

## Form 51-101F1

# STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION

### January 31, 2011

The following is a summary of reserves data and other oil and gas information of Lundin Petroleum AB. ("Lundin Petroleum" or "Company"). Lundin Petroleum has crude oil reserves in France, Netherlands, Indonesia, Tunisia, Norway and Russia. Lundin Petroleum has gas reserves in the Netherlands, Indonesia, and Norway. The effective date of the information being provided is December 31, 2010. Gaffney Cline and Associates ("GCA"), has independently audited the reserves attributable to Lundin Petroleum 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"). The reserves information was prepared on 24 January 2011.

The tables below summarize Lundin Petroleum's petroleum reserves and the present value of future net revenue associated with Lundin Petroleum's reserves based on forecast prices and costs assumptions. Future net revenue values, whether calculated without discount or using a discount rate, are estimated values and do not represent fair market value. There is no assurance that such price and cost assumptions will be attained and variances could be material. The recovery and reserves estimates are estimates only. Actual petroleum reserves may be greater than or less than the estimates provided herein. References to oil, reserves (gross, net, proved, probable, possible, developed, developed producing, developed non-producing, undeveloped), forecast prices and costs, operating, costs, development costs, future net revenue and future income tax expenses shall, unless expressly stated to be to the contrary, have the meaning attributed to such terms as set out in NI 51-101, companion Policy 51-101CP and all forms referenced therein.

Unless otherwise indicated all references to "\$" or dollars or "US\$" in this report refer to United States dollars. The following tables may not total due to rounding.

## Reserves Data (Forecast Prices and Costs)

SUMMARY OF PROVED and PROBABLE and POSSIBLE RESERVES  
as at 31st December 2010  
FORECAST PRICES AND COSTS

	Reserves		Reserves		Reserves	
	LIGHT MEDIUM OIL		NATURAL GAS		TOTAL RESOURCES	
	Gross mmbbl	Net mmbbl	Gross bcf	Net bcf	Gross mmboe	Net mmboe
<b>Proved Developed Producing</b>						
France	12.9	12.3	0.0	0.0	12.9	12.3
Indonesia	0.0	0.0	16.3	14.9	2.7	2.5
Netherlands	0.1	0.1	11.0	11.0	1.9	1.9
Norway	19.6	19.6	11.2	11.2	21.5	21.5
Russia	4.7	4.7	0.0	0.0	4.7	4.7
Tunisia	0.5	0.4	0.0	0.0	0.5	0.4
	<b>37.8</b>	<b>37.1</b>	<b>38.4</b>	<b>37.1</b>	<b>44.2</b>	<b>43.3</b>
<b>Proved Undeveloped</b>						
France	2.0	1.9	0.0	0.0	2.0	1.9
Indonesia	0.0	0.0	0.0	0.0	0.0	0.0
Netherlands	0.0	0.0	1.7	1.7	0.3	0.3
Norway	40.9	40.9	39.6	39.6	47.5	47.5
Russia	0.2	0.2	0.0	0.0	0.2	0.2
Tunisia	0.0	0.0	0.0	0.0	0.0	0.0
	<b>43.2</b>	<b>43.0</b>	<b>41.3</b>	<b>41.3</b>	<b>50.1</b>	<b>49.9</b>
<b>Total Proved</b>						
France	14.9	14.2	0.0	0.0	14.9	14.2
Indonesia	0.0	0.0	16.3	14.9	2.7	2.5
Netherlands	0.1	0.1	12.7	12.7	2.2	2.2
Norway	60.6	60.6	50.8	50.8	69.0	69.0
Russia	5.0	5.0	0.0	0.0	5.0	5.0
Tunisia	0.5	0.4	0.0	0.0	0.5	0.4
	<b>80.9</b>	<b>80.2</b>	<b>79.8</b>	<b>78.4</b>	<b>94.2</b>	<b>93.2</b>
<b>Total Probable</b>						
France	7.4	7.1	0.0	0.0	7.4	7.1
Indonesia	0.0	0.0	9.6	9.5	1.6	1.6
Netherlands	0.0	0.0	8.5	8.5	1.5	1.5
Norway	56.9	56.9	79.5	79.5	70.2	70.2
Russia	11.7	11.7	0.0	0.0	11.7	11.7
Tunisia	0.0	0.0	0.0	0.0	0.0	0.0
	<b>76.1</b>	<b>75.8</b>	<b>97.7</b>	<b>97.6</b>	<b>92.4</b>	<b>92.1</b>
<b>Total Proved Plus Probable</b>						
France	22.3	21.3	0.0	0.0	22.3	21.3
Indonesia	0.0	0.0	25.9	24.5	4.3	4.1
Netherlands	0.1	0.1	21.2	21.2	3.6	3.6
Norway	117.5	117.5	130.3	130.3	139.2	139.2
Russia	16.7	16.7	0.0	0.0	16.7	16.7
Tunisia	0.5	0.5	0.0	0.0	0.5	0.5
	<b>157.1</b>	<b>156.0</b>	<b>177.5</b>	<b>176.0</b>	<b>186.7</b>	<b>185.3</b>
<b>Total Possible</b>						
France	4.7	4.4	0.0	0.0	4.7	4.4
Indonesia	0.0	0.0	1.9	1.8	0.3	0.3
Netherlands	0.0	0.0	2.1	2.1	0.4	0.4
Norway	46.8	46.8	65.7	65.7	57.7	57.7
Russia	4.8	4.8	0.0	0.0	4.8	4.8
Tunisia	0.0	0.0	0.0	0.0	0.0	0.0
	<b>56.3</b>	<b>56.1</b>	<b>69.7</b>	<b>69.6</b>	<b>67.9</b>	<b>67.7</b>
<b>Total Proved, plus Probable, Plus Possible</b>						
France	27.0	25.7	0.0	0.0	27.0	25.7
Indonesia	0.0	0.0	27.8	26.3	4.6	4.4
Netherlands	0.1	0.1	23.4	23.4	4.0	4.0
Norway	164.3	164.3	196.0	196.0	196.9	196.9
Russia	21.5	21.5	0.0	0.0	21.5	21.5
Tunisia	0.6	0.5	0.0	0.0	0.6	0.5
	<b>213.4</b>	<b>212.1</b>	<b>247.1</b>	<b>245.6</b>	<b>254.6</b>	<b>253.0</b>

NB Lundin has no NGLs in its reserves base.

Reference: Item 2.1.(1) of Form 51-101F1

**SUMMARY OF NET PRESENT VALUE OF FUTURE NET REVENUE IN US\$**

As of 31st December 2010

**FORECAST PRICES AND COSTS**

	Net Present Value of Future Net Revenue										Unit value before income tax, discounted at 10% US\$/BOE
	Before Deducting Income Tax, Discounted at:					After Deducting Income Tax, Discounted at:					
	0%	5%	10%	15%	20%	0%	5%	10%	15%	20%	
	mmUS\$	mmUS\$	mmUS\$	mmUS\$	mmUS\$	mmUS\$	mmUS\$	mmUS\$	mmUS\$	mmUS\$	
<b>Proved Developed Producing</b>											
France	746.6	473.1	343.8	272.1	227.2	488.5	318.7	236.4	189.9	160.2	28.0
Indonesia	57.1	49.2	43.0	37.9	33.7	51.7	44.5	38.8	34.2	30.4	17.3
Netherlands	32.1	31.8	30.7	29.4	28.2	26.8	27.2	26.6	25.7	24.8	16.3
Norway	1482.8	1353.7	1241.6	1146.3	1065.3	568.9	544.3	520.8	499.4	480.1	57.8
Russia	23.9	23.5	22.7	21.8	20.8	21.7	21.1	20.4	19.5	18.6	4.8
Tunisia	-2.4	-1.6	-0.9	-0.3	0.2	-7.2	-6.3	-5.4	-4.7	-4.0	-2.1
	<b>2340.2</b>	<b>1929.7</b>	<b>1680.9</b>	<b>1507.2</b>	<b>1375.3</b>	<b>1150.3</b>	<b>949.5</b>	<b>837.6</b>	<b>764.0</b>	<b>710.1</b>	<b>38.8</b>
<b>Proved Undeveloped</b>											
France	114.3	56.5	27.7	11.3	1.3	74.1	35.4	15.3	3.6	-3.9	14.6
Indonesia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Netherlands	8.3	7.8	7.4	7.0	6.7	6.0	5.6	5.3	5.0	4.8	25.9
Norway	1521.6	1029.6	678.3	427.0	246.2	566.7	311.5	136.1	14.5	-70.4	14.3
Russia	-0.7	-0.8	-1.0	-1.1	-1.2	-1.2	-1.2	-1.3	-1.4	-1.4	-4.3
Tunisia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	<b>1643.5</b>	<b>1093.0</b>	<b>712.4</b>	<b>444.3</b>	<b>253.1</b>	<b>645.6</b>	<b>351.3</b>	<b>155.4</b>	<b>21.7</b>	<b>-71.0</b>	<b>14.3</b>
<b>Total Proved</b>											
France	861.0	529.6	371.4	283.5	228.5	562.7	354.1	251.7	193.4	156.4	26.2
Indonesia	57.1	49.2	43.0	37.9	33.7	51.7	44.5	38.8	34.2	30.4	17.3
Netherlands	40.4	39.6	38.1	36.5	34.9	32.8	32.8	31.9	30.8	29.5	17.5
Norway	3004.4	2383.2	1919.9	1573.3	1311.5	1135.6	855.8	657.0	513.9	409.7	27.8
Russia	23.2	22.6	21.7	20.7	19.6	20.5	19.9	19.1	18.1	17.2	4.4
Tunisia	-2.4	-1.6	-0.9	-0.3	0.2	-7.2	-6.3	-5.4	-4.7	-4.0	-2.1
	<b>3983.7</b>	<b>3022.7</b>	<b>2393.3</b>	<b>1951.5</b>	<b>1628.4</b>	<b>1796.0</b>	<b>1300.8</b>	<b>993.1</b>	<b>785.7</b>	<b>639.1</b>	<b>25.7</b>
<b>Total Probable</b>											
France	591.0	324.6	202.2	139.3	103.7	383.3	215.0	134.9	93.3	69.6	28.5
Indonesia	31.9	26.5	22.2	18.9	16.1	21.6	18.2	15.4	13.2	11.3	14.0
Netherlands	57.4	47.9	40.9	35.6	31.6	39.5	33.6	28.9	25.2	22.4	28.2
Norway	5367.2	3589.6	2520.5	1842.1	1391.4	1213.0	869.9	646.2	494.4	387.8	35.9
Russia	56.8	48.9	39.1	31.4	25.6	45.5	40.2	32.5	26.2	21.4	3.3
Tunisia	2.8	2.7	2.5	2.4	2.3	1.4	1.4	1.3	1.2	1.2	78.8
	<b>6107.1</b>	<b>4040.2</b>	<b>2827.4</b>	<b>2069.7</b>	<b>1570.7</b>	<b>1704.4</b>	<b>1178.1</b>	<b>859.1</b>	<b>653.6</b>	<b>513.8</b>	<b>30.7</b>
<b>Total Proved Plus Probable</b>											
France	1452.0	854.2	573.6	422.8	332.1	946.0	569.0	386.6	286.8	226.0	27.0
Indonesia	89.0	75.7	65.2	56.7	49.8	73.3	62.7	54.2	47.3	41.7	16.0
Netherlands	97.8	87.5	79.0	72.1	66.4	72.3	66.4	60.8	56.0	51.9	21.8
Norway	8371.5	5972.9	4440.4	3415.4	2702.9	2348.6	1725.7	1303.2	1008.4	797.5	31.9
Russia	80.0	71.5	60.8	52.1	45.2	66.0	60.1	51.5	44.3	38.6	3.6
Tunisia	0.4	1.1	1.7	2.1	2.5	-5.8	-4.9	-4.1	-3.4	-2.9	3.7
	<b>10090.8</b>	<b>7062.9</b>	<b>5220.7</b>	<b>4021.2</b>	<b>3199.1</b>	<b>3500.4</b>	<b>2479.0</b>	<b>1852.2</b>	<b>1439.3</b>	<b>1152.9</b>	<b>28.2</b>
<b>Total Possible</b>											
France	476.9	235.6	140.6	96.2	72.4	312.7	154.8	92.6	63.7	48.2	31.6
Indonesia	2.0	0.6	-0.5	-1.2	-1.8	0.6	-0.4	-1.1	-1.7	-2.1	-1.6
Netherlands	17.0	13.0	10.6	8.9	7.7	9.0	7.2	6.0	5.2	4.6	28.4
Norway	4904.7	2955.0	1961.9	1396.3	1046.4	1085.6	709.0	503.9	380.4	300.3	34.0
Russia	97.8	41.8	22.0	13.6	9.5	78.7	33.6	17.7	11.0	7.7	4.6
Tunisia	3.6	3.3	3.1	2.9	2.7	2.0	1.8	1.7	1.6	1.5	76.0
	<b>5501.9</b>	<b>3249.3</b>	<b>2137.7</b>	<b>1516.8</b>	<b>1136.9</b>	<b>1488.5</b>	<b>906.0</b>	<b>620.9</b>	<b>460.3</b>	<b>360.2</b>	<b>31.6</b>
<b>Total Proved, plus Probable, Plus Possible</b>											
France	1928.9	1089.8	714.1	519.0	404.5	1258.6	723.8	479.3	350.5	274.2	27.8
Indonesia	91.0	76.3	64.7	55.5	48.0	73.9	62.3	53.0	45.6	39.6	14.8
Netherlands	114.8	100.6	89.5	81.0	74.1	81.3	73.6	66.8	61.2	56.6	22.4
Norway	13276.2	8927.8	6402.3	4811.7	3749.4	3434.2	2434.6	1807.1	1388.8	1097.8	32.5
Russia	177.8	113.3	82.9	65.7	54.7	144.7	93.7	69.3	55.3	46.2	3.8
Tunisia	4.0	4.4	4.8	5.0	5.3	-3.8	-3.1	-2.4	-1.8	-1.4	9.6
	<b>15592.7</b>	<b>10312.3</b>	<b>7358.4</b>	<b>5538.0</b>	<b>4336.0</b>	<b>4988.9</b>	<b>3385.0</b>	<b>2473.1</b>	<b>1899.6</b>	<b>1513.1</b>	<b>29.1</b>

Reference: Item 2.1.(2) of Form 51-101F1

**TOTAL FUTURE NET REVENUE (UNDISCOUNTED) IN US\$**

As at 31st December 2010

**FORECAST PRICES AND COSTS**

	Revenue	Royalties	Operating Costs	Development Costs	Abandonment Costs	Future Net Revenue Before Income Taxes	Income Taxes	Future Net Revenue After Income Taxes
	mmUS\$	mmUS\$	mmUS\$	mmUS\$	mmUS\$	mmUS\$	mmUS\$	mmUS\$
<b>Proved Developed Producing</b>								
France	1365.66	60.41	487.04	15.59	55.99	746.64	258.10	488.54
Indonesia	89.91	0.00	28.45	4.34	0.00	57.11	5.44	51.67
Netherlands	113.31	0.00	42.66	4.12	34.39	32.14	5.31	26.83
Norway	1962.71	0.00	371.50	0.00	108.42	1482.78	913.90	568.88
Russia	270.19	0.00	239.79	0.90	5.59	23.91	2.25	21.66
Tunisia	41.41	4.97	26.26	0.00	12.56	-2.38	4.85	-7.24
	<b>3843.19</b>	<b>65.38</b>	<b>1195.71</b>	<b>24.95</b>	<b>216.94</b>	<b>2340.20</b>	<b>1189.86</b>	<b>1150.35</b>
<b>Proved Undeveloped</b>								
France	211.60	12.62	30.90	51.33	2.44	114.32	40.20	74.12
Indonesia	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Netherlands	14.50	0.09	5.50	0.65	0.00	8.26	2.30	5.96
Norway	4234.16	0.00	948.94	1616.59	147.03	1521.59	954.87	566.72
Russia	13.46	0.00	11.50	2.63	0.02	-0.69	0.47	-1.16
Tunisia	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>4473.73</b>	<b>12.71</b>	<b>996.85</b>	<b>1671.20</b>	<b>149.50</b>	<b>1643.48</b>	<b>997.84</b>	<b>645.64</b>
<b>Total Proved</b>								
France	1577.26	73.03	517.94	66.91	58.42	860.96	298.30	562.66
Indonesia	89.91	0.00	28.45	4.34	0.00	57.11	5.44	51.67
Netherlands	127.81	0.09	48.17	4.77	34.39	40.40	7.61	32.79
Norway	6196.87	0.00	1320.45	1616.59	255.46	3004.38	1868.77	1135.60
Russia	283.66	0.00	251.30	3.53	5.61	23.22	2.73	20.49
Tunisia	41.41	4.97	26.26	0.00	12.56	-2.38	4.85	-7.24
	<b>8316.92</b>	<b>78.09</b>	<b>2192.56</b>	<b>1696.15</b>	<b>366.44</b>	<b>3983.68</b>	<b>2187.70</b>	<b>1795.98</b>
<b>Total Probable</b>								
France	872.47	36.62	229.75	3.61	11.44	591.05	207.72	383.33
Indonesia	35.15	0.00	0.00	3.23	0.00	31.91	10.27	21.64
Netherlands	84.76	0.04	25.11	0.10	2.09	57.41	17.94	39.47
Norway	6898.73	0.00	1287.48	210.24	33.85	5367.16	4154.17	1213.00
Russia	831.37	0.00	771.83	0.00	2.73	56.81	11.30	45.51
Tunisia	3.17	0.38	0.00	0.00	0.00	2.79	1.36	1.43
	<b>8725.64</b>	<b>37.04</b>	<b>2314.18</b>	<b>217.19</b>	<b>50.10</b>	<b>6107.13</b>	<b>4402.76</b>	<b>1704.37</b>
<b>Total Proved Plus Probable</b>								
France	2449.74	109.65	747.69	70.53	69.86	1452.01	506.02	945.99
Indonesia	125.05	0.00	28.45	7.58	0.00	89.02	15.71	73.31
Netherlands	212.57	0.13	73.28	4.87	36.48	97.81	25.55	72.26
Norway	13095.60	0.00	2607.93	1826.83	289.30	8371.54	6022.94	2348.60
Russia	1115.02	0.00	1023.13	3.53	8.34	80.03	14.03	66.00
Tunisia	44.58	5.35	26.26	0.00	12.56	0.41	6.21	-5.81
	<b>17042.56</b>	<b>115.13</b>	<b>4506.74</b>	<b>1913.34</b>	<b>416.54</b>	<b>10090.82</b>	<b>6590.46</b>	<b>3500.36</b>
<b>Total Possible</b>								
France	531.06	24.32	29.68	0.00	0.15	476.91	164.25	312.66
Indonesia	8.02	0.00	0.06	5.95	0.00	2.01	1.37	0.64
Netherlands	21.63	0.11	4.43	0.04	0.09	16.97	7.95	9.03
Norway	5568.68	0.00	604.09	36.35	23.57	4904.67	3819.08	1085.59
Russia	377.15	0.00	279.16	0.00	0.24	97.75	19.08	78.67
Tunisia	4.05	0.49	0.00	0.00	0.00	3.57	1.60	1.97
	<b>6510.60</b>	<b>24.91</b>	<b>917.42</b>	<b>42.34</b>	<b>24.04</b>	<b>5501.88</b>	<b>4013.33</b>	<b>1488.54</b>
<b>Total Proved, plus Probable, Plus Possible</b>								
France	2980.80	133.97	777.37	70.53	70.01	1928.92	670.27	1258.65
Indonesia	133.07	0.00	28.51	13.53	0.00	91.03	17.08	73.95
Netherlands	234.20	0.24	77.70	4.91	36.56	114.78	33.50	81.29
Norway	18664.28	0.00	3212.02	1863.18	312.87	13276.21	9842.02	3434.19
Russia	1492.17	0.00	1302.29	3.53	8.58	177.78	33.11	144.67
Tunisia	48.63	5.84	26.26	0.00	12.56	3.97	7.81	-3.84
	<b>23553.16</b>	<b>140.05</b>	<b>5424.16</b>	<b>1955.68</b>	<b>440.58</b>	<b>15592.69</b>	<b>10603.80</b>	<b>4988.90</b>

\*Russia revenue is net of VAT

\*Russia operating costs include Minerals Extraction Tax, Fixed and Variable operating costs and Export Duty

\*Tunisia royalties include Domestic Market Obligation and other royalties payable to government

Reference: Item 2.1.(3).(b) of Form 51-101F1

**FUTURE NET REVENUE PER PRODUCTION GROUP IN US\$ (Discounted at 10%, before income tax)**

**As at 31st December 2010**

**FORECAST PRICES AND COSTS**

<b>Net Present Value of Future Net Revenue</b>						
Before Deducting Income Tax, Discounted at 10% p.a.						
	<b>LIGHT MEDIUM OIL</b>		<b>NATURAL GAS</b>		<b>TOTAL RESOURCES</b>	
	mmUS\$	US\$/bbl	mmUS\$	US\$/mcf	mmUS\$	US\$/boe
<b>Proved Developed Producing</b>						
France	343.8	28.0	0.0	0.0	343.8	28.0
Indonesia	0.0	0.0	43.0	2.9	43.0	17.3
Netherlands	2.8	47.2	27.9	2.5	30.7	16.3
Norway	1173.6	59.8	68.0	6.1	1241.6	57.8
Russia	22.7	4.8	0.0	0.0	22.7	4.8
Tunisia	-0.9	-2.1	0.0	0.0	-0.9	-2.1
	<b>1542.0</b>	<b>41.5</b>	<b>138.9</b>	<b>3.7</b>	<b>1680.9</b>	<b>38.8</b>
<b>Proved Undeveloped</b>						
France	27.7	14.6	0.0	0.0	27.7	14.6
Indonesia	0.0	0.0	0.0	0.0	0.0	0.0
Netherlands	0.0	0.0	7.4	4.3	7.4	25.9
Norway	581.9	14.2	96.4	2.4	678.3	14.3
Russia	-1.0	-4.3	0.0	0.0	-1.0	-4.3
Tunisia	0.0	0.0	0.0	0.0	0.0	0.0
	<b>608.7</b>	<b>14.1</b>	<b>103.7</b>	<b>2.5</b>	<b>712.4</b>	<b>14.3</b>
<b>Total Proved</b>						
France	371.4	26.2	0.0	0.0	371.4	26.2
Indonesia	0.0	0.0	43.0	2.9	43.0	17.3
Netherlands	2.8	47.2	35.3	2.8	38.1	17.5
Norway	1755.5	29.0	164.4	3.2	1919.9	27.8
Russia	21.7	4.4	0.0	0.0	21.7	4.4
Tunisia	-0.9	-2.1	0.0	0.0	-0.9	-2.1
	<b>2150.6</b>	<b>26.8</b>	<b>242.6</b>	<b>3.1</b>	<b>2393.3</b>	<b>25.7</b>
<b>Total Probable</b>						
France	202.2	28.5	0.0	0.0	202.2	28.5
Indonesia	0.0	0.0	22.2	2.3	22.2	14.0
Netherlands	0.5	17.0	40.4	4.7	40.9	28.2
Norway	2214.7	38.9	305.8	3.8	2520.5	35.9
Russia	39.1	3.3	0.0	0.0	39.1	3.3
Tunisia	2.5	78.8	0.0	0.0	2.5	78.8
	<b>2458.9</b>	<b>32.4</b>	<b>368.5</b>	<b>3.8</b>	<b>2827.4</b>	<b>30.7</b>
<b>Total Proved Plus Probable</b>						
France	573.6	27.0	0.0	0.0	573.6	27.0
Indonesia	0.0	0.0	65.2	2.7	65.2	16.0
Netherlands	3.3	37.9	75.7	3.6	79.0	21.8
Norway	3970.2	33.8	470.2	3.6	4440.4	31.9
Russia	60.8	3.6	0.0	0.0	60.8	3.6
Tunisia	1.7	3.7	0.0	0.0	1.7	3.7
	<b>4609.6</b>	<b>29.6</b>	<b>611.1</b>	<b>3.5</b>	<b>5220.7</b>	<b>28.2</b>
<b>Total Possible</b>						
France	140.6	31.6	0.0	0.0	140.6	31.6
Indonesia	0.0	0.0	-0.5	-0.3	-0.5	-1.6
Netherlands	0.7	44.4	9.9	4.6	10.6	28.4
Norway	1715.7	36.7	246.2	3.7	1961.9	34.0
Russia	22.0	4.6	0.0	0.0	22.0	4.6
Tunisia	3.1	76.0	0.0	0.0	3.1	76.0
	<b>1882.1</b>	<b>33.5</b>	<b>255.6</b>	<b>3.7</b>	<b>2137.7</b>	<b>31.6</b>
<b>Total Proved, plus Probable, Plus Possible</b>						
France	714.1	27.8	0.0	0.0	714.1	27.8
Indonesia	0.0	0.0	64.7	2.5	64.7	14.8
Netherlands	4.0	38.9	85.6	3.7	89.5	22.4
Norway	5686.0	34.6	716.4	3.7	6402.3	32.5
Russia	82.9	3.8	0.0	0.0	82.9	3.8
Tunisia	4.8	9.6	0.0	0.0	4.8	9.6
	<b>6491.7</b>	<b>30.6</b>	<b>866.7</b>	<b>3.5</b>	<b>7358.4</b>	<b>29.1</b>

NB Lundin has no NGLs in its reserves base.

Reference: Item 2.1.(3).(c) of Form 51-101F1

**Notes:**

(1) “Gross Reserves” are Lundin Petroleum’s working interest (operating or non-operating) share before deducting royalties, local levy taxes and domestic market obligations. “Net Reserves” are Lundin Petroleum’s working interest (operating or non-operating) share after deduction of royalties, local levy taxes and domestic market obligations, except for Indonesia where the reserves are quoted on an entitlement basis reflecting the impact of production sharing. The Tunisian asset pays royalty and a proportion of the production is required to be sold to the domestic market at a discount to market prices. The French assets pay royalty and a local levy tax. The Netherlands assets are liable for royalty.

(2) “Proved” reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves. “Probable” reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

(3) “Developed” reserves are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (e.g. when compared to the cost of drilling a well) to put the reserves on production.

(4) “Developed Producing” reserves are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.

(5) “Undeveloped” reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (for example, when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves classification (proved, probable, possible) to which they are assigned.

(6) As at the reporting date Lundin Petroleum does not have Proved Developed Non Producing Reserves. This therefore has not been included in the tables

(7) Production Taxes include Royalties and local Levies.

## Pricing Assumptions

### Forecast Prices Used in Estimates

The price assumptions used for the forecasted price scenario (in US\$) are as follows:

Year	Brent Reference	France		Netherlands		Indonesia (Singa)	Tunisia	Russia (4)		Average Achieved	Norway	
	Liquid (1) \$/bbl	Liquid Aquitaine Basin \$/bbl (6)	Liquid Paris Basin \$/bbl (6)	Liquid \$/bbl	Gas (2) \$/mcf	Gas \$/mcf	Liquid \$/bbl (6)	Domestic Liquid \$/bbl	Export Liquid \$/bbl	Liquid \$/bbl	Liquid \$/bbl (6)	Gas (5) \$/mcf
2011	85.00	84.75	83.57	85.00	8.35	5.66	86.00	42.63	82.03	58.39	87.00	8.88
2012	86.70	86.45	85.27	86.70	8.48	5.85	87.70	43.48	83.67	59.55	88.70	9.06
2013	88.43	88.18	87.00	88.43	8.65	6.06	89.43	44.35	85.34	60.75	90.43	9.24
2014	90.20	89.95	88.77	90.20	8.80	5.37	91.20	45.24	87.05	61.96	92.20	9.42
2015	92.01	91.76	90.58	92.01	8.97	5.42	93.01	46.14	88.79	63.20	94.01	9.61
2016	93.85	93.60	92.42	93.85	5.99	5.47	94.85	47.06	90.56	64.46	95.85	9.80
2017	95.72	95.47	94.29	95.72	9.51	5.53	96.72	48.01	92.37	65.75	97.72	10.00
2018	97.64	97.39	96.21	97.64	9.80	5.58	98.64	48.97	94.22	67.07	99.64	10.20
2019	99.59	99.34	98.16	99.59	10.04	5.64	100.59	49.94	96.11	68.41	101.59	10.40
2020	101.58	101.33	100.15	101.58	10.21	5.69	102.58	50.94	98.03	69.78	103.58	10.61
2021	103.61	103.36	102.18	103.61	10.38	5.75	104.61	51.96	99.99	71.17	105.61	10.82
2022	105.69	105.44	104.26	105.69	10.55	5.80	106.69	53.00	101.99	72.60	107.69	11.04
2023	107.80	107.55	106.37	107.80	10.49	5.85	108.80	54.06	104.03	74.05	109.80	11.26
2024	109.96	109.71	108.53	109.96	10.88	5.91	110.96	55.14	106.11	75.53	111.96	11.48
2025	112.16	111.91	110.73	112.16	11.06	5.96	113.16	56.25	108.23	77.04	114.16	11.71
2026	114.40	114.15	112.97	114.40	11.21	6.02	115.40	57.37	110.39	78.58	116.40	11.95
2027	116.69	116.44	115.26	116.69	11.41	6.07	117.69	58.52	112.60	80.15	118.69	12.19
2028	119.02	118.77	117.59	119.02	11.60	6.13	120.02	59.69	114.85	81.76	121.02	12.43
2029	121.40	121.15	119.97	121.40	11.77	6.18	122.40	60.88	117.15	83.39	123.40	12.68
2030	123.83	123.58	122.40	123.83	11.98	6.24	124.83	62.10	119.49	85.06	125.83	12.93
2031	126.31	126.06	124.88	126.31	12.18	6.29	127.31	63.34	121.88	86.76	128.31	13.19
2032	128.83	128.58	127.40	128.83	12.40	6.34	129.83	64.61	124.32	88.49	130.83	13.46
2033	131.41	131.16	129.98	131.41	12.29	6.40	132.41	65.90	126.81	90.26	133.41	13.73
2034	134.04	133.79	132.61	134.04	12.51	6.45	135.04	67.22	129.35	92.07	136.04	14.00
2035	136.72	136.47	135.29	136.72	12.73	6.51	137.72	68.56	131.93	93.91	138.72	14.28
2036	139.45	139.20	138.02	139.45	-	6.56	140.45	69.93	134.57	95.79	141.45	14.57
2037	142.24	141.99	140.81	142.24	-	6.62	143.24	71.33	137.26	97.71	144.24	14.86
2038	145.09	144.84	143.66	145.09	-	6.67	146.09	72.76	140.01	99.66	147.09	15.15
2039	147.99	147.74	146.56	147.99	-	6.73	148.99	74.22	142.81	101.65	149.99	15.46
2040	150.95	150.70	149.52	150.95	-	6.78	151.95	75.70	145.66	103.69	152.95	15.77
2041	153.97	153.72	152.54	153.97	-	6.83	154.97	77.21	148.58	105.76	155.97	16.08

Reference: Item 3.2 of Form 51-101F1

- (1) Brent reference price is \$85/bbl in 2011 and increasing by 2% per annum thereafter.
- (2) Netherlands gas prices are obtained by a formula based contract with the gas buyer and are calorific value dependent. They are here quoted on a volume basis, and the value calculated is the forecast weighted average achieved price in each period across Lundin Petroleum's portfolio of assets. These values assume Proved plus Probable production profiles.
- (3) Initially gas sales in Indonesia are contracted on a volume based contract with annual price escalation. Once this volume is fulfilled sales will be at different prices. The year of changeover depends on production levels. The prices quoted are based on production according to the Proved plus Probable profiles.
- (4) Russia liquid sales are assumed to be 60% to the domestic market and 40% at export prices. This is illustrated in the average achieved price.
- (5) Gas produced in Norway is exported and sold on the UK market. The gas price in GBp per Therm (ppt) is modelled against of the US\$ per barrel Brent oil price.
- (6) The forecast Brent price is adjusted for the various crude qualities to arrive at prices for France, Tunisia and Norway.

Operating and capital costs are inflated by 2% per annum from 2012 onwards.

#### **Exchange rate Assumptions**

<i>Rate</i>	<i>2011</i>	<i>2012 onwards</i>
1 USD equals NOK	5.75	6.00
1 USD equals EUR	0.71	0.71
1 USD equals GBP	0.63	0.63
1 USD equals RUB	30.00	30.00

#### **RECONCILIATION of CHANGES in RESERVES and FUTURE NET REVENUE**

The Company has not previously reported its reserves in accordance with NI 51-101 and consequently a reconciliation has not been included.



## ADDITIONAL INFORMATION RELATING TO RESERVES DATA

### Undeveloped Reserves

The Company has not previously reported its reserves in accordance with NI 51-101. Reserves have previously not been reported as undeveloped and therefore all undeveloped reserves are first attributed in 2010 for NI 51-101 purposes.

	LIGHT MEDIUM OIL Gross mmbbl		NATURAL GAS Gross bcf		TOTAL RESOURCES Gross mmboe	
	First allocated	Total Booked	First allocated	Total Booked	First allocated	Total Booked
<b>Proved Undeveloped</b>						
2010	43.2	43.2	41.3	41.3	50.1	50.1
<b>Probable Undeveloped</b>						
2010	51.6	51.6	45.2	45.2	59.1	59.1

Reference: Item 5.1 of Form 51-101F1

In certain producing assets in France, Russia and Norway, Lundin Petroleum has identified infill opportunities. Lundin Petroleum has assigned proved undeveloped reserves to these assets based on the following:

- if technical work clearly has identified the potential for additional development drilling
- if there is sufficient certainty (more than 90%) that these reserves will be recovered
- if the development expenditure is scheduled in the next two years

Non producing probable reserves in these producing assets have been assigned based on the following:

- if non producing proved reserves have been assigned
- if there is sufficient certainty (more than 50%) that these reserves will be recovered
- if the development expenditure is scheduled for the next two years

Certain non producing assets in Norway and the Netherlands are awaiting the execution of a development plan and have proved and proved plus probable undeveloped reserves assigned based on the following:

- if there is an approved development plan and development is ongoing
- in the absence of an approved development if there is a clear defined schedule to approve a development plan in the next year.
- in all cases if drilling is scheduled to start within the next three years

Part of the undeveloped proved and probable gas reserves relate to a blow down of the gas cap in a Norwegian field as per the approved field development plan. Blow down will take using existing infrastructure but is not scheduled before 2022, hence these gas reserves have been categorized as undeveloped.

## **Significant Factors or Uncertainties**

Reserves included in this report are estimates only and should not be construed as being exact quantities. They may or may not actually be recovered, and if recovered, revenues there from and actual costs related thereto could be more or less than estimated amounts. Moreover, estimates of reserves may increase or decrease as a result of future operations.

The reserves were estimated using performance methods such as decline curve analysis and simulation modeling in those situations where the historical data indicated a definitive trend. In those situations where the historical data were insufficient to establish a definitive trend, or where there were no production data, reserves were estimated using the volumetric method, by analogy or by simulation modeling.

As a result of both economic and political forces there is significant uncertainty regarding the forecasting of future hydrocarbon prices. Recoverable reserves and the income attributable thereto have a direct relationship with hydrocarbon prices actually received; therefore, volumes of reserves actually recovered and amounts of income actually received may differ significantly from the estimated quantities presented.

Other than the risks and uncertainties that participants in the oil and gas industry are exposed to generally as described above, the Company is unable to identify any important economic factors or significant uncertainties that will affect any particular components of the reserves data disclosed herein.

## Future Development Costs

### FUTURE DEVELOPMENT COSTS IN US\$

As at 31st December 2010

### FORECAST COSTS

	2011	2012	2013	2014	2015	2016 on	Total for all years undiscounted	Total for all years discounted at 10% pa
	mmUS\$	mmUS\$	mmUS\$	mmUS\$	mmUS\$	mmUS\$	mmUS\$	mmUS\$
<b>Total Proved</b>								
France	41.1	14.7	0.5	0.4	0.4	9.8	66.9	55.3
Indonesia	2.9	1.4	0.0	0.0	0.0	0.0	4.3	4.0
Netherlands	4.8	0.0	0.0	0.0	0.0	0.0	4.8	4.5
Norway	274.0	238.0	467.8	382.4	240.4	14.0	1616.6	1271.3
Russia	3.5	0.0	0.0	0.0	0.0	0.0	3.5	3.4
Tunisia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	<b>326.4</b>	<b>254.2</b>	<b>468.3</b>	<b>382.8</b>	<b>240.8</b>	<b>23.8</b>	<b>1696.1</b>	<b>1338.6</b>
<b>Total Proved Plus Probable</b>								
France	41.1	14.7	0.6	0.6	0.4	13.1	70.5	55.9
Indonesia	6.1	1.4	0.0	0.0	0.0	0.0	7.6	7.1
Netherlands	4.9	0.0	0.0	0.0	0.0	0.0	4.9	4.6
Norway	314.2	299.2	511.2	374.3	194.7	133.1	1826.8	1432.0
Russia	3.5	0.0	0.0	0.0	0.0	0.0	3.5	3.4
Tunisia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	<b>369.9</b>	<b>315.4</b>	<b>511.8</b>	<b>374.9</b>	<b>195.1</b>	<b>146.3</b>	<b>1913.3</b>	<b>1503.0</b>
<b>Total Proved Plus Probable Plus Possible</b>								
France	41.1	14.7	0.6	0.6	0.4	13.1	70.5	55.9
Indonesia	12.1	1.4	0.0	0.0	0.0	0.0	13.5	12.8
Netherlands	4.9	0.0	0.0	0.0	0.0	0.0	4.9	4.7
Norway	314.2	302.1	508.3	410.7	194.7	133.1	1863.2	1458.2
Russia	3.5	0.0	0.0	0.0	0.0	0.0	3.5	3.4
Tunisia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	<b>375.8</b>	<b>318.3</b>	<b>508.9</b>	<b>411.3</b>	<b>195.1</b>	<b>146.3</b>	<b>1955.7</b>	<b>1535.0</b>

Reference: Item 5.3.(1) of Form 51-101F1

Lundin Petroleum has production from its asset base generating approximately 600 mmUS\$ per year of operating cashflow. This cashflow, combined with borrowing capacity from existing assets will allow it to fully finance future capital expenditure. Furthermore, at 31 December 2010 Lundin Petroleum has a net debt position of 410 mmUS\$ and a borrowing base facility of 850 mm\$US.

## OTHER OIL AND GAS INFORMATION

### Oil and Gas Properties and Wells

The following table sets forth the properties and number of wells in which Lundin Petroleum held a working interest as at December 31, 2010:

Property	Reserves	Lundin Working Interest	Location	Status	Gross Producing Oil Wells	Gross Non Producing Oil Wells	Gross Producing Gas Wells	Gross Non Producing Gas Wells	Net Producing Oil Wells	Net Non Producing Oil Wells	Net Producing Gas Wells	Net Non Producing Gas Wells
<b>France</b>												
Courdemanges	Y	100.00%	Onshore	Production	2	1	-	-	2.00	1.00	-	-
Dommartin Lettrée	Y	43.01%	Onshore	Production	3	1	-	-	1.29	0.43	-	-
Fontaine Au Bron	Y	100.00%	Onshore	Production	6	1	-	-	6.00	1.00	-	-
Grandville	Y	100.00%	Onshore	Production	5	4	-	-	5.00	4.00	-	-
La Motte Noire	Y	100.00%	Onshore	Production	2	1	-	-	2.00	1.00	-	-
Merisiers	Y	100.00%	Onshore	Production	2	2	-	-	2.00	2.00	-	-
Soudron	Y	100.00%	Onshore	Production	22	13	-	-	22.00	13.00	-	-
Vert La Gravelle	Y	100.00%	Onshore	Production	3	3	-	-	3.00	3.00	-	-
Villeperdue	Y	100.00%	Onshore	Production	101	26	-	-	101.00	26.00	-	-
Villeseneux	Y	100.00%	Onshore	Exploration	1	-	-	-	1.00	-	-	-
Ferrières	N	65.00%	Onshore	Exploration	-	1	-	-	-	0.65	-	-
Pays du Saulnois	N	40.00%	Onshore	Exploration	-	1	-	-	-	0.40	-	-
Les Tamaris	N	50.00%	Offshore	Production	-	2	-	-	-	1.00	-	-
Courbey	Y	50.00%	Offshore	Production	3	2	-	-	1.50	1.00	-	-
Les Mimosas	Y	50.00%	Offshore	Production	1	1	-	-	0.50	0.50	-	-
Les Pins	Y	50.00%	Offshore	Production	3	2	-	-	1.50	1.00	-	-
Les Arbousiers	Y	50.00%	Offshore	Production	1	4	-	-	0.50	2.00	-	-
<b>Norway</b>												
Alvheim PL203	Y	15.00%	Offshore	Production	11	2	-	-	1.65	0.30	-	-
Volund PL150	Y	35.00%	Offshore	Production	3	1	-	-	1.05	0.35	-	-
Nemo PL148	Y	50.00%	Offshore	Exploration	-	-	-	-	-	-	-	-
Gaupe Pi PL292 - PL292b	Y	40.00%	Offshore	Prod. Application	-	-	-	-	-	-	-	-
Luno PL338	Y	50.00%	Offshore	Exploration	-	-	-	-	-	-	-	-
<b>Indonesia</b>												
Lematang	Y	25.88%	Offshore	Production	-	-	1	3	-	-	0.26	0.78
<b>Netherlands</b>												
Gorredijk	Y	7.75%	Onshore	Production	-	-	9	-	-	-	0.70	-
Leeuwarden	Y	7.23%	Onshore	Production	-	-	37	11	-	-	2.68	0.80
Oosterend	Y	7.75%	Onshore	Production	-	-	3	-	-	-	0.23	-
Slootdorp	Y	7.23%	Onshore	Production	-	-	3	3	-	-	0.22	0.22
Zuidwal	Y	7.80%	Onshore	Production	-	-	2	8	-	-	0.16	0.62
E16a	Y	1.44%	Offshore	Production	-	-	-	-	-	-	-	-
E17a & E17b	Y	1.20%	Offshore	Production	-	-	3	1	-	-	0.04	0.01
F6a (oil) LMG Unit	Y	0.39%	Offshore	Production	2	4	-	-	0.01	0.02	-	-
F6a (gas) UGS Unit	Y	0.04%	Offshore	Production	-	-	1	1	-	-	0.00	0.00
F15a/d	Y	2.53%	Offshore	Production	-	-	4	-	-	-	0.10	-
F15a/d SoleRisk	Y	2.98%	Offshore	Production	-	-	2	-	-	-	0.06	-
K3b	Y	3.84%	Offshore	Production	-	-	-	-	-	-	-	-
K3d	Y	3.84%	Offshore	Production	-	-	-	-	-	-	-	-
K4b/K5a	Y	2.03%	Offshore	Production	-	-	24	-	-	-	0.49	-
K6/L7	Y	3.84%	Offshore	Production	-	-	36	-	-	-	1.38	-
L1 e	Y	4.34%	Offshore	Production	-	-	-	-	-	-	-	-
L1f	Y	4.34%	Offshore	Production	-	-	-	-	-	-	-	-
L4a	Y	4.34%	Offshore	Production	-	-	15	-	-	-	0.65	-
Q16a	Y	1.81%	Offshore	Production	-	-	1	-	-	-	0.02	-
<b>Russia</b>												
North Israel	Y	50.00%	Onshore	Production	19	-	-	-	9.50	-	-	-
Sotchemy & Talyu	Y	50.00%	Onshore	Production	76	6	-	-	38.00	3.00	-	-
<b>Tunisia</b>												
Oudna	Y	40.00%	Offshore	Production	1	1	-	-	0.40	0.40	-	-

Reference: Item 6.1 of Form 51-101F1

### Notes:

1. Gross wells include all wells in which Lundin Petroleum has an ownership interest.
2. Net wells are calculated based on Lundin Petroleum's ownership interest

## Properties With No Attributed Reserves

							Outstanding Work Commitments	
Property	Operator	Lundin Working Interest	Location	Gross Area km2	Gross Area Ha	Nature	Gross Amount (MMUS\$)	Comment
<b>France</b>								
Nemours	Lundin	50.00%	Onshore	191.0	1.9	None	-	
Pivot	Lundin	100.00%	Onshore	396.0	4.0	None	-	
Ferrières	Lundin	65.00%	Onshore	403.0	4.0	Financial	0.2	Abandonment of well Dordives-1 in 2011
Pays du Saulnois	Lundin	40.00%	Onshore	264.0	2.6	Well	1.4	Test well
Cheroy	Lundin	50.00%	Onshore	871.0	8.7	Financial	0.4	seismic reprocessing
Est Champagne	Lundin	100.00%	Onshore	2'698.0	27.0	Financial	0.1	seismic reprocessing
Plaines du Languedoc	Lundin	100.00%	Onshore	2'348.0	23.5	Financial	0.4	seismic reprocessing
Val des Marais	Lundin	100.00%	Onshore	374.0	3.7	Financial	0.1	seismic reprocessing
Tamaris	Vermilion	50.00%	Onshore	10.0	-	-	-	
Carret	Vermilion	50.00%	Onshore	-	-	-	-	
<b>Norway</b>								
PL203	Marathon	15.00%	Offshore	201	-	-	-	
South East Tor PL006c/d	Lundin	75.00%	Offshore	140	-	-	-	
Krabbe PL301	Lundin	40.00%	Offshore	210	-	-	-	
Peik PL088	Lundin	50.00%	Offshore	38	-	-	-	
Verdandi PL167 - PL167b	Statoil	0.00%	Offshore	-	-	-	-	
Ragnarock PL265	Statoil	10.00%	Offshore	256	-	wells	116.0	2 wells 2011
Luno PL338	Lundin	50.00%	Offshore	218	-	-	84.2	1 well
Marihone PL340	Marathon	15.00%	Offshore	164	-	-	-	
Caterpillar PL340 BS	Marathon	15.00%	Offshore	62	-	well	66.0	1 well
Cyclists PL359	Lundin	40.00%	Offshore	305	-	-	-	
South Central Graben PL440s	Fareo	18.00%	Offshore	124	-	well	54.8	1 well
Barchan PL400	Lundin	50.00%	Offshore	323	-	-	-	
Norall PL409	Lundin	70.00%	Offshore	407	-	-	55.7	
South East Luno High PL410	Lundin	70.00%	Offshore	244	-	well	56.0	1 well
PL453S	Lundin	35.00%	Offshore	2'122	-	well	-	1 well
Barents Sea PL492	Lundin	30.00%	Offshore	220	-	well	-	1 well
Barents Sea PL490	Lundin	30.00%	Offshore	331	-	well	-	1 well
Avaldsnes PL501	Lundin	40.00%	Offshore	709	-	well	98.8	2 wells in 2011
PL 519	Lundin	40.00%	Offshore	527	-	well	-	1 well
PL 546	Lundin	60.00%	Offshore	419	-	3D seismic	11.7	
PL 544	Lundin	70.00%	Offshore	256	-	well	56.0	1 well
PL 563	Lundin	40.00%	Offshore	277	-	3D seismic	7.8	
PL 505/505BS	Marathon	30.00%	Offshore	202	-	well	88.2	1 well
PL 547S	VNG	30.00%	Offshore	169	-	-	-	
PL 555	Lundin	60.00%	Offshore	193	-	-	-	
PL 533	Eni	40.00%	Offshore	637	-	well	69.7	1 well
PL438	Lundin	25.00%	Offshore	462	-	well	69.1	1 well
<b>Netherlands</b>								
Follega		9.30%	Onshore	-	-	-	-	
Lemsterland		9.30%	Onshore	-	-	-	-	
E17c		1.44%	Offshore	-	-	-	20.0	1 well
<b>Indonesia</b>								
Rangkas	Lundin	51.00%	Offshore	3'977.1	-	Exploration	0.1	Geological study
Sareba	Lundin	100.00%	Offshore	3'607.0	-	Exploration	-	
Baronang	Lundin	100.00%	Offshore	5'137.6	-	Exploration	21.2	2 exploration wells
Cakalang	Lundin	100.00%	Offshore	4'495.4	-	Exploration	1.9	1,500km 2D seismic
<b>Congo</b>								
Marine XI	SOCO	18.75%	Offshore	1'400.0	140'000.0	Exploration	30.8	1 well, 25% will be relinquished after March 29, 2011
Marine XIV	SOCO	21.55%	Offshore	265.0	26'500.0	Exploration	26.9	1 well
<b>Tunisia</b>								
Zelfa	Lundin	43.75%	Offshore	100.0	10'000.0	Production	-	
<b>Vietnam</b>								
06/94	Pearl Energy	33.33%	Offshore	4'148.0	414'800.0	Exploration	-	Possible extension into Phase II
<b>Ireland</b>								
4/06	San Leon Energy	50.00%	Offshore	741.0	74'100.0	Frontier	-	
<b>Russia</b>								
Lagansky Block	Petroresurs	70.00%	Offshore	3'386.0	338'600.0	2 wells+seismic	50.5	
North Israel	Lundin	50.00%	Onshore	76.0	7'600.0	2 wells	3.3	As per approved development plan
Sotchemy & Talyu	Lundin	50.00%	Onshore	72.4	7'244.3	-	-	
<b>Malaysia</b>								
PM308A	Lundin Malaysia BV	35.00%	Offshore	5'500.0	-	4 wells	61.4	First two wells in 2011, remainder in 2012
PM308B	Lundin Malaysia BV	75.00%	Offshore	8'800.0	-	1 well	22.9	Well planned for 2011 or 2012
SB303	Lundin Malaysia BV	75.00%	Offshore	3'943.0	-	3 wells	27.5	First two wells in 2011, third in 2012
SB307 & SB308	Lundin Malaysia BV	42.50%	Offshore	6'200.0	-	1 well	4.4	Well planned for 2011 or 2012

Reference: Item 6.2 of Form 51-101F1

## **Significant Factors Relevant to Properties With No Attributed Reserves**

No reserves are currently attributed to the Morskaya discovery in the Lagansky License in the Russian part of the Caspian Sea. Lundin Petroleum currently holds a 70% working interest. Under the Russian foreign strategic investment law, the Morskaya discovery is deemed to be strategic and therefore requires a Russian state owned company interest of at least 51%. Lundin Petroleum is in discussions with several state owned companies.

## **Forward Contracts**

Lundin Petroleum has no oil or gas price hedging arrangements in place.

## **Additional information concerning abandonment and reclamation costs**

The following table contains additional information concerning abandonment costs.

### **ABANDONMENT AND RECLAMATION COSTS IN US\$ as at 31st December 2010 FORECAST COSTS**

	<b>Proved Plus Possible Reserves</b>	
	<b>Forecast Cost</b> mmUS\$	<b>Discounted at 10% pa</b> mmUS\$
France	69.86	4.038
Indonesia	0.00	0.000
Netherlands	36.48	16.685
Norway	289.30	45.318
Russia	8.34	0.456
Tunisia	12.56	9.896

**NOTE** Discounting is based on the period after 2P production ceases.

### **ABANDONMENT AND RECLAMATION COSTS IN US\$ LIABLE IN THE NEXT THREE FINANCIAL YEARS as at 31st December 2010 FORECAST COSTS**

	<b>Proved Plus Possible Reserves</b>		<b>Abandonment Year</b>
	<b>Forecast Cost</b> mmUS\$	<b>Discounted at 10% pa</b> mmUS\$	
Oudna	12.559	9.896	2012

**NOTE** Discounting is based on the period after 2P production ceases.

Reference: Item 6.4 of Form 51-101F1

### France

The abandonment costs for fields in Aquitaine have been provided by the operator and were reviewed by Lundin Petroleum in France. Detailed abandonment cost estimates for all of the onshore Paris Basin fields have been compiled by Lundin Petroleum in France.

A number of wells and fields have already been abandoned in France, therefore there is a good regional database on which to base and calibrate abandonment cost estimates.

### Norway

Abandonment costs for the producing Alvheim and Volund fields are reviewed on a yearly basis by the operator. Estimates are reviewed against industry practices.

Abandonment costs for the undeveloped Gaupe field are directly taken from the Plan of Development, approved in mid 2010. Abandonment cost for the Nemo and Luno field are based on estimates prepared by Lundin Petroleum and reviewed against industry practices.

### Tunisia

The Oudna field will most likely be abandoned in 2012 and a detailed cost estimate and abandonment plan has been prepared by Lundin Petroleum. The abandonment plan has been approved by the Tunisian authorities in 2010.

### Indonesia

Under the terms of the Indonesia PSCs, all wells and facilities remain the property of the Indonesian government. As such, no decommissioning costs have been assumed for these assets.

### Netherlands

Abandonment costs are estimated and updated on a yearly basis by the respective operators.

### Russia

Abandonment cost for the producing assets in the Komi republic have been estimated by Lundin Petroleum based on the number of wells, the number of drilling and production locations, the amount of in field pipelines and the installed production facilities. These estimates have been reviewed against abandonment cost estimates for similar type of developments.

## **Costs Incurred**

No costs have been incurred in 2010 for property acquisition. Exploration and Development costs are set out in the following tables. Please note that Lundin Petroleum divested in 2010 its United Kingdom assets and the Salawati assets in Indonesia. Reported below are only expenditures related to the going concern.

### **2010 EXPLORATION EXPENDITURE**

#### **Quarterly Exploration Expenditure in mmUS\$**

	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>2010</b>
Congo (Brazzaville)	0.6	0.7	0.4	0.8	2.5
France	0.2	0.2	0.2	0.4	1.0
Indonesia	0.5	6.4	1.3	2.6	10.8
Ireland	0.2	0.0	2.9	0.3	3.4
Malaysia	1.6	3.1	2.1	3.8	10.6
Netherlands	0.4	0.2	0.1	0.3	0.9
Norway	28.5	1.2	40.2	90.8	160.8
Russia	5.4	5.3	3.3	4.2	18.3
Singapore	0.5	-1.0	0.7	-0.2	0.0
Tunisia	0.0	0.0	0.0	0.0	0.0
Vietnam	3.9	5.0	6.6	-0.3	15.3
	<u>41.8</u>	<u>21.1</u>	<u>57.9</u>	<u>102.8</u>	<u>223.6</u>

Reference: Item 6.6(1)(b) of Form 51-101F1

### **2010 DEVELOPMENT EXPENDITURE**

#### **Quarterly Development Expenditure in mmUS\$**

	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>2010</b>
France	3.2	4.2	1.7	4.1	13.2
Indonesia	4.7	2.7	-0.1	0.7	8.0
Netherlands	0.8	1.2	1.5	0.9	4.5
Norway	42.0	20.2	23.6	20.4	106.3
Russia	1.5	2.3	1.7	1.2	6.6
Tunisia	0.0	0.0	0.0	0.0	0.0
	<u>52.2</u>	<u>30.6</u>	<u>28.5</u>	<u>27.3</u>	<u>138.6</u>

#### **Notes**

Excludes expenditure from all assets sold during 2010 ie UK, Salawati Island and Salawati Basin (Indonesia).

Reference: Item 6.6(1)(c) of Form 51-101F1



## Exploration and Development Activities

### 2010 exploration and development wells

#### 2010 Gross Development Wells

<u>Country</u>	<u>Oil</u>	<u>Gas</u>	<u>Service</u>	<u>Dry</u>
France	1	0	0	0
Indonesia	0	1	0	0
Netherlands	0	2	0	0
Norway	1	0	0	0
Russia	5	0	0	0
Tunisia	0	0	0	0

#### 2010 Gross Exploration Wells

<u>Country</u>	<u>Oil</u>	<u>Gas</u>	<u>Service</u>	<u>Dry</u>
France	0	0	0	0
Indonesia	0	0	0	0
Netherlands	0	1	0	0
Norway	2	0	0	5
Russia	0	0	0	0
Tunisia	0	0	0	0

#### 2010 Net Development Wells

<u>Country</u>	<u>Oil</u>	<u>Gas</u>	<u>Service</u>	<u>Dry</u>
France	0.50	0	0	0
Indonesia	0	0.25	0	0
Netherlands	0	0.06	0	0
Norway	0.15	0	0	0
Russia	2.50	0	0	0
Tunisia	0	0	0	0

#### 2010 Net Exploration Wells

<u>Country</u>	<u>Oil</u>	<u>Gas</u>	<u>Service</u>	<u>Dry</u>
France	0	0	0	0
Indonesia	0	0	0	0
Netherlands	0	0.08	0	0
Norway	0.90	0	0	2.70
Russia	0	0	0	0
Tunisia	0	0	0	0

#### 2011 Planned Wells (Gross)

<u>Country</u>	<u>Exploration</u>	<u>Development</u>
France	0	7
Indonesia	0	1
Netherlands	4	4
Norway	10	3
Russia	0	4
Tunisia	0	0
Malaysia	5	0
Congo	2	0

Reference: Item 6.7 of Form 51-101F1

## **2011 planned activity**

Development activity in 2011 will focus on Norway and France.

### Norway

The development of the Gaupe field is expected to be completed with the drilling of two development wells and the installation of a subsea system for the tieback of the Gaupe field to the Armada platform in the United Kingdom. The Gaupe field is expected to commence production in the fourth quarter of 2011.

The development of Phase 2 of the Alvheim field is expected to be completed in 2011 with the drilling of a further three development wells.

### France

In the Paris Basin the redevelopment of the Grandville field involves the drilling of seven new wells, in-field pipelines and new production facilities.

The exploration and appraisal work program involves the drilling of 21 exploration and appraisal wells in Norway, Malaysia, Congo (Brazzaville) and Netherlands.

### Norway.

Ten exploration wells are expected to be drilled in 2011 of which five will be operated by Lundin Petroleum. Five of the wells are drilled in the Greater Luno Area on PL501, PL265 and PL338 of which three appraise the Avaldsnes discovery made in 2010. Two exploration wells are expected to be drilled in the Greater Alvheim Area on PL340 and PL505. Two exploration wells are expected to be drilled in the Barents Sea on PL438 and PL533. One further exploration well is expected to be drilled on PL519.

### Malaysia.

Five exploration wells are expected to be drilled in Malaysia of which two are targeting prospects offshore Sabah in licence SB303 and three are targeting prospects offshore Peninsular Malaysia on licence PM308A and PM308B.

### Congo (Brazzaville).

Two exploration wells are expected to be drilled offshore Congo (Brazzaville) on licences Marine XI and Marine XIV.

### Netherlands

Four exploration wells are expected to be drilled in licences onshore Netherlands targeting small near infrastructure accumulations.

## 2011 Production Estimates

### 2011 production estimates

	2011 Production			2011 Production			2011 Production		
	LIGHT MEDIUM CRUDE			NATURAL GAS			OIL EQUIVALENT		
	Total	of which	of which	Total	of which	of which	Total	of which	of which
	mmbbl	Alvheim	Volund	mmboe	Alvheim	Volund	mmboe	Alvheim	Volund
<b>Total Proved</b>									
France	1.09			0.00			1.09		
Indonesia	0.00			0.34			0.34		
Netherlands	0.01			0.68			0.69		
Norway	5.88	3.32	2.48	0.55	0.33	0.20	6.43	3.65	2.68
Russia	1.06			0.00			1.06		
Tunisia	0.28			0.00			0.28		
	<u>8.32</u>	<u>3.32</u>	<u>2.48</u>	<u>1.57</u>	<u>0.33</u>	<u>0.20</u>	<u>9.89</u>	<u>3.65</u>	<u>2.68</u>
<b>Total Proved Plus Probable</b>									
France	1.22			0.00			1.22		
Indonesia	0.00			0.35			0.35		
Netherlands	0.01			0.81			0.82		
Norway	6.41	3.48	2.73	0.59	0.33	0.22	7.00	3.81	2.96
Russia	1.21			0.00			1.21		
Tunisia	0.30			0.00			0.30		
	<u>9.15</u>	<u>3.48</u>	<u>2.73</u>	<u>1.75</u>	<u>0.33</u>	<u>0.22</u>	<u>10.90</u>	<u>3.81</u>	<u>2.96</u>
<b>Total Proved Plus Probable Plus Possible</b>									
France	1.34			0.00			1.34		
Indonesia	0.00			0.36			0.36		
Netherlands	0.01			0.84			0.85		
Norway	7.23	3.79	3.15	0.85	0.49	0.31	8.08	4.28	3.45
Russia	1.25			0.00			1.25		
Tunisia	0.30			0.00			0.30		
	<u>10.13</u>	<u>3.79</u>	<u>3.15</u>	<u>2.05</u>	<u>0.49</u>	<u>0.31</u>	<u>12.19</u>	<u>4.28</u>	<u>3.45</u>

NB Lundin has no NGLs in its reserves base.

Alvheim and Volund are the only fields that individually produce more than 20% of total production.

Reference: Item 6.8 of Form 51-101F1

## Production History

### PRODUCTION HISTORY

#### 2010 Production before Royalties

	Q1	Q2	Q3	Q4	2010
<b>Oil mbopd</b>					
France	3126.9	3150.4	3217.9	3224.0	3180.2
Indonesia	0.0	0.0	0.0	0.0	0.0
Netherlands	5.3	0.0	5.6	7.4	4.6
Norway	13225.1	16389.2	18275.5	18617.8	16646.2
Russia	3960.0	3777.2	3468.4	3282.3	3619.7
Tunisia	1141.1	1050.5	984.8	905.5	1019.7
<b>TOTAL</b>	<b>21458.4</b>	<b>24367.3</b>	<b>25952.3</b>	<b>26037.0</b>	<b>24470.4</b>

#### Gas mcfpd

France	0.0	0.0	0.0	0.0	0.0
Indonesia	0.0	979.3	3566.4	4546.3	2289.0
Netherlands	13099.0	12666.2	11460.3	12438.5	12411.5
Norway	6667.4	8952.9	10233.7	10517.1	9106.5
Russia	0.0	0.0	0.0	0.0	0.0
Tunisia	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>19766.4</b>	<b>22598.4</b>	<b>25260.3</b>	<b>27501.9</b>	<b>23807.0</b>

#### Total mboepd

France	3126.9	3150.4	3217.9	3224.0	3180.2
Indonesia	0.0	163.2	594.4	757.7	381.5
Netherlands	2188.4	2111.0	1915.6	2080.5	2073.2
Norway	14336.4	17881.3	19981.1	20370.7	18163.9
Russia	3960.0	3777.2	3468.4	3282.3	3619.7
Tunisia	1141.1	1050.5	984.8	905.5	1019.7
<b>TOTAL</b>	<b>24752.8</b>	<b>28133.7</b>	<b>30162.3</b>	<b>30620.7</b>	<b>28438.2</b>

#### Notes

Excludes production from all UK assets, and the Indonesian assets other than Singa, as these are no longer held by the company at year end.

Reference: Item 6.9 (1)(a) of Form 51-101F1

**2010 Oil Average per Unit of Volumes (\$/bls)**

	Norway	France	Netherlands <sup>1</sup>	Indonesia	Russia	Tunisia <sup>2</sup>
<b>Q110</b>						
(1) Price Received	77.70	77.37	0.00	0.00	49.44	78.27
(2) Royalties Paid	0.00	3.09	0.00	0.00	27.19	0.54
(3) Production Costs	3.70	17.44	0.00	0.00	12.01	34.37
(4) Netback	74.00	56.84	0.00	0.00	10.24	43.36
<b>Q210</b>						
(1) Price Received	80.98	76.07	0.00	0.00	49.31	0.00
(2) Royalties Paid	0.00	2.90	0.00	0.00	28.36	1.38
(3) Production Costs	5.12	17.20	0.00	0.00	12.40	24.59
(4) Netback	75.87	55.97	0.00	0.00	8.54	-25.96
<b>Q310</b>						
(1) Price Received	79.70	75.53	0.00	0.00	51.97	75.98
(2) Royalties Paid	0.00	2.84	0.00	0.00	29.08	0.44
(3) Production Costs	3.78	17.62	0.00	0.00	12.26	42.16
(4) Netback	75.92	55.08	0.00	0.00	10.62	33.37
<b>Q410</b>						
(1) Price Received	87.41	88.52	0.00	0.00	56.61	0.00
(2) Royalties Paid	0.00	2.65	0.00	0.00	30.36	2.18
(3) Production Costs	6.32	22.13	0.00	0.00	13.23	57.29
(4) Netback	81.09	63.74	0.00	0.00	13.02	-59.48
<b>2010</b>						
(1) Price Received	81.94	79.35	0.00	0.00	51.65	77.15
(2) Royalties Paid	0.00	2.87	0.00	0.00	28.68	1.10
(3) Production Costs	4.81	18.62	0.00	0.00	12.45	38.89
(4) Netback	77.13	57.86	0.00	0.00	10.52	37.17

**Notes**

1. Because of the small quantities of oil produced in the Netherlands, for accounting purposes it is dealt with in the gas production figures.
2. In Tunisia an uplift from the FPSO is not made in every quarter, so there will not always be a price received value.

Reference: Item 6.9 (1)(b) of Form 51-101F1

**2010 Gas Average per Unit of Volumes (\$/mcf)**

	Norway	France	Netherlands	Indonesia <sup>1</sup>	Russia	Tunisia
<b>Q110</b>						
(1) Price Received	6.14	0.00	7.28	0.00	0.00	0.00
(2) Royalties Paid	0.00	0.00	0.00	0.00	0.00	0.00
(3) Production Costs	0.62	0.00	1.48	0.00	0.00	0.00
(4) Netback	5.52	0.00	5.80	0.00	0.00	0.00
<b>Q210</b>						
(1) Price Received	6.64	0.00	5.90	6.02	0.00	0.00
(2) Royalties Paid	0.00	0.00	0.00	0.00	0.00	0.00
(3) Production Costs	0.85	0.00	1.81	9.00	0.00	0.00
(4) Netback	5.78	0.00	4.10	-2.99	0.00	0.00
<b>Q310</b>						
(1) Price Received	7.30	0.00	8.03	5.66	0.00	0.00
(2) Royalties Paid	0.00	0.00	0.00	0.00	0.00	0.00
(3) Production Costs	0.63	0.00	2.02	2.44	0.00	0.00
(4) Netback	6.67	0.00	6.02	3.22	0.00	0.00
<b>Q410</b>						
(1) Price Received	9.35	0.00	8.42	5.57	0.00	0.00
(2) Royalties Paid	0.00	0.00	0.00	0.00	0.00	0.00
(3) Production Costs	1.05	0.00	2.61	4.14	0.00	0.00
(4) Netback	8.29	0.00	5.81	1.44	0.00	0.00
<b>2010</b>						
(1) Price Received	7.49	0.00	7.39	5.68	0.00	0.00
(2) Royalties Paid	0.00	0.00	0.00	0.00	0.00	0.00
(3) Production Costs	0.80	0.00	1.97	4.26	0.00	0.00
(4) Netback	6.69	0.00	5.42	1.41	0.00	0.00

**Notes**

1. Singa did not commence production until Q2 2010.

Reference: Item 6.9 (1)(b) of Form 51-101F1