

Avaldsnes Discovery - a New Giant in Norway

Lundin

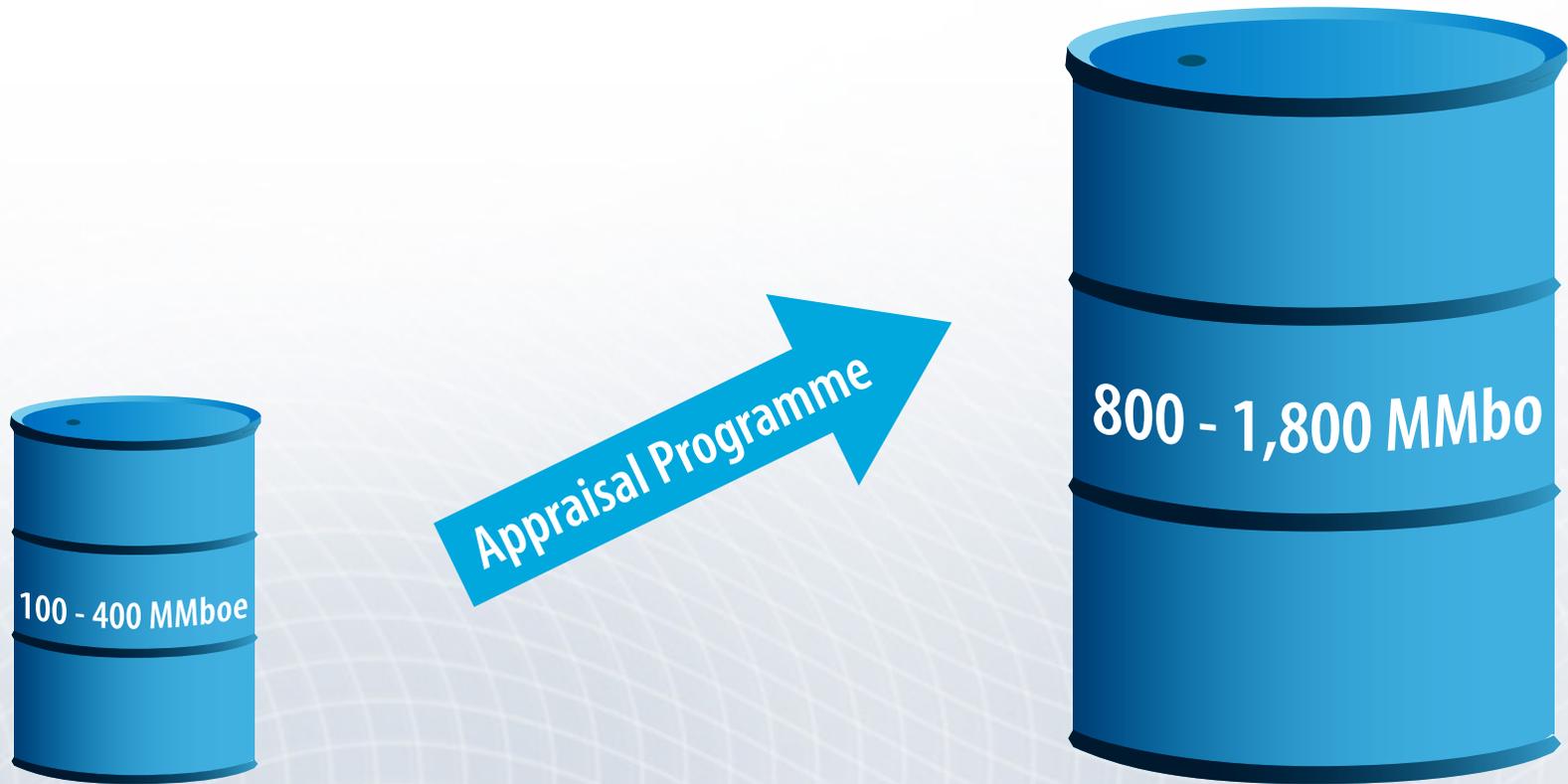


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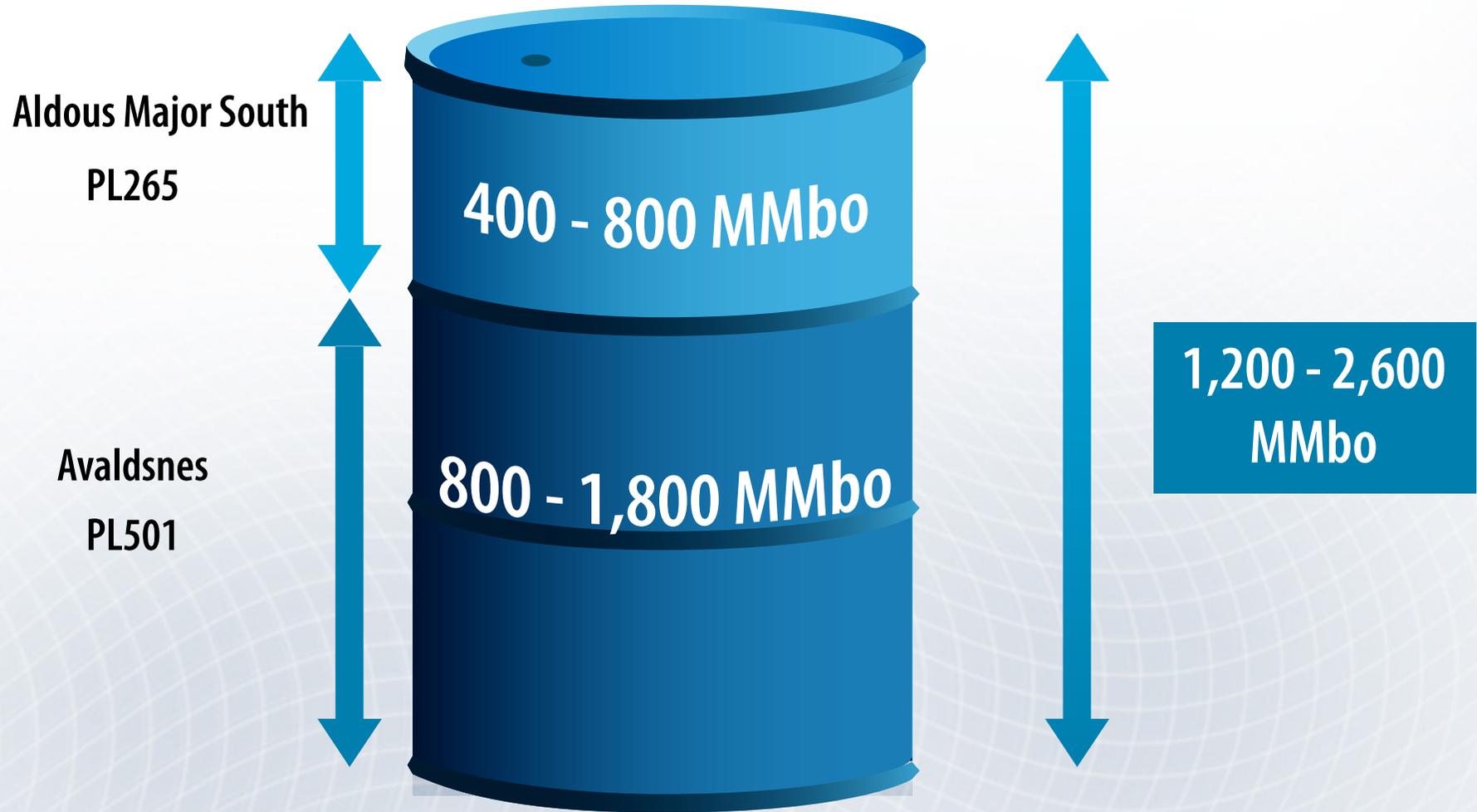
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Major Increase to Avaldsnes Resources



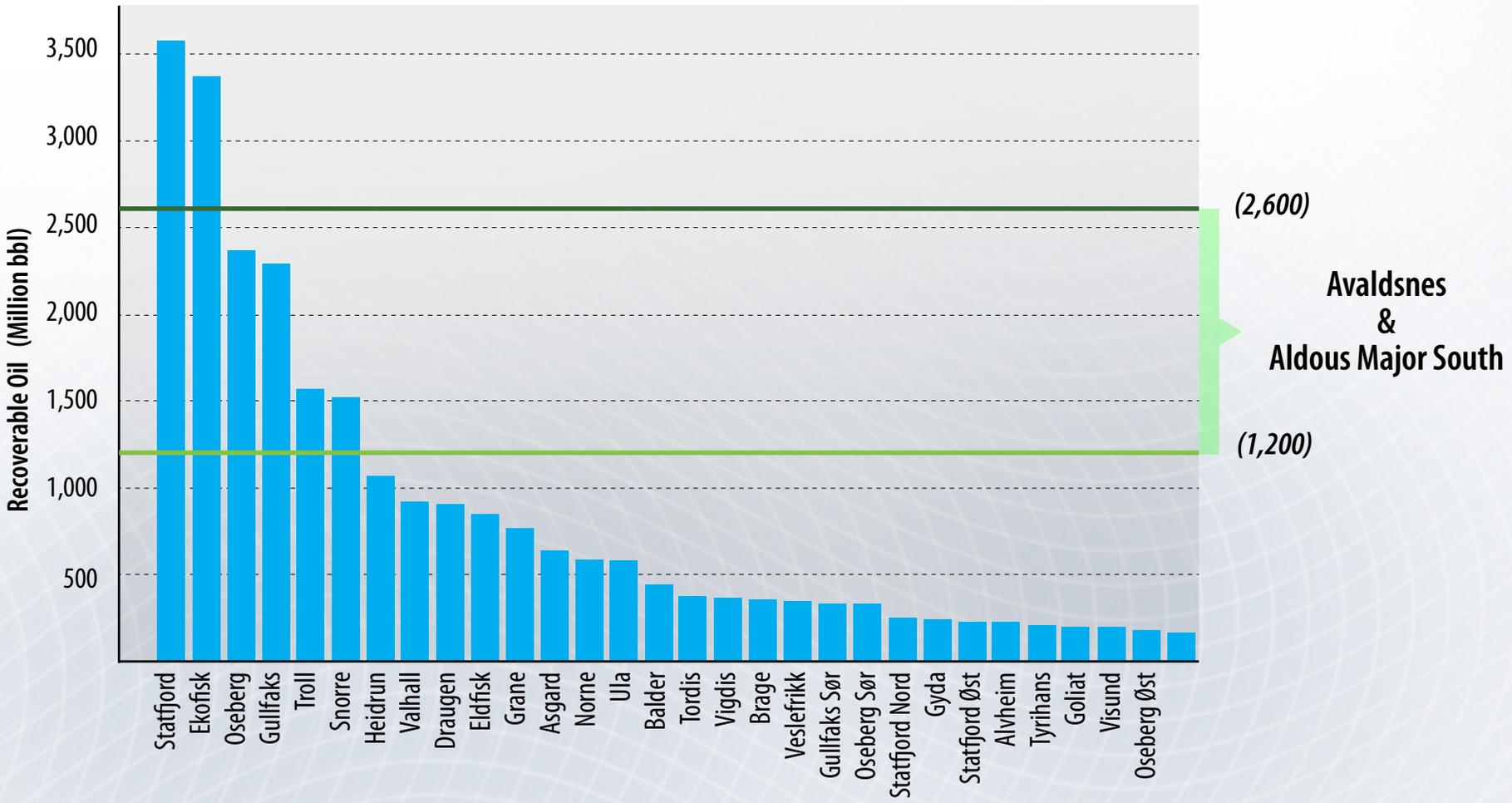
Resources - gross recoverable on Licence PL501

Avaldsnes and Aldous Major South is One Field



Lundin Petroleum Interest: 10% PL265 & 40% PL501

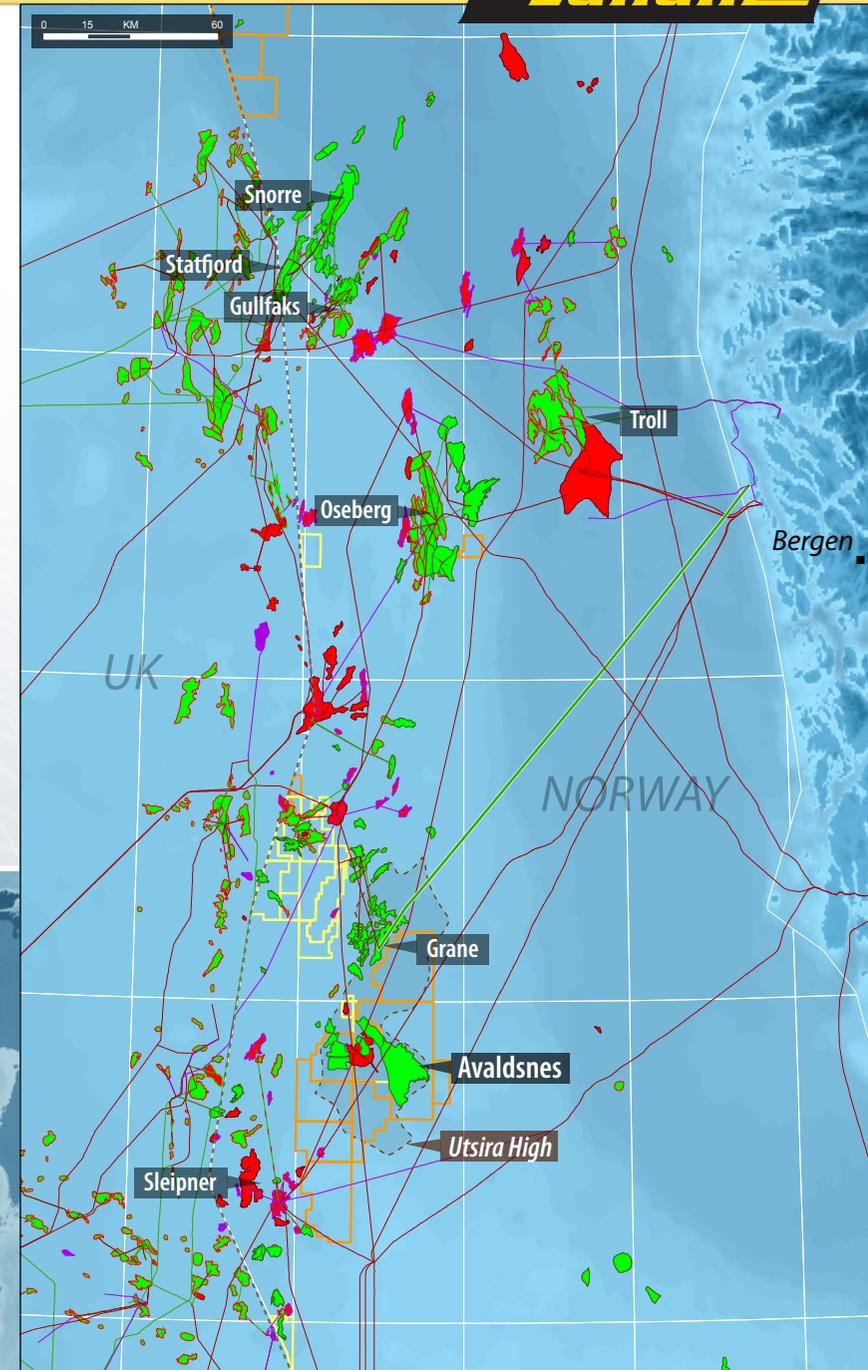
Largest Discovery since 1980's on Norwegian Continental Shelf



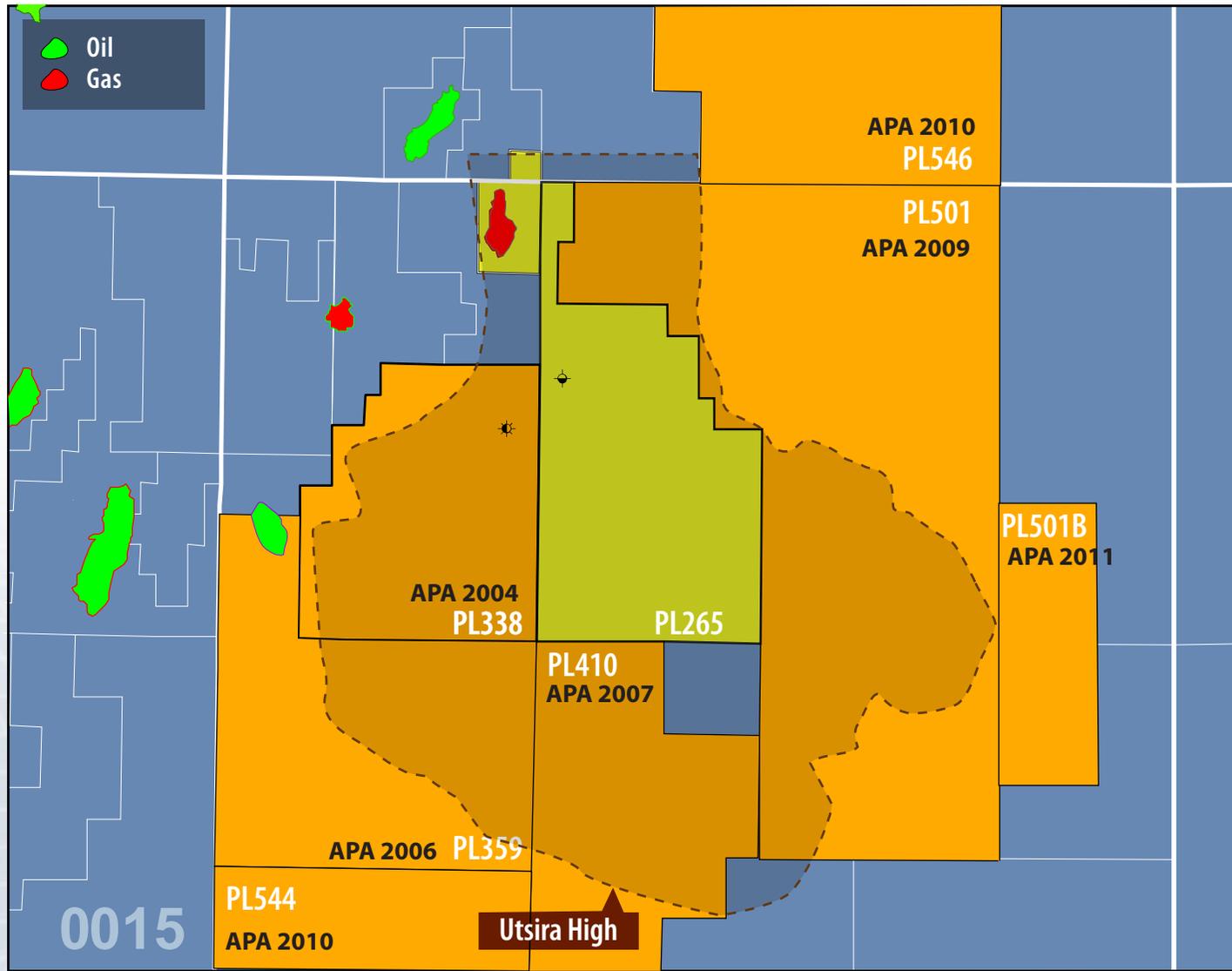
Avaldsnes - In the Heart of the North Sea

- Located in the southern Utsira High
- Close to existing infrastructure
- 35km south of Grane - significant spare capacity in the Grane oil export pipeline
- Water depth: 115m
- Reservoir depth: ~1900m

- PL501 licence operated by Lundin Petroleum (40%)
Partners: Statoil 40%, Maersk 20%



The Southern Utsira High - A Sleeping Giant

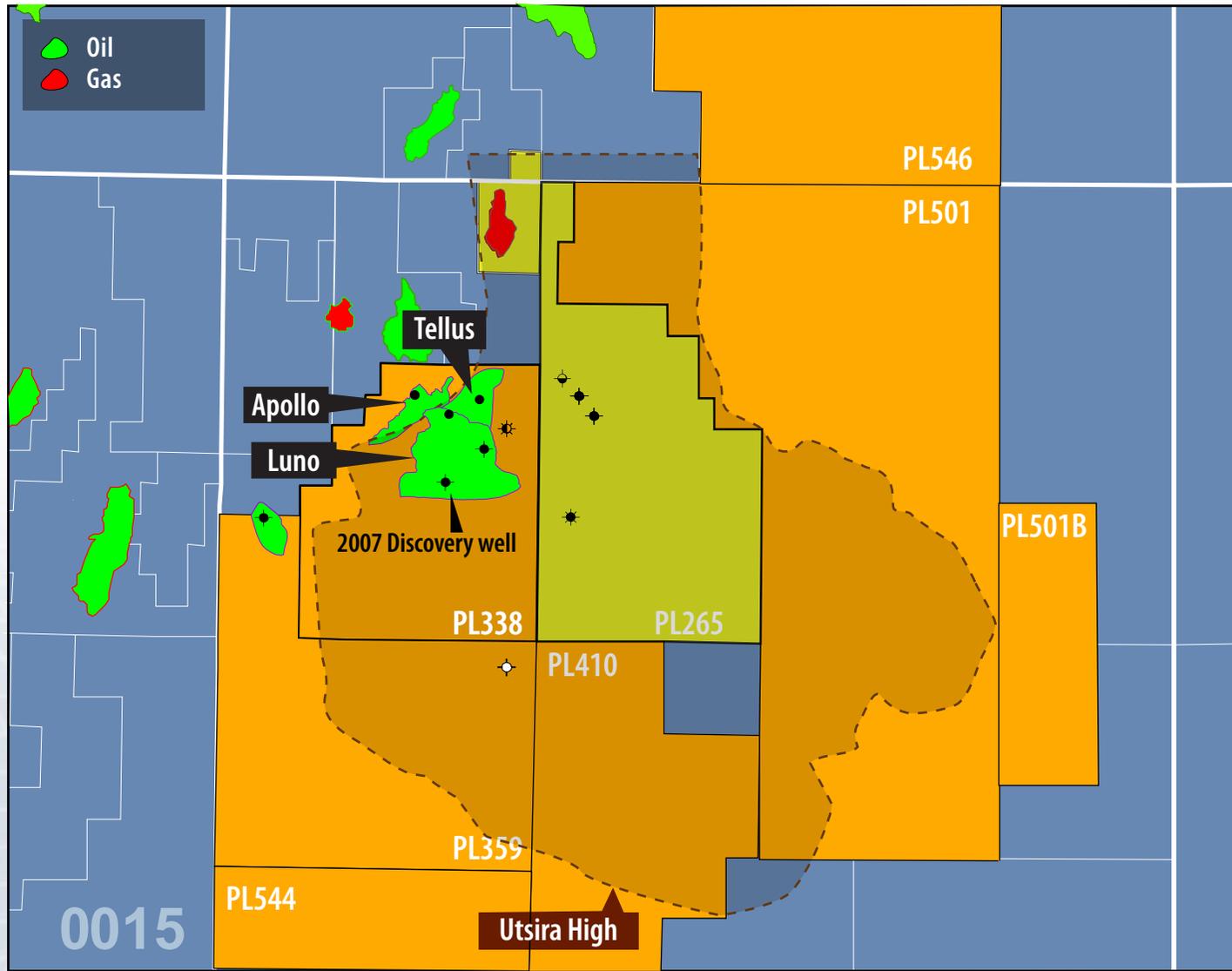


- A 4th generation exploration and a major oil province 45 years after the first award: PL001 in 1965
- Major acreage position built by Lundin Petroleum since 2004

Southern Utsira High Area → over 900km²

- LundinPetroleum Operator
- LundinPetroleum Partner

The Luno Discovery - PL338



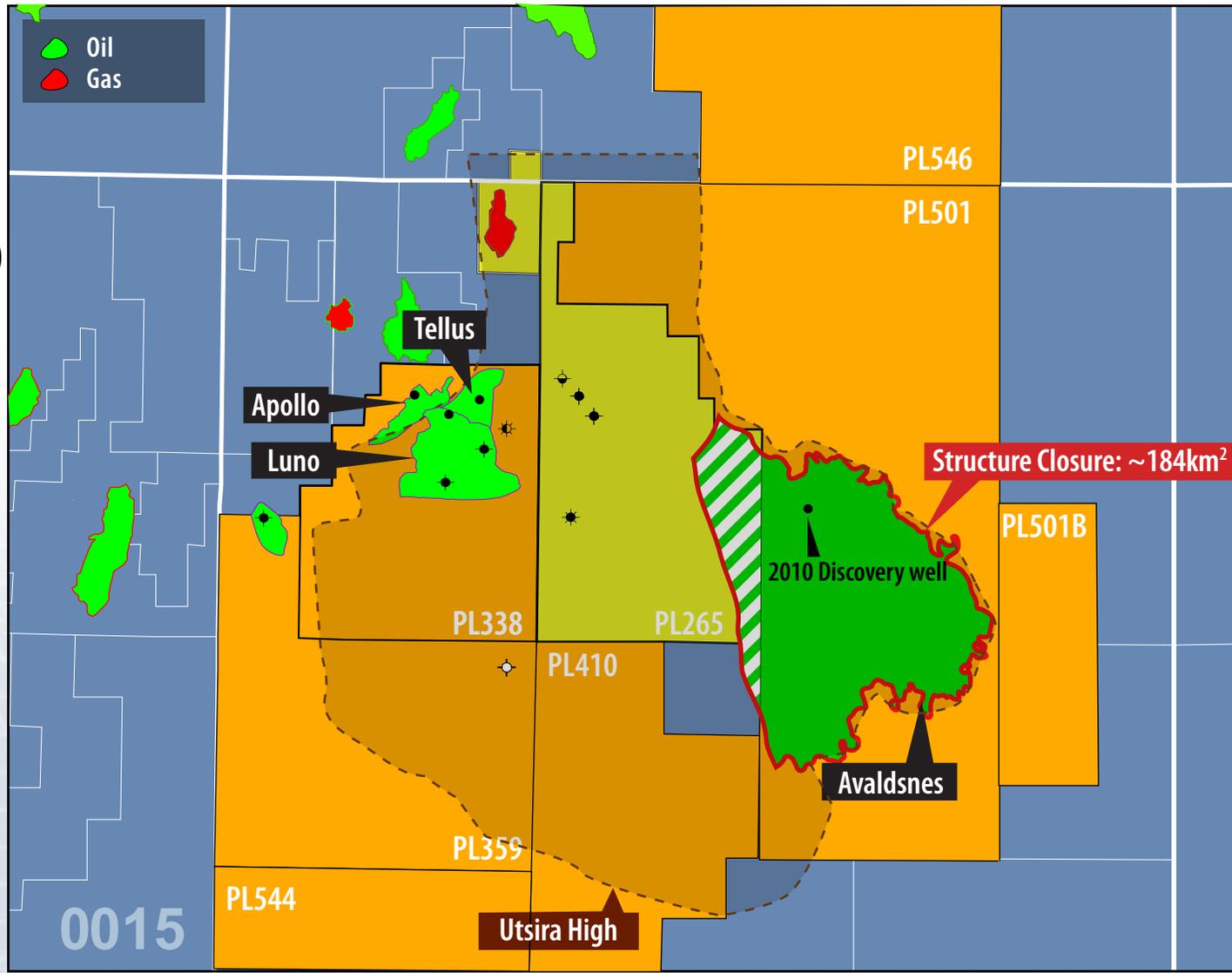
Lundin Petroleum 50% (operator)
 Partners: RWE Dea 20%, Wintershall 30%

- **Luno discovery:**
148 MMboe gross
- **Tellus discovery:**
11-55 MMboe gross
- PDO submission Dec. 2011
- First Oil: 2015

- **Apollo discovery:**
15-65 MMboe gross
- Appraisal planned in 2012

LundinPetroleum Operator
 LundinPetroleum Partner

The Avaldsnes Discovery - PL501



- **PL501 - Avaldsnes**
Lundin Petroleum: 40% (operator)
- ➔ Gross contingent resources:
 800 - 1,800 MMbo

- LundinPetroleum Operator
- LundinPetroleum Partner

Avaldsnes - World Class Reservoir



- **Excellent reservoir quality**
 - ➔ high porosity & permeability sands
 - ➔ Normal pressure & temperature

- **Easily producible oil**
 - ➔ Oil dripping out of the cores
 - ➔ 2 full scale production tests completed
 - ➔ Highly mobile & low viscosity oil
 - ➔ 28° API oil
 - ➔ Low gas/oil ratio

- **Resources easily accessible**
 - ➔ Water depth: 115m
 - ➔ Reservoir depth: ~1900m



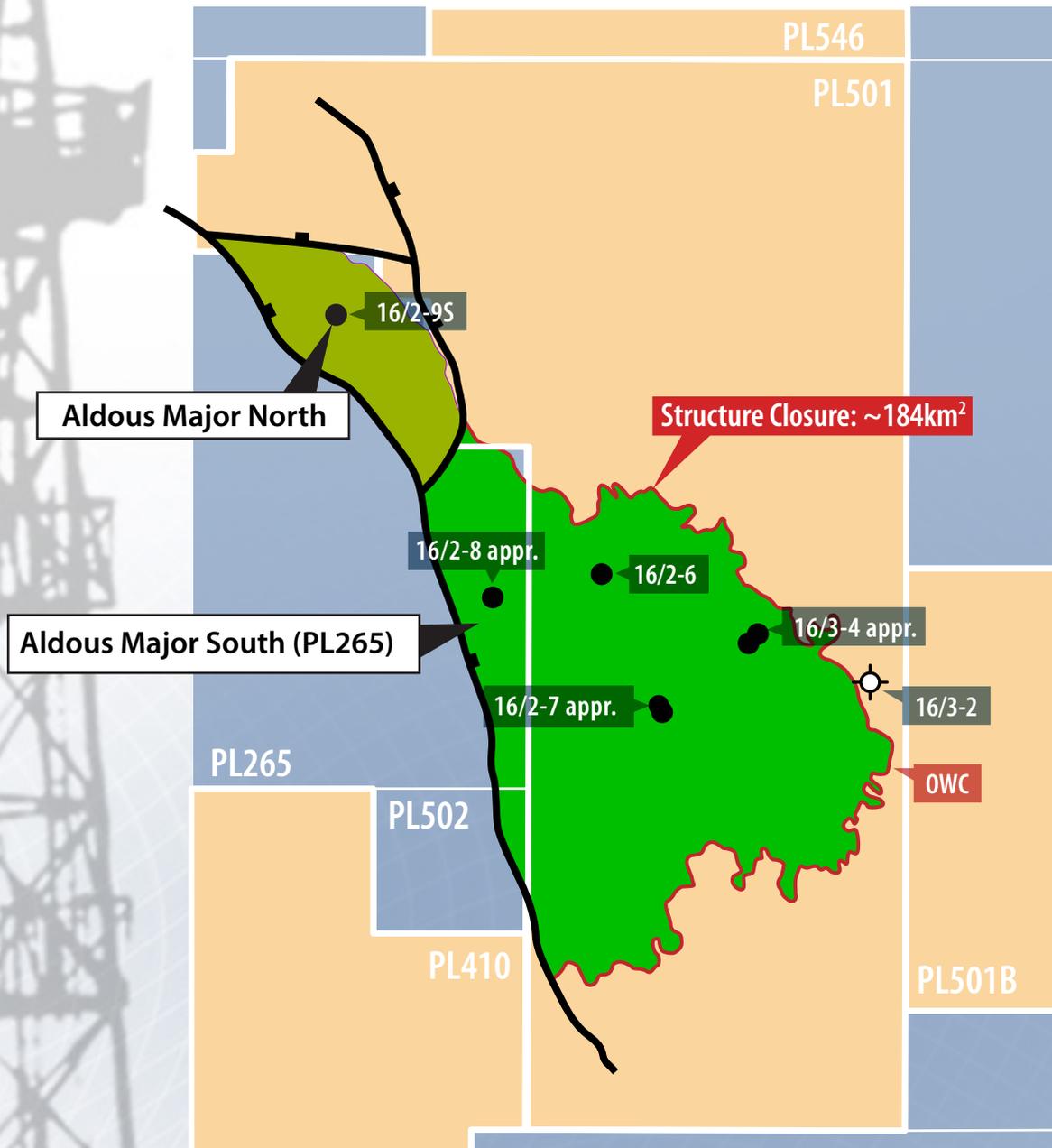
Avaldsnes - The Story Pre-appraisal



➔ **Gross Contingent Resources on block 100 - 400 MMboe**

➔ **Preliminary geological model assumed no Jurassic reservoir in white area**

Avaldsnes / Aldous - The Story Today



2011 Appraisal programme

PL501 (40% operator)

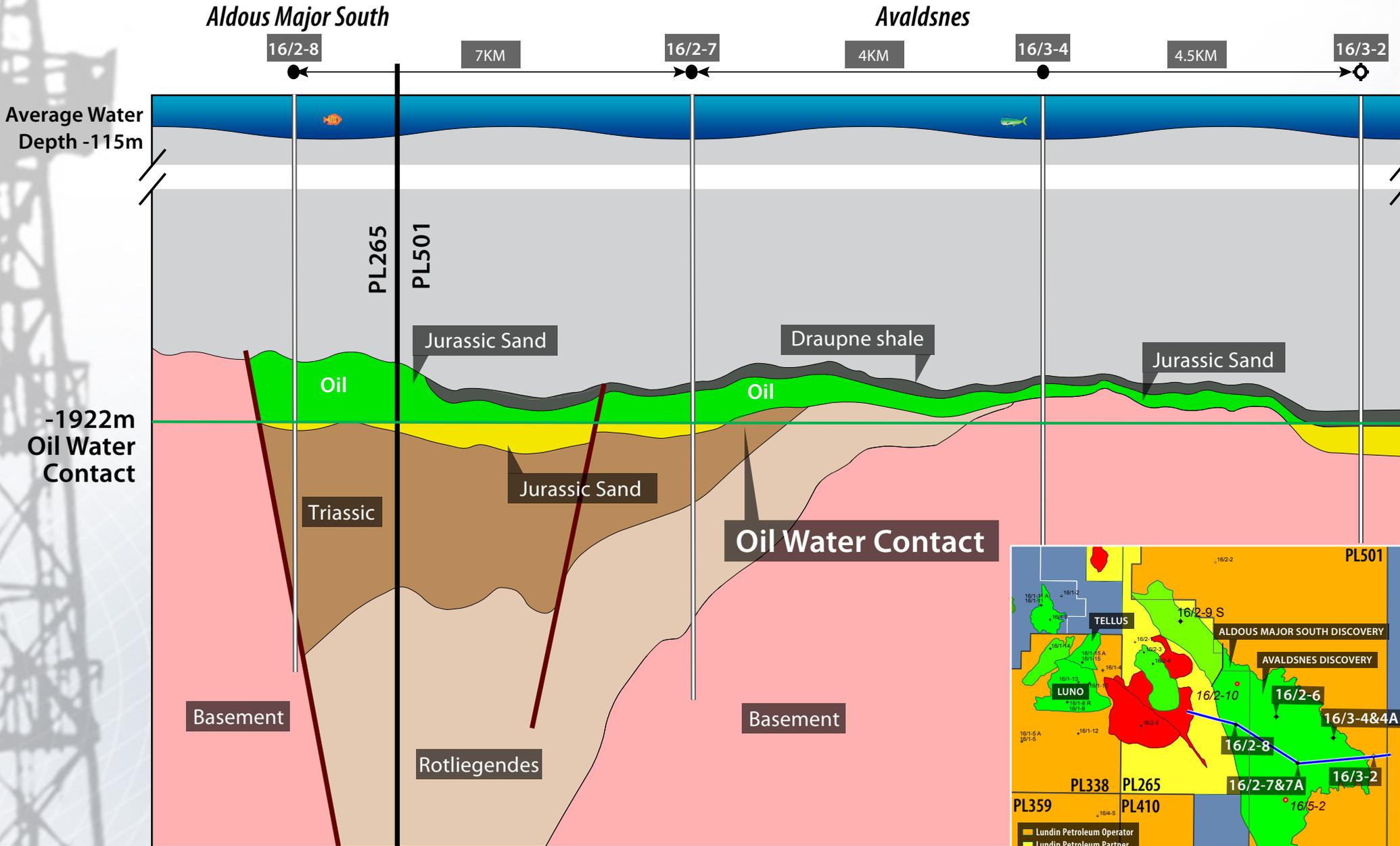
- 1st appraisal (16/3-4) & sidetrack completed
- 2nd appraisal (16/2-7) & sidetrack completed

➔ Updated gross contingent resources on block 800 - 1,800 MMbo

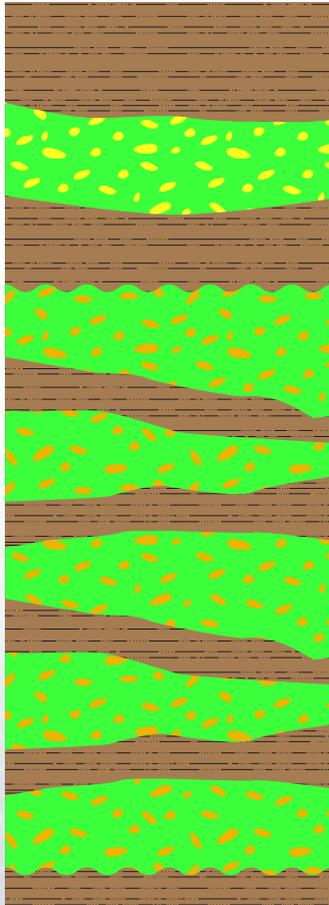
PL265 (10%)

- Aldous Major South Discovery
 - ➔ 400 - 800 MMbo gross contingent resources on block
 - ➔ 65 metre oil column, excellent quality reservoir
- Aldous Major North
 - ➔ Requires further appraisal

Avaldsnes / Aldous - Geological Cross-Section



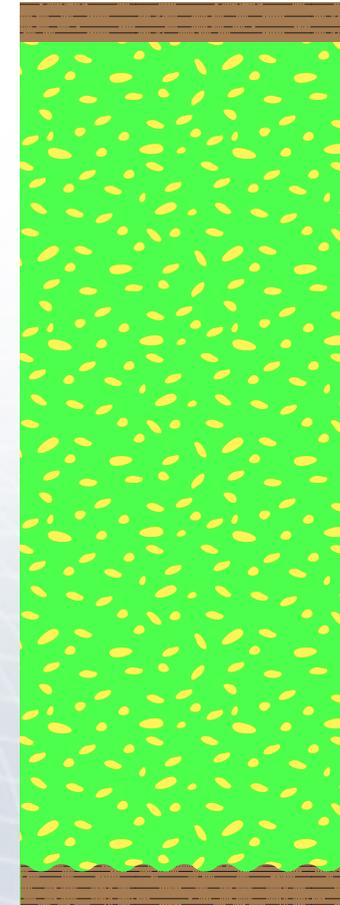
Avaldsnes - What has Changed ?



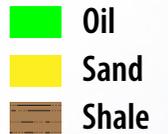
100 - 400 MMboe

Appraisal Results

- More sand (Higher net to gross)
- Higher porosity
- Higher oil saturation
- Higher oil recovery



800 - 1,800 MMbo



The size of the tank is approximately the same
but its contents have changed significantly

Avaldsnes - Resource Range



1.8 Billion

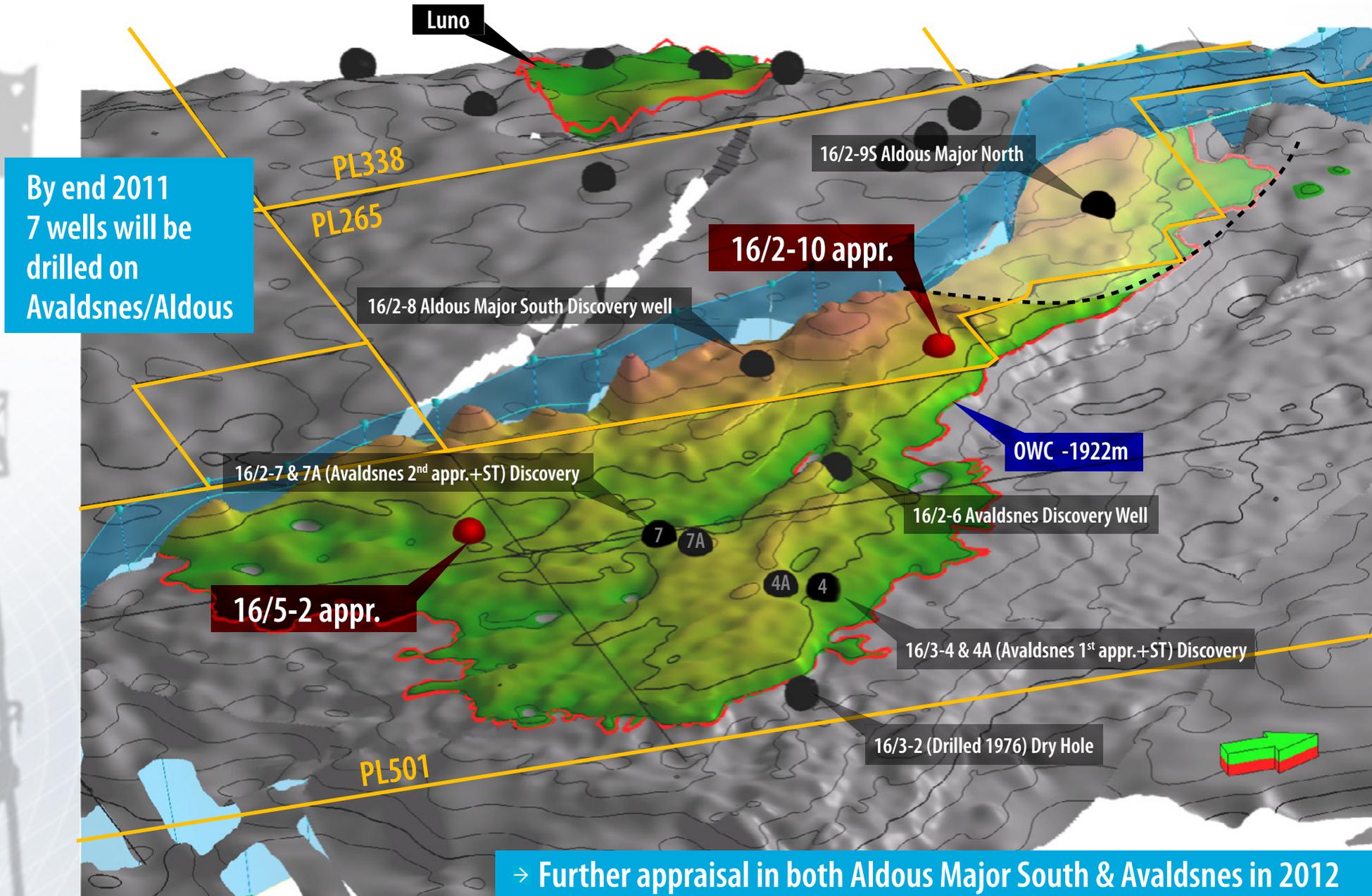
UPSIDE

- Reservoir thickness
- Reservoir properties
- Recovery factor
- Unappraised areas

DOWNSIDE

0.8 Billion

Avaldsnes 2011 Further Appraisal Programme



By end 2011
7 wells will be drilled on
Avaldsnes/Aldous

→ Further appraisal in both Aldous Major South & Avaldsnes in 2012

● 2H11 Appraisal wells

Avaldsnes / Aldous Major South

- Aggressive appraisal programme in PL501 and PL265 in 2011 and 2012
- Avaldsnes and Aldous Major South will be developed as one field
- Lundin Petroleum and Statoil, as respective operators of PL501 and PL265, jointly committed to an aggressive development for the new field. Pre-unit agreement discussions ongoing.

..... And the story continues!

Avaldsnes Discovery - a New Giant in Norway



Aldous
Major
South

Avaldsnes



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