

## Further improvements on the Johan Sverdrup project

**Lundin Petroleum AB (Lundin Petroleum) is pleased to announce that Phase 1 of the Johan Sverdrup project is over halfway complete and that the partnership has further reduced the gross capital expenditure to NOK 92 billion.**

Phase 1 of the Johan Sverdrup project continues to progress according to plan and is now close to 60 percent complete.

Due to improvements in project execution and delivery, gross Phase 1 development costs have been further reduced by NOK 5 billion to NOK 92 billion. This represents a saving of 25 percent compared to the original estimate in the plan for development and operation, excluding additional foreign exchange rate savings in US dollar terms.

Alex Schneider, CEO and President of Lundin Petroleum comments: "*The world class Johan Sverdrup project is progressing really well and continues to get better and better. It is very encouraging to see that we have now passed the halfway mark in Phase 1 of the project and are ahead of schedule. It has been my long held view that costs will continue to come down and today we can announce that the Johan Sverdrup partnership has managed to lower development costs even further.*"

The breakeven price for the full field development is estimated to less than USD 25 per barrel and the total resources in the Johan Sverdrup field are estimated to between 2.0 and 3.0 billion barrels of oil equivalent.

Phase 1 remains firmly on track for first oil in late 2019 with an estimated production capacity of 440 Mbopd. Phase 2 will add another processing platform to the field centre which is estimated to increase the processing capacity for the full field to 660 Mbopd. Phase 2 is scheduled to start production in 2022.

Lundin Norway holds a 22.6 percent working interest in the Johan Sverdrup project and Statoil is the operator with 40.0267 percent. The remaining partners are Maersk Oil with 8.44 percent, Petoro with 17.36 percent and Aker BP with 11.5733 percent working interest.

*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](http://www.lundin-petroleum.com)*

For further information, please contact:

Alex Budden  
VP Communications &  
Investor Relations  
Tel: +41 22 595 10 19  
[alex.budden@lundin.ch](mailto:alex.budden@lundin.ch)

or

Sofia Antunes  
Investor Relations Officer  
Tel: +41 22 595 10 00  
[sofia.antunes@lundin.ch](mailto:sofia.antunes@lundin.ch)

or

Robert Eriksson  
Manager, Media Communications  
Tel: +46 701 11 26 15  
[robert.eriksson@lundin-petroleum.se](mailto:robert.eriksson@lundin-petroleum.se)

This is information that Lundin Petroleum AB is required to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the contact persons set out above, at 07.30 CEST on 4 September 2017.

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