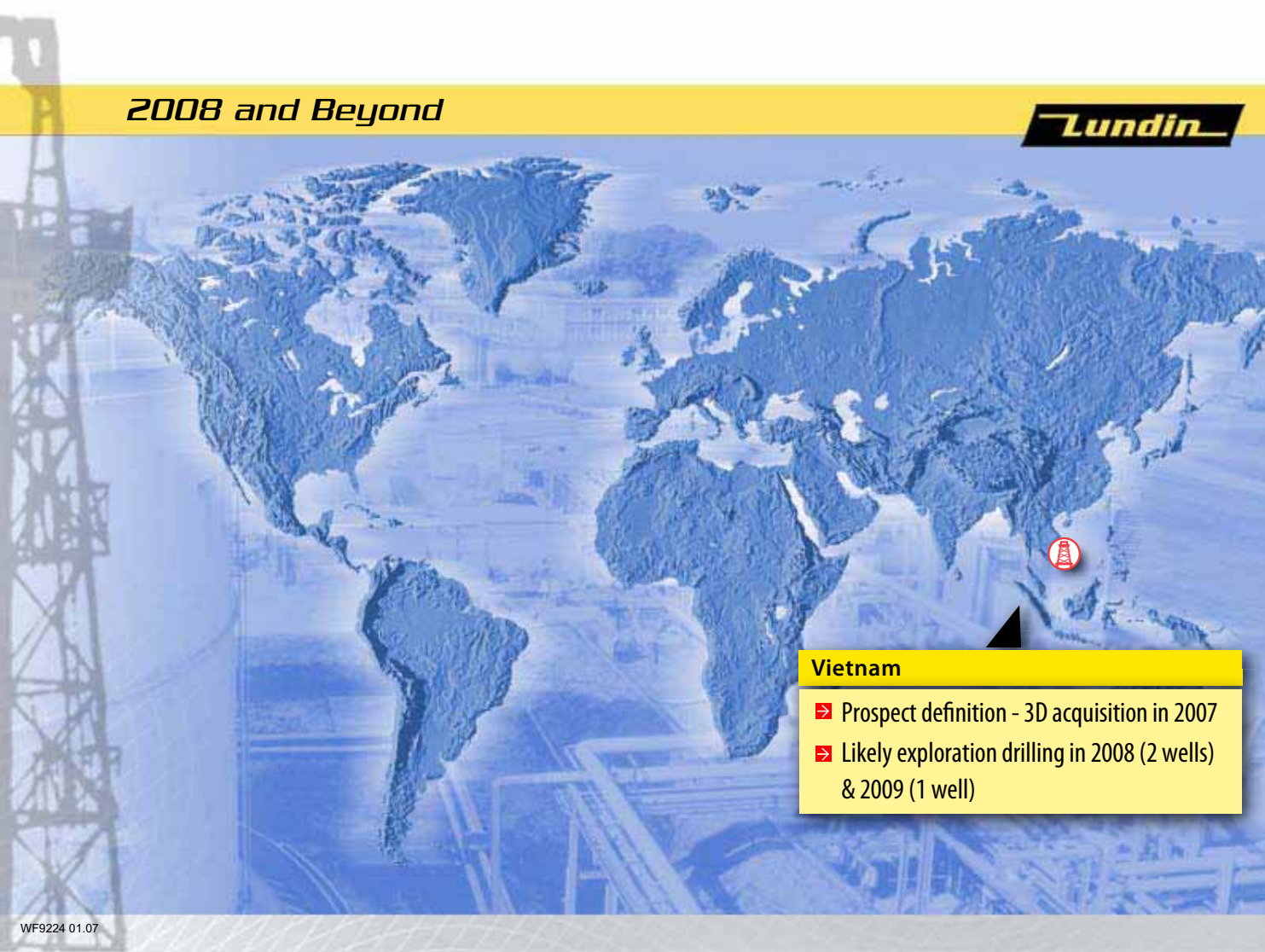
- Prolific Congo-Cabinda petroleum system
- No work performed since 1993
- 3 undeveloped post-salt discoveries and 1 pre-salt undeveloped discovery - Vido-Moedji field, 35 MMBO
- Many leads identified on 2D. Prospect inventory work ongoing with newly acquired 3D seismic
- Drilling operations to resume in 2008 - 1 appraisal, fast track development of Vido Moedji field and 3 exploration wells

# Ethiopia - Ogaden 02 & 06



- New production sharing contract - Blocks Ogaden 02 & 06
- Lundin Petroleum WI 100 %





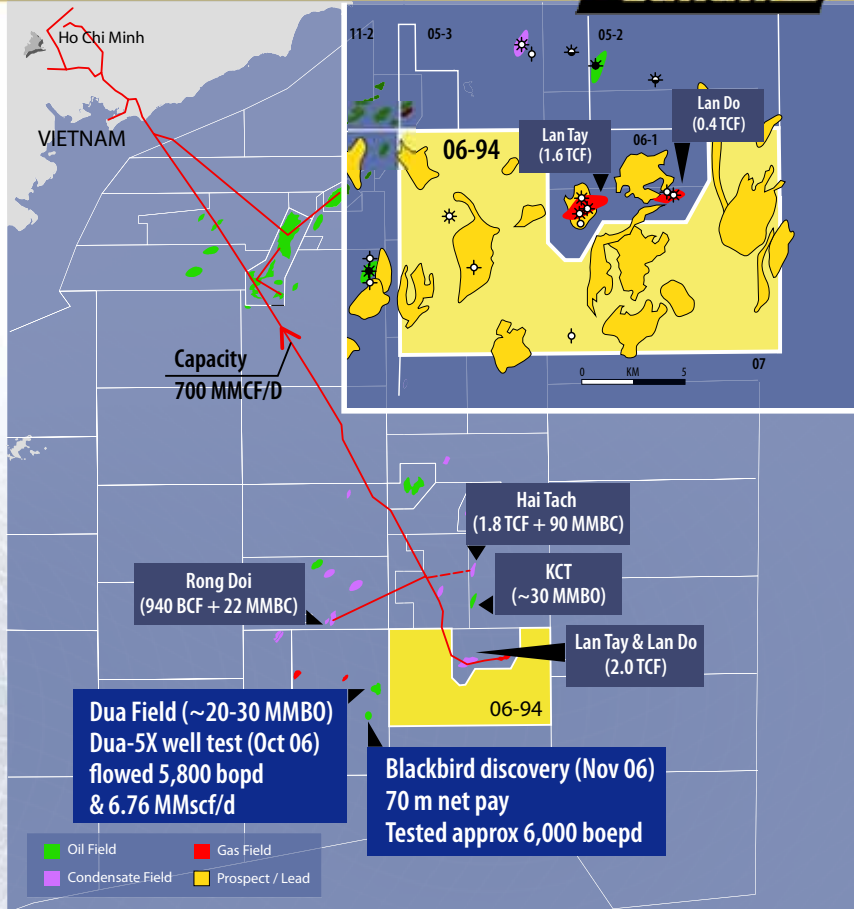
## Vietnam

- Prospect definition - 3D acquisition in 2007
- Likely exploration drilling in 2008 (2 wells) & 2009 (1 well)

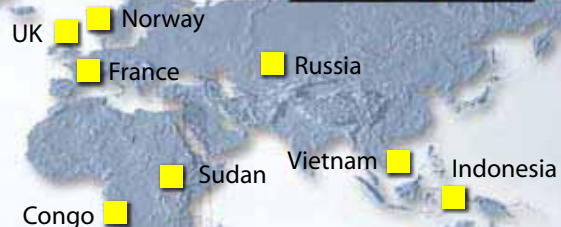
# Vietnam - Block 06-94



- Lundin (33.3%)  
Pearl Energy (33.3% operator)  
Serica Energy (33.3%)
- Work programme - 2D/3D seismic & 3 exploration wells
- Lundin capital exposure \$18.6 MM
- Overall on block prospective resources: 434 MMboe unrisked net Lundin
- Gas market:  
- spare capacity of 190 MMcf/d



# Potential Exploration Activity 2008 - 2009



■ Firm well commitment

Country	Licence	Net Interest	Operator	Prospect Resources Net unrisked MMboe	Likely Drilling Schedule																
					2008				2009												
					Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4									
Norway	Alvheim	15%	Marathon	28																	
	PL304	60%	Lundin	114																	Songa Dee Rig
	PL340	15%	Marathon	13																	
	PL363	60%	Lundin	33																	
	PL167	20%	Statoil	10																	
	PL150	35%	Marathon	17																	
UK	P1283	37.5%	Conoco	11																	
	P1107-1109	40%	Lundin	4																	
	P1399	15%	Endeavour	7																	
	P1129	25%	Lundin	7																	
	P1275	100%	Lundin	39																	
	P1384	60%	Lundin	55																	
France	Paris Basin - 2 wells			18																	
Indonesia	Salawati Island and Basin - 8 wells			*																	
Vietnam	Block 06-94	33.3%	Pearl	277*																	
Russia	Lagansky, appraisal / exploration			*																	
Sudan	Block 5B, exploration			580																	
Congo	Marine XI, 1 appraisal / 3 exploration			*																	
<b>Total</b>				<b>1230</b>																	

\* subject to latest 2D/3D seismic interpretation



➤ **Continue to seek new venture opportunities**

➤ **Good track record - 11 new licences in 2006**

- ➔ Russia, Lagansky (via Valkyries acquisition)
- ➔ Congo, Marine XI
- ➔ Vietnam, Block 06/94
- ➔ Ethiopia, Ogaden 2 and 6
- ➔ UK, 7 new licences

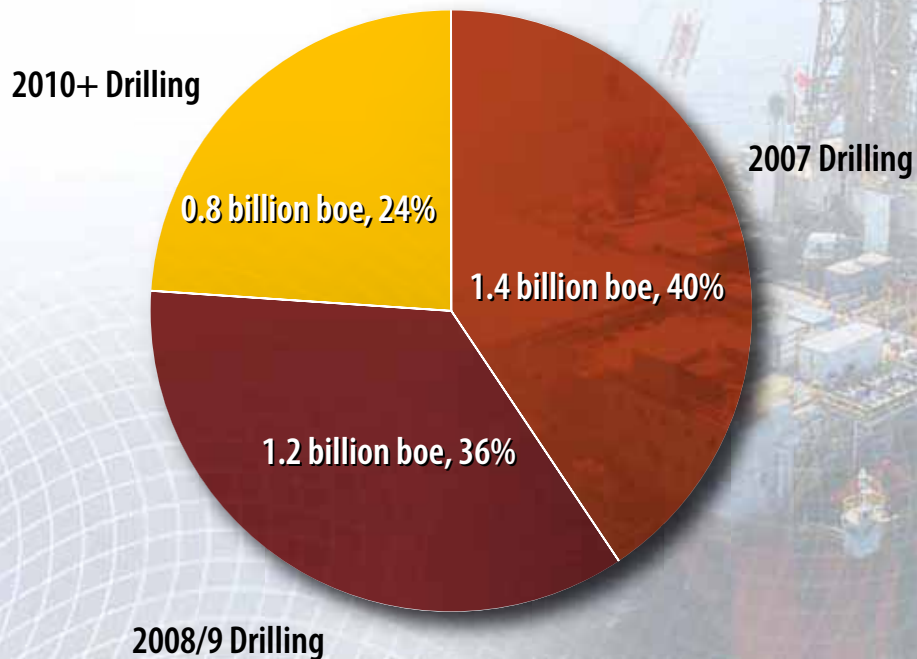
➤ **New licence applications submitted in UK, Norway and France**

➤ **4 core areas**

- ➔ Europe
- ➔ Africa
- ➔ Far East
- ➔ Russia



**Overall Prospective Resources 2007 & Beyond  
(net unrisked)**



■ Exploration and acquisitions to take production to greater than 100,000 boepd

