

# *Presentation to Investors*



11458 03.12

## *Outline of Presentation*



- 1. Lundin Petroleum Overview**
- 2. Lundin Petroleum's Commitment to CSR**
- 3. Lundin Petroleum: Past Experience in Sudan and Ethiopia**
- 4. Conclusion from the Chairman**

# Lundin Petroleum - Asset Overview



Core Areas: Europe, SE Asia

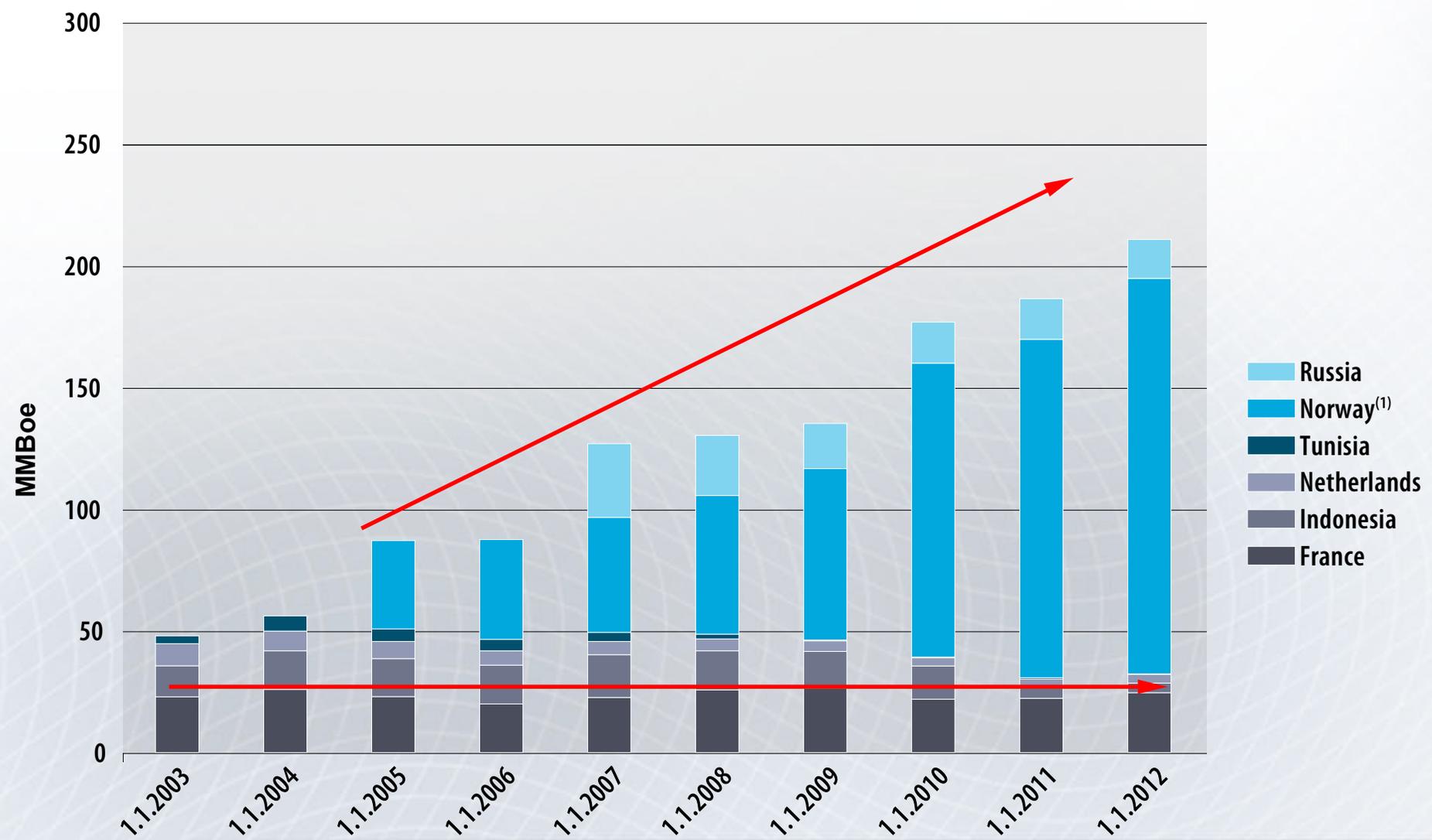


### 2011 Highlights

Production:	33,300 boepd
EBITDA:	USD 1.01 Billion
Cost of operations:	USD 8.43 /bbl
2P reserves:	210.7 MMboe <sup>(1)</sup>
Contingent resources:	851 MMboe <sup>(3)</sup>

<sup>(1)</sup> End 2011 Reserves    <sup>(2)</sup> Brynhild (WI: 70%)    <sup>(3)</sup> Statoil estimate (120 MMboe) for Johan Sverdrup PL265

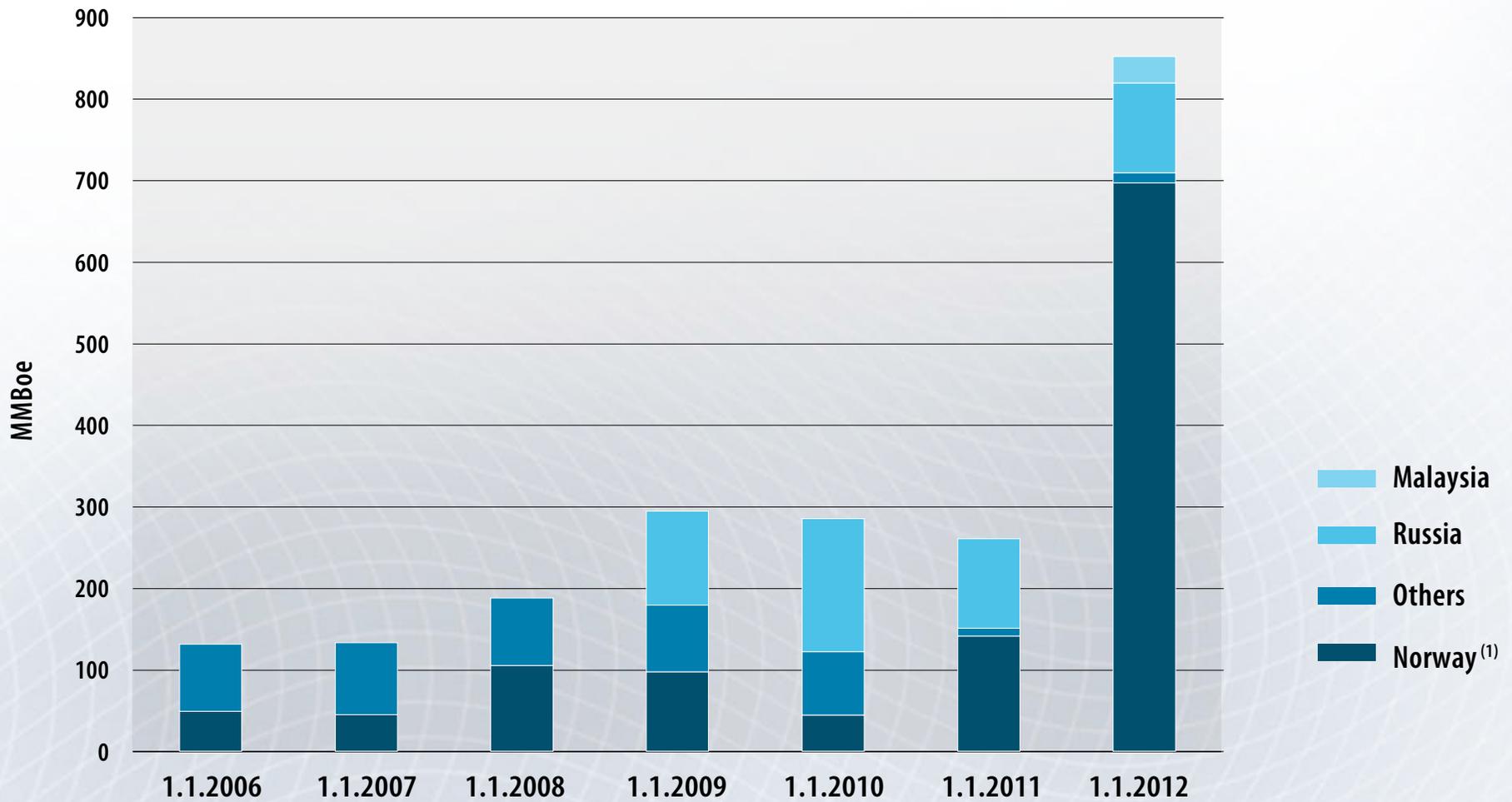
# Reserves Growth



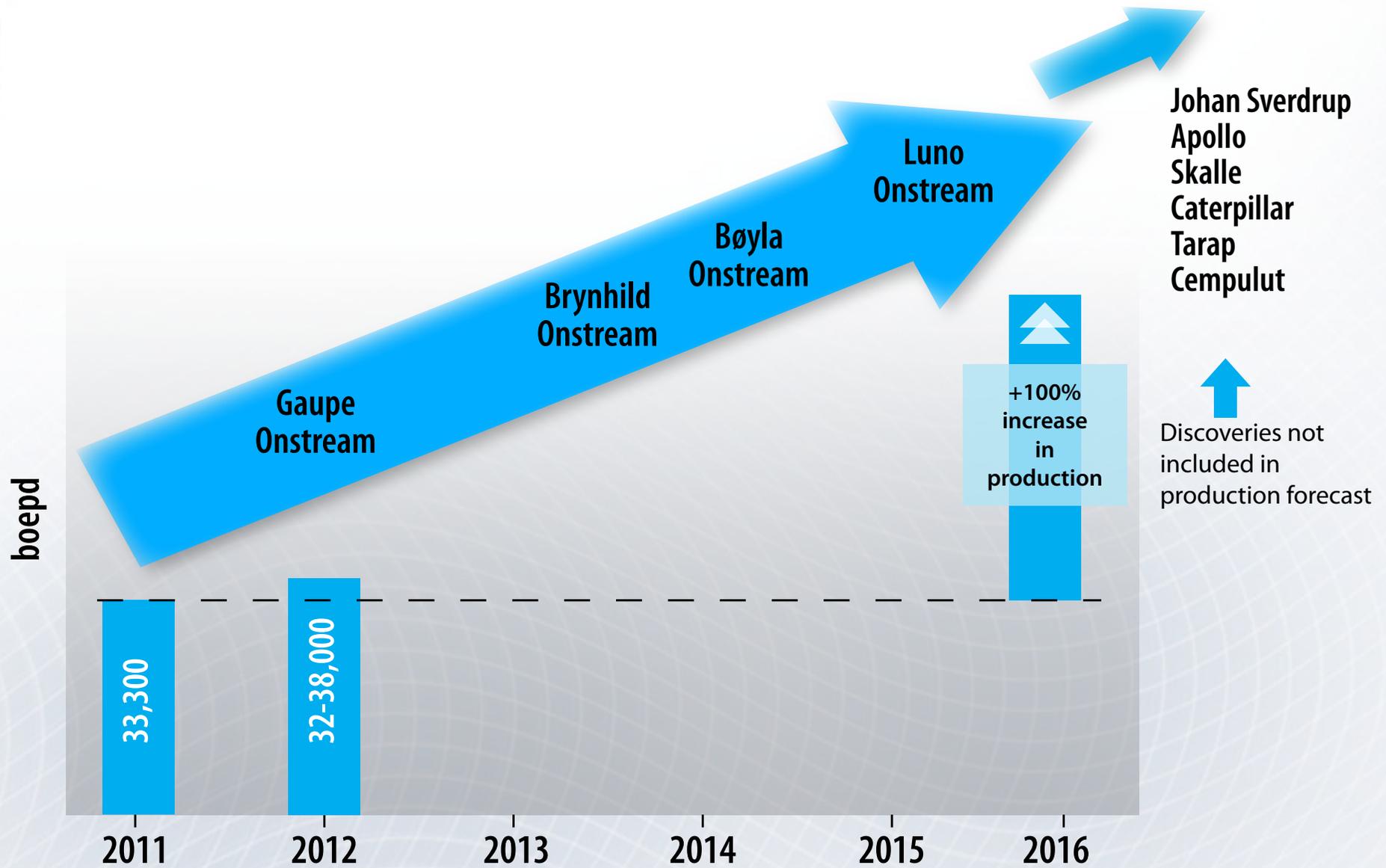
<sup>(1)</sup> Brynhild (WI: 70%)

Excludes divested assets

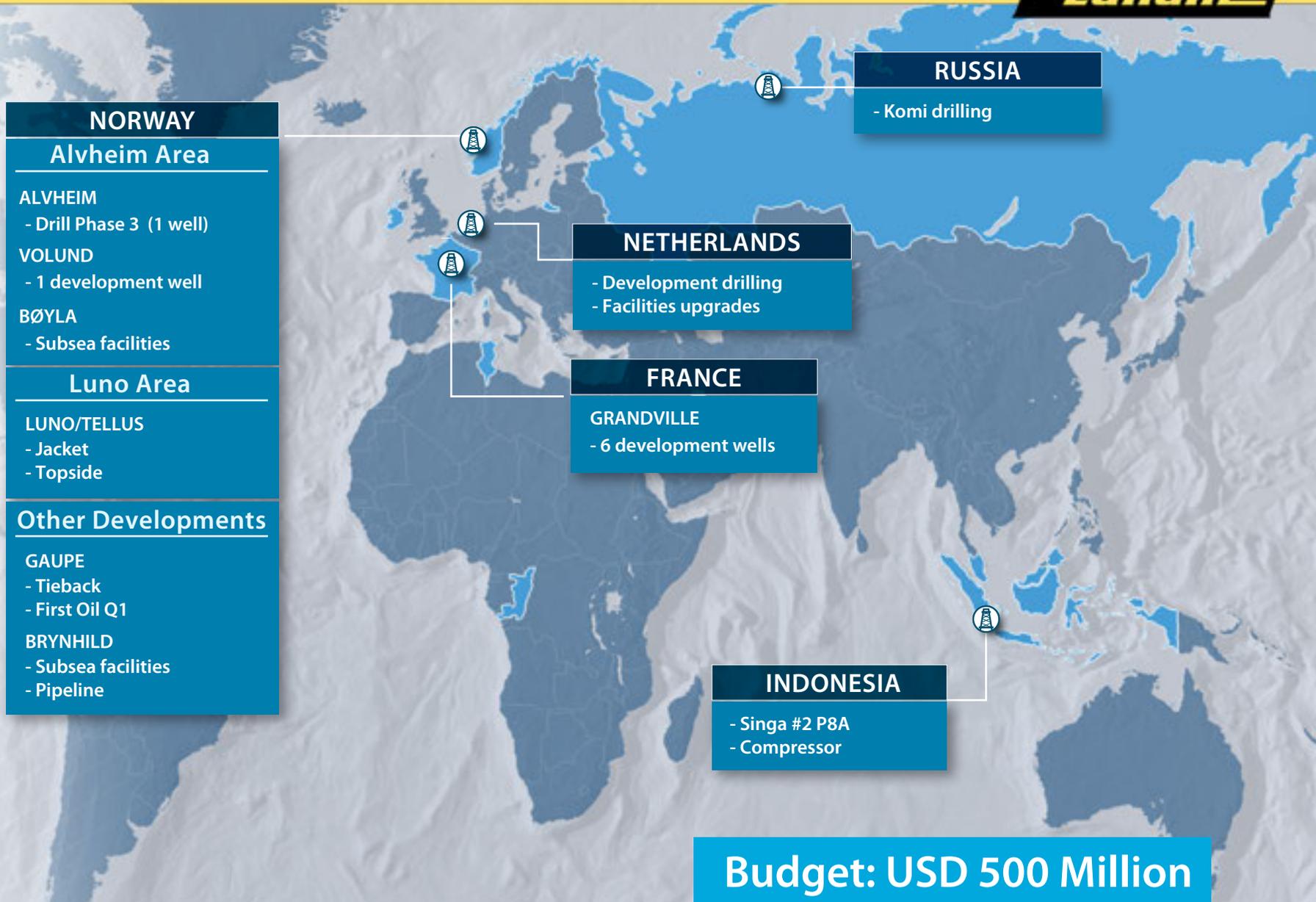
# Contingent Resource Growth



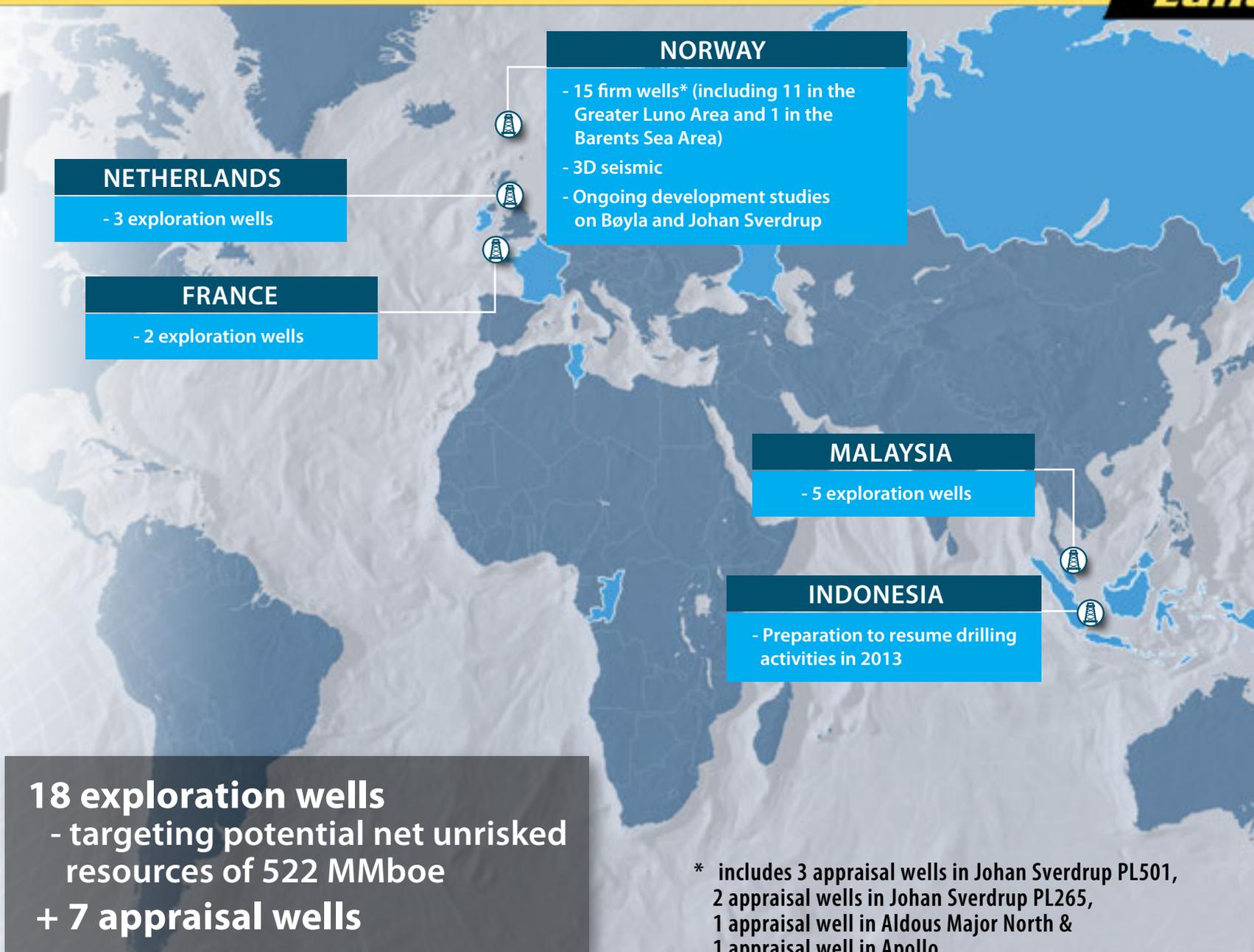
# Future Production Growth



# 2012 Development Work Programme



# Exploration Licence Activity 2012



**18 exploration wells**  
 - targeting potential net unrisked resources of 522 MMboe  
**+ 7 appraisal wells**

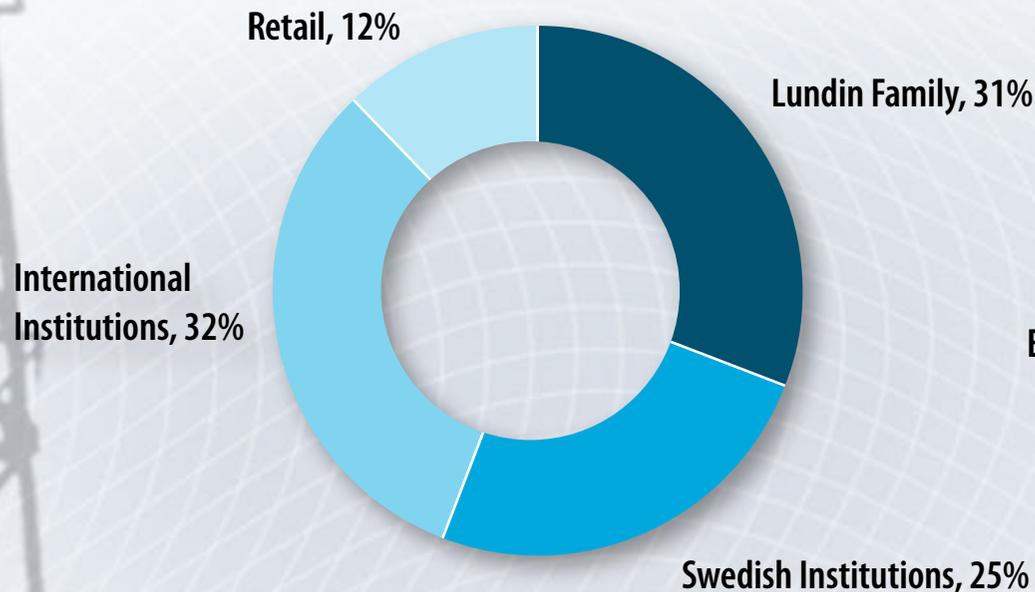
\* includes 3 appraisal wells in Johan Sverdrup PL501, 2 appraisal wells in Johan Sverdrup PL265, 1 appraisal well in Aldous Major North & 1 appraisal well in Apollo

## Lundin Petroleum's Shareholders

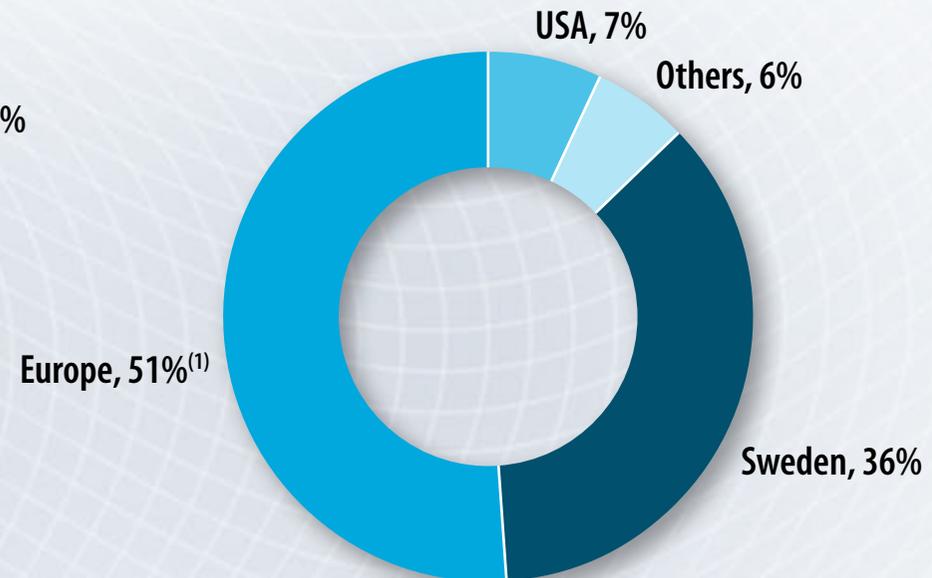


- Number of shares in issue: 317.9 million
- Owned by Lundin Petroleum: approx. 6.9 million shares
- Average traded volume per day: approx. 2 million
- Part of OMX30, NASDAQ OMX Stockholm
- Secondary listing on Toronto Stock Exchange

### ➤ Shareholder structure



### ➤ Geographically

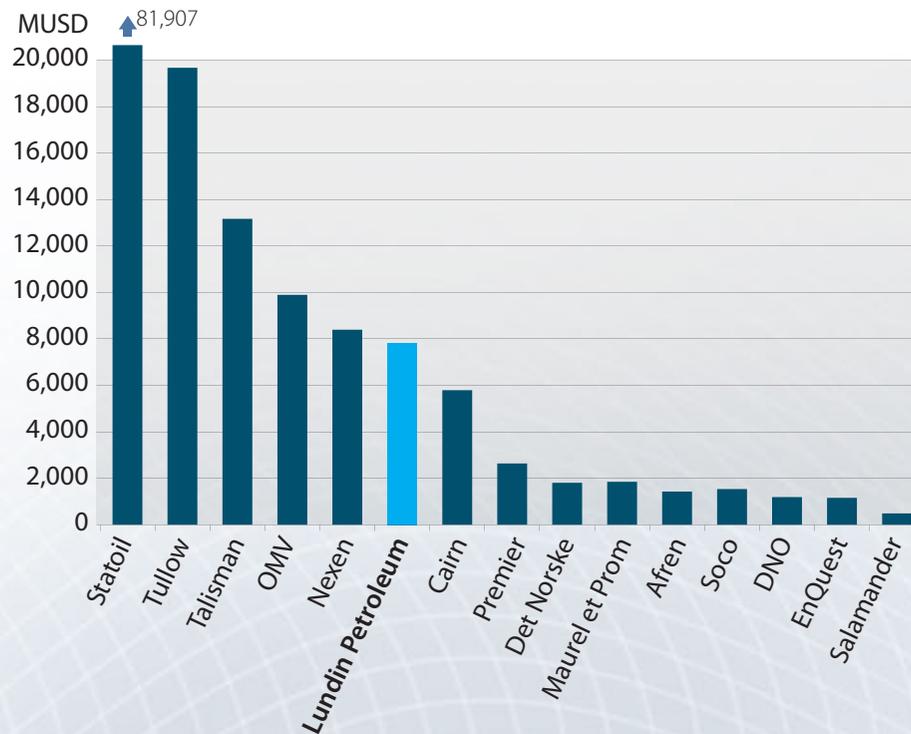


<sup>(1)</sup> Including Lundin family shares

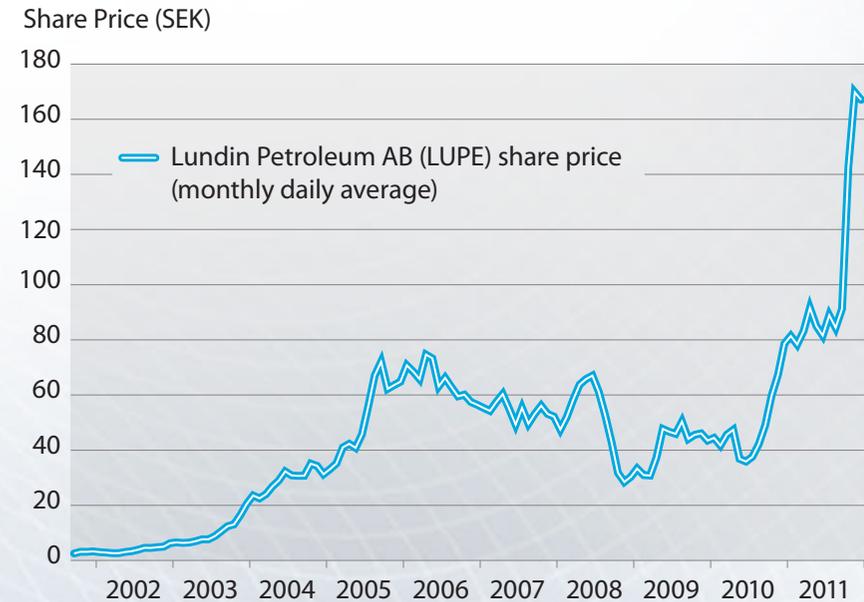
# Lundin Petroleum in the Stock Market



➤ Peer Comparison Graph (Jan 2012)



➤ Share Price Graph (2001-2011)



- Lundin Petroleum is the second largest independent oil and gas company in Europe
- Market capitalisation from USD 50 Million in 2001 to over USD 7 Billion in 2012

## ➔ **ISO 26000 on Social Responsibility** (sec. 2.18)

**Responsibility of an organization for the impacts of its decisions and activities on society and the environment, through transparent and ethical behaviour that**

- ➔ contributes to sustainable development, including health and the welfare of society
- ➔ takes into account the expectations of stakeholders
- ➔ is in compliance with applicable law and consistent with international norms of behaviour
- ➔ is integrated throughout the organization and practised in its relationships

# Lundin Petroleum's CSR Framework



## ➔ Vision

- ➔ “To explore for and produce oil & gas in an economically, socially and environmentally responsible way”

## ➔ Tools

- ➔ Code of Conduct
- ➔ HSE, Community Relations, Anti-Corruption Policies
- ➔ HSE Management System (Greenbook)
- ➔ Human Rights Primer
- ➔ Stakeholder Dialogue
- ➔ Sustainable Investments

## ➔ References

- ➔ Host Country Laws
- ➔ Home Country Laws
- ➔ Industry Practice
- ➔ International Initiatives <sup>1</sup>

<sup>1</sup> Global Compact, EITI, Voluntary Principles for Security and Human Rights, UN Principles for responsible investment, Equator Principles, Carbon Disclosure Project

# Lundin Petroleum's Commitment to CSR



- **Global Compact**
- **Environmental Stewardship**
  - ➔ Association du Belvedere (Tunisia)
  - ➔ Barefoot College
  - ➔ Astrakhan initiatives
- **Millenium Development Goals**
  - ➔ SOS Children's Villages (Indonesia, Tunisia)
- **Corporate Citizenship**
  - ➔ Matching Program
- **R&D**
  - ➔ Survey of Barents Seabed (Norway)
- **Academic Research**
  - ➔ Oil and governance (2009-2010)
  - ➔ Oil and economic development (2011)



# Lundin Petroleum's Past Experience in Sudan & Ethiopia



## Sudan

- Block 5A 1997 - 2003  
Thar Jath oil discovery
- Block 5B 2001 - 2009

## Ethiopia

- 3 Exploration Licences  
2006 - 2009

# Lundin Petroleum's Past Experience in Sudan



## ➤ History

- ➔ Acquired interests in 1997 (Block 5A) and 2001 (Block 5B)
- ➔ Block 5A: operated interest sold in 2003
- ➔ Block 5B: non-operated interest relinquished and Lundin Petroleum exited Sudan in 2009

## ➤ The Issue

- ➔ Civil War in Southern Sudan
- ➔ Khartoum Peace Agreement in Concession Area
- ➔ EU Constructive Dialogue
- ➔ Inter-Factional and Tribal Fighting

## ➤ The Solution

- ➔ CSR Framework
- ➔ Community Development & Humanitarian Assistance Programme
- ➔ Stakeholder Engagement



# Community Development Projects in Sudan



## ➔ Key areas

- ➔ Supply of Freshwater
- ➔ Health
- ➔ Education
- ➔ Capacity Building

### Photographs

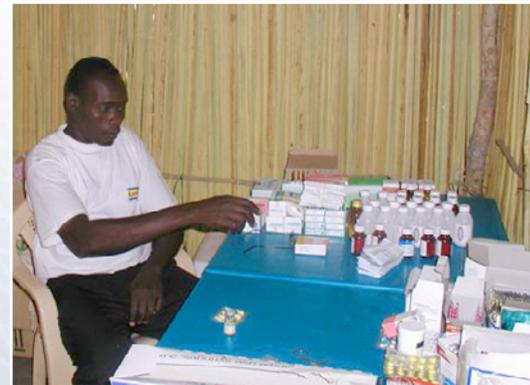
top left: water filtration unit

top right: infant receives vaccination from CDHAP paramedic

middle left: clinic pharmacy

middle right: literacy classes for women

bottom: people gather outside the clinic



# Lundin Petroleum's Past Experience in Ethiopia



## ➔ History

- ➔ Acquired blocks in 2006
- ➔ Limited field work (6 weeks)
- ➔ Sold and exited Ethiopia in 2009

## ➔ The Approach

- ➔ Assessment of country
- ➔ Engagement with stakeholders
- ➔ Social, environmental and security assessments
- ➔ Stakeholder Awareness Meetings (SAM)
- ➔ Community development projects



## Lundin Petroleum: Past Experience in Sudan & Ethiopia



- **Christian Aid (2001):** allegations in relation to “oil road” in Sudan Block 5A
  - ➔ Lundin Petroleum responds and refutes allegations in White Book (2001)
  
- **ECOS (2010):** allegations that Sudan Block 5A partners “may have been complicit” in human rights violations and should pay compensation
  - ➔ No solid evidence provided, no new facts raised, no direct link established between Lundin Petroleum and Sudan conflict
  - ➔ Lundin Petroleum Open Letter to Shareholders (June 2010): not responsible for or complicit in the conflict
  
- **K Lundell book (2010):** unsubstantiated allegations of wrongdoings in Ethiopia
  - ➔ Lundin Petroleum Open Letters to Shareholders (March 2010 & October 2011)
  
- **Swedish preliminary investigation commenced in 2010:** Prosecutor refers to ECOS but no specific accusations on Lundin Petroleum or directors/officers
  - ➔ Lundin Petroleum Open Letters to Shareholders (June 2010): denies any wrongdoing and expresses willingness to cooperate
  - ➔ Prosecutor has not contacted Lundin Petroleum or directors/officers

## *Conclusion from the Chairman*



- **Lundin Group founded by Adolf Lundin (1932-2006)**
- **Deeply saddened by harsh and groundless criticism**
- **Continued belief in:**
  - **Efficient and responsible exploration and development of natural resources**
  - **Economic development as solution to poverty, war and disease**
  - **Promotion of economic growth, human rights and environment**

## Disclaimer



This information has been made public in accordance with the Securities Market Act (SFS 2007:528) and/or the Financial Instruments Trading Act (SFS 1991:980).

### 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 the Company'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 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 "Risk Factors" 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.

### Reserves and Resources

Unless otherwise stated, Lundin Petroleum's reserve and resource estimates are as at 31 December 2011, and have been prepared and audited in accordance with National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("NI 51-101") and the Canadian Oil and Gas Evaluation Handbook ("COGE Handbook").

### Contingent Resources

Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but are not currently considered to be commercially recoverable due to one or more contingencies. Contingencies may include factors such as economic, legal, environmental, political and regulatory matters or a lack of markets. There is no certainty that it will be commercially viable for the Company to produce any portion of the Contingent Resources.

### Prospective Resources

Prospective Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective Resources have both a chance of discovery and a chance of development. There is no certainty that any portion of the Prospective Resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the Prospective Resources.

### BOEs

BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf : 1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

**Lundin**



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