

Lundin Petroleum Presentation



*Capital Market Day Presentation
January 2008*

Disclaimer



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Lundin Petroleum - Value Creation through Exploration



Four Core Areas: Europe, Africa, Russia, Far East



* Certified reserves as at 01.01.2008. ** Forecast production for 2007

- ➔ **Increase reserves and production**
 - ➔ proactive exploration strategy
 - ➔ organic growth of exploration acreage
 - ➔ redistribution of cash flow into high potential areas

- ➔ **Transfer contingent resources to reserves**
 - ➔ near field development of fallow discoveries
 - ➔ redevelopment of late life fields



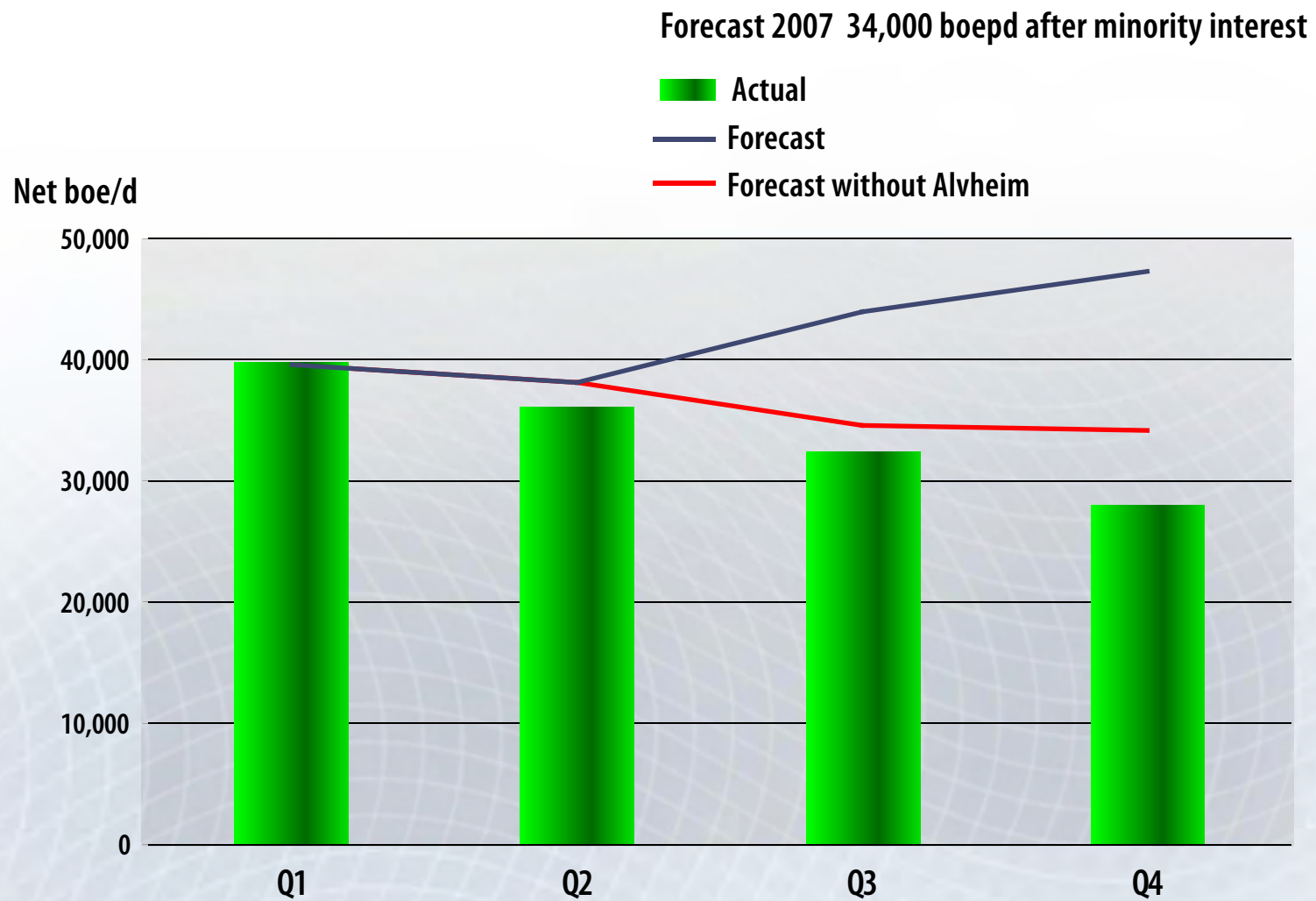
- ➔ **Lundin Petroleum has significantly increased its resource base in all phases of its business cycle through organic growth**
- ➔ **2P Reserves up from 176 mmboe to 184 mmboe – reserves replacement ratio of 148%**
- ➔ **Contingent Resources up from 133 mmboe to 188 mmboe**
 - ➔ Luno Discovery in Norway
 - ➔ Scolty Discovery in United Kingdom
- ➔ **Prospective Resources (prospects only) up from 2.7 bn boe to 3.1 bn boe**
 - ➔ Norway - APA2006 Round very successful
 - ➔ Russia – Petrovskaya lead matured to prospect
 - ➔ Sudan – 2D seismic programme increased prospective resources
- ➔ **Added 26 licences through licence awards in Europe**

2007 Performance Preview



*Geoff Turbott, Vice President Finance & CFO
January 2008*

2007 Production Performance



2007 Margin Netback [USD/boe]



	CMD Jan 07	CMD Jan 07 excl. Alvheim	Forecast 2007
<i>oil price</i>	55.00	55.00	72.65
Production (mmboe)	15.40	13.30	12.70
Revenue	49.15	48.35	64.25
Cost of operations	-14.55	-16.30	-18.40
Tariffs	-1.60	-1.65	-2.30
Production taxes	-3.15	-3.65	-4.35
Stock movements	-0.25	-0.30	-1.50
	29.60	26.45	37.70
Depletion	-10.75	-10.95	-11.85
Write-offs	0.00	0.00	-4.40
Margin Netback	18.85	15.50	21.45

2007 Revenue



	CMD Jan 07 USD/boe	CMD Jan 07 excl. Alvheim USD/boe	Forecast 2007 USD/boe
Revenue	55.00	55.00	72.65
Sales differential Russia	-3.15	-3.60	-4.10
Government take	-2.65	-3.10	-3.55
Quality differential UK	-0.70	-0.85	-1.00
Gas price differential	-0.75	-0.95	-1.65
Inventory movement	0.65	0.75	1.05
Tariff receipts and other income	0.75	1.10	0.85
Effective sales price per barrel	49.15	48.35	64.25

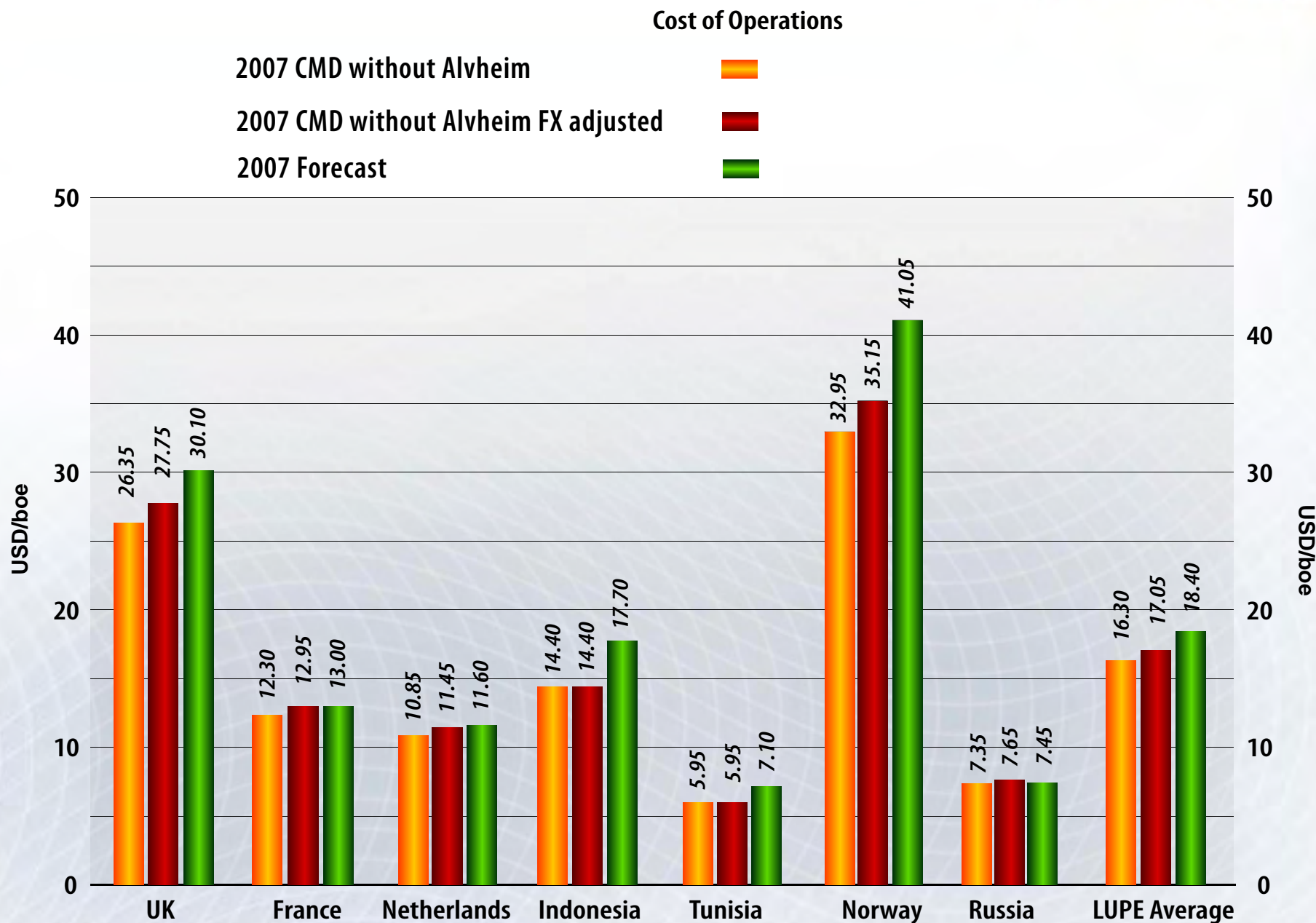
2007 Cost of Operations



	MMBOE		USD/boe	=	MUSD
➔ Capital Markets Day 2007	15.4	X	14.55	=	224.1
➔ Capital Markets Day 2007 excl. Alvheim	13.3	X	16.30	=	217.3
➔ Forecast 2007	12.7	X	18.40	=	232.9
➔ % Change	-5%		13%		7%*

**Foreign exchange = 4.5% => Actual cost increase = 2.5%*

2007 Cost of Operations



2007 Exploration Write-Offs



	2007 Forecast MUSD
UK including wells 9/10c, 14/28a, 41/10a, Banchory	26.5
Indonesia including Banyumas, Blora	12.0
Norway well PL335	9.0
Albania	4.5
Other	4.0
2007 forecast exploration write-offs	56.0

Note: UK 12/17b-1 Ridgewood well to be written off in Q1 2008

➤ 2007 effective rate of tax	46%
➤ Current tax charge	1.00 USD/boe
➤ Deferred tax charge	8.70 USD/boe

Includes UK Corporation tax refund for prior periods **7.0 MUSD**