

Financial Presentation - First Quarter 2011



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Disclaimer



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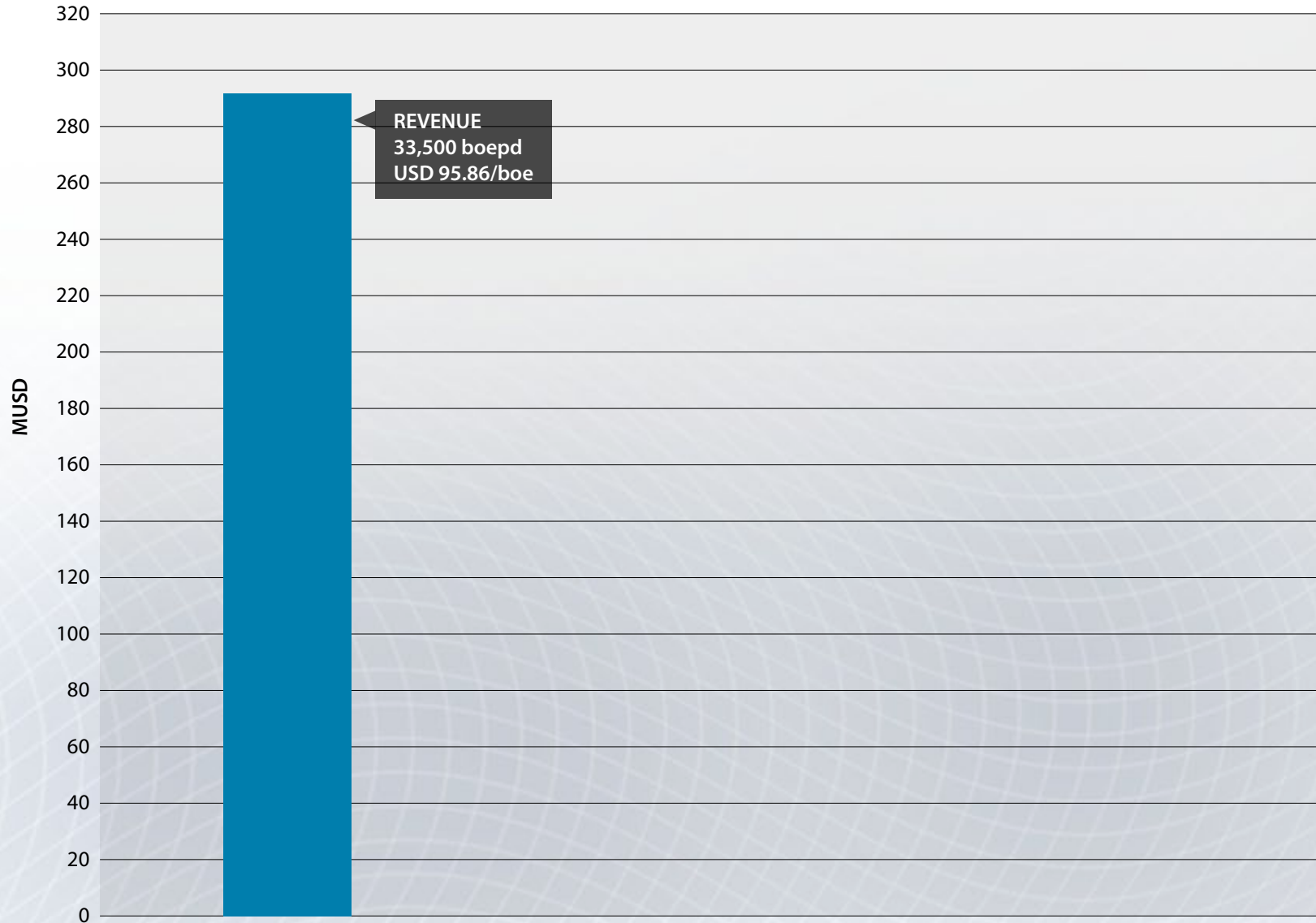
First Quarter 2011 Highlights



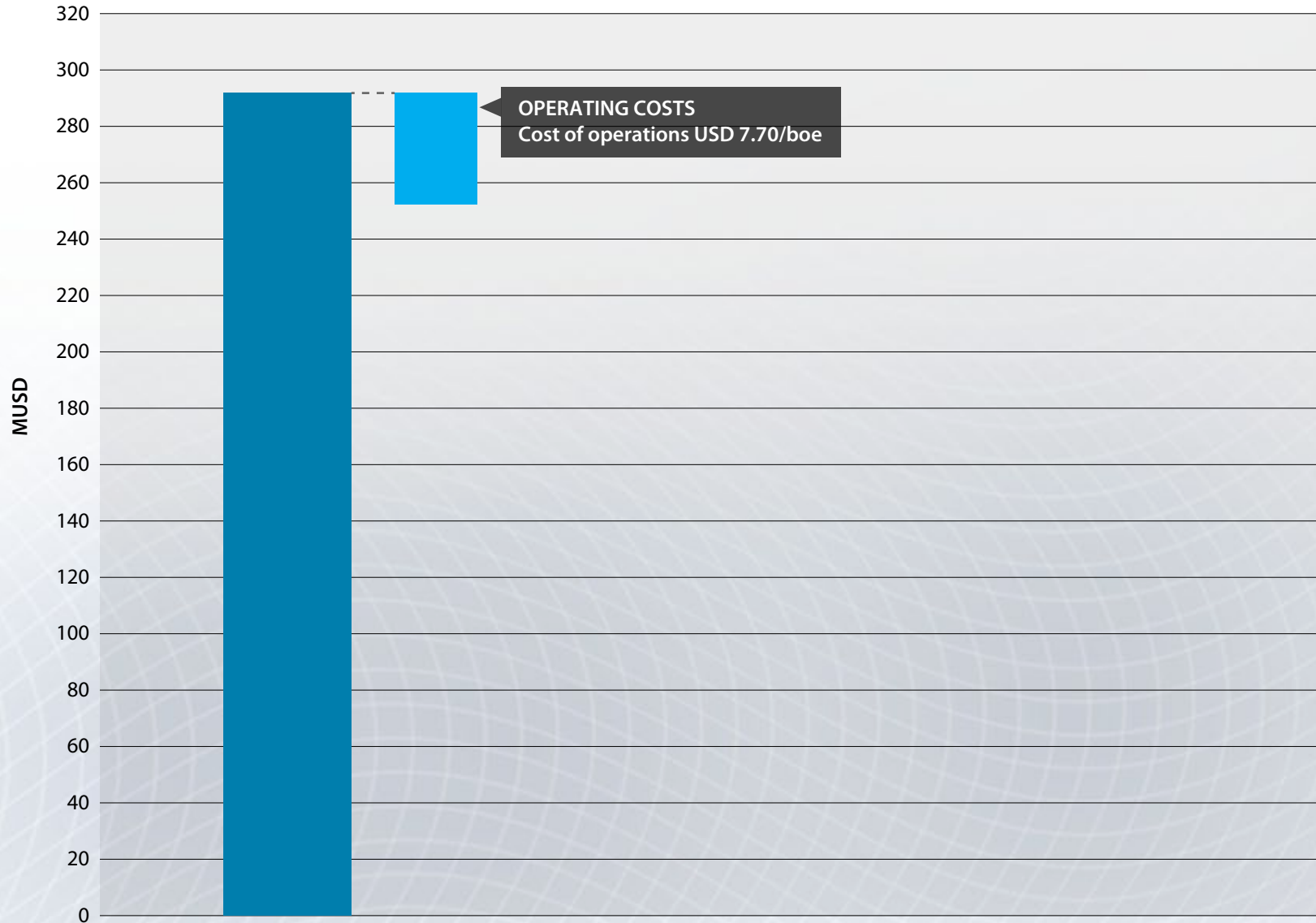
First Quarter 2011

➔ Production (boepd)	33,500
➔ Average Brent oil price (USD/boe)	105.43
➔ Cost of operations (USD/boe)	7.70
➔ Profit after tax (MUSD)	53.4
➔ EBITDA (MUSD)	238.4
➔ Operating cash flow (MUSD)	193.6

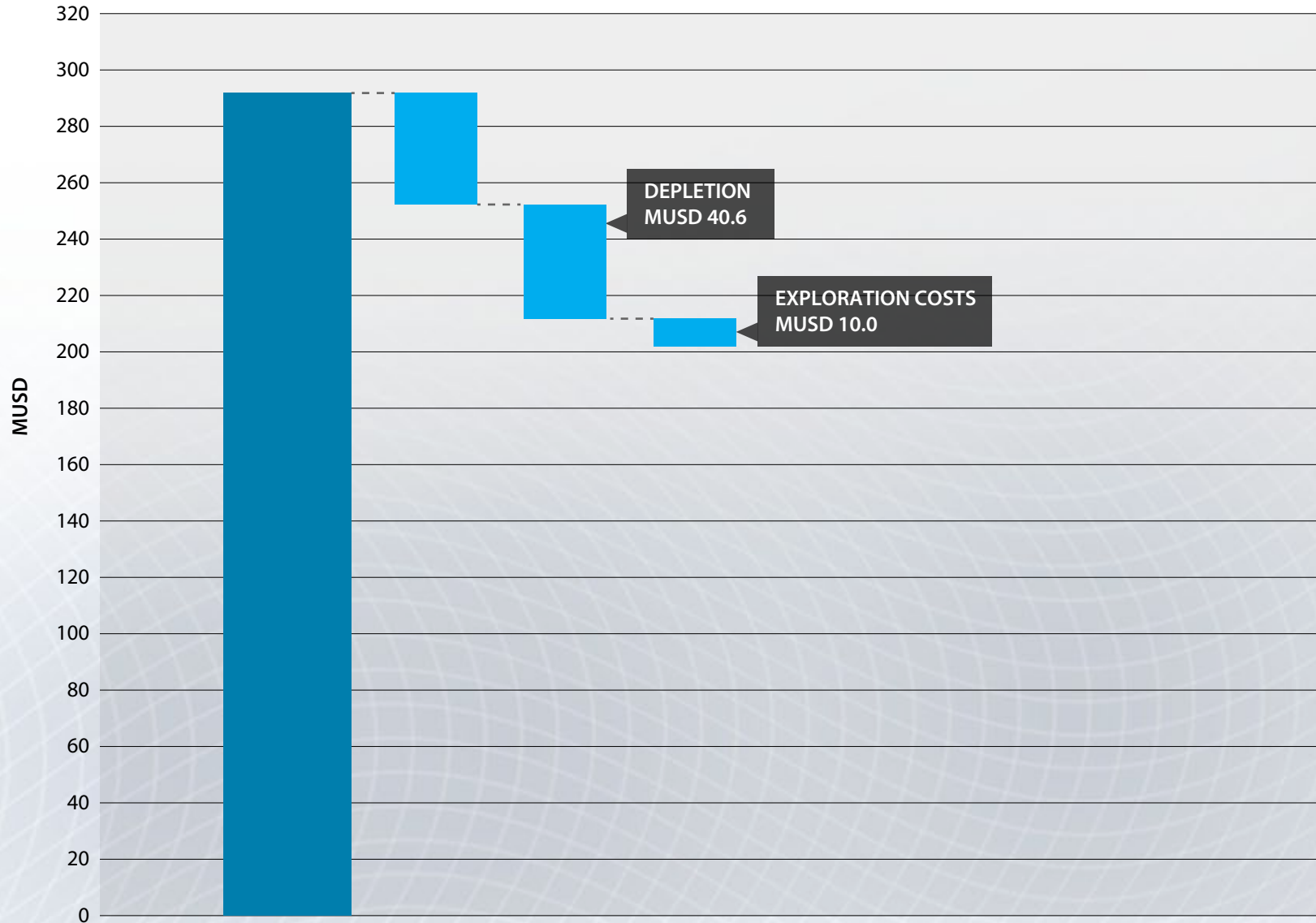
Financial Results - First Quarter 2011



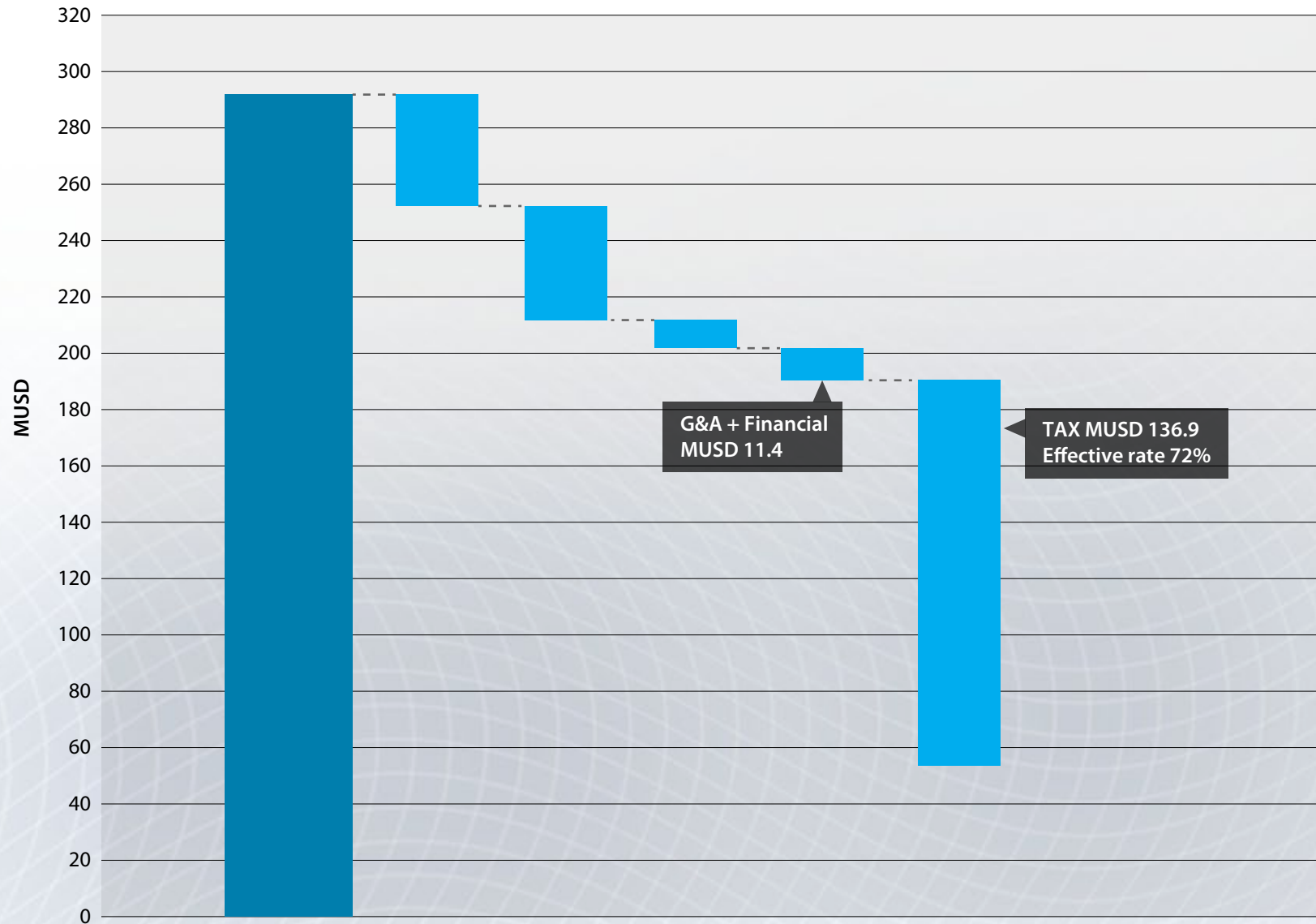
Financial Results - First Quarter 2011



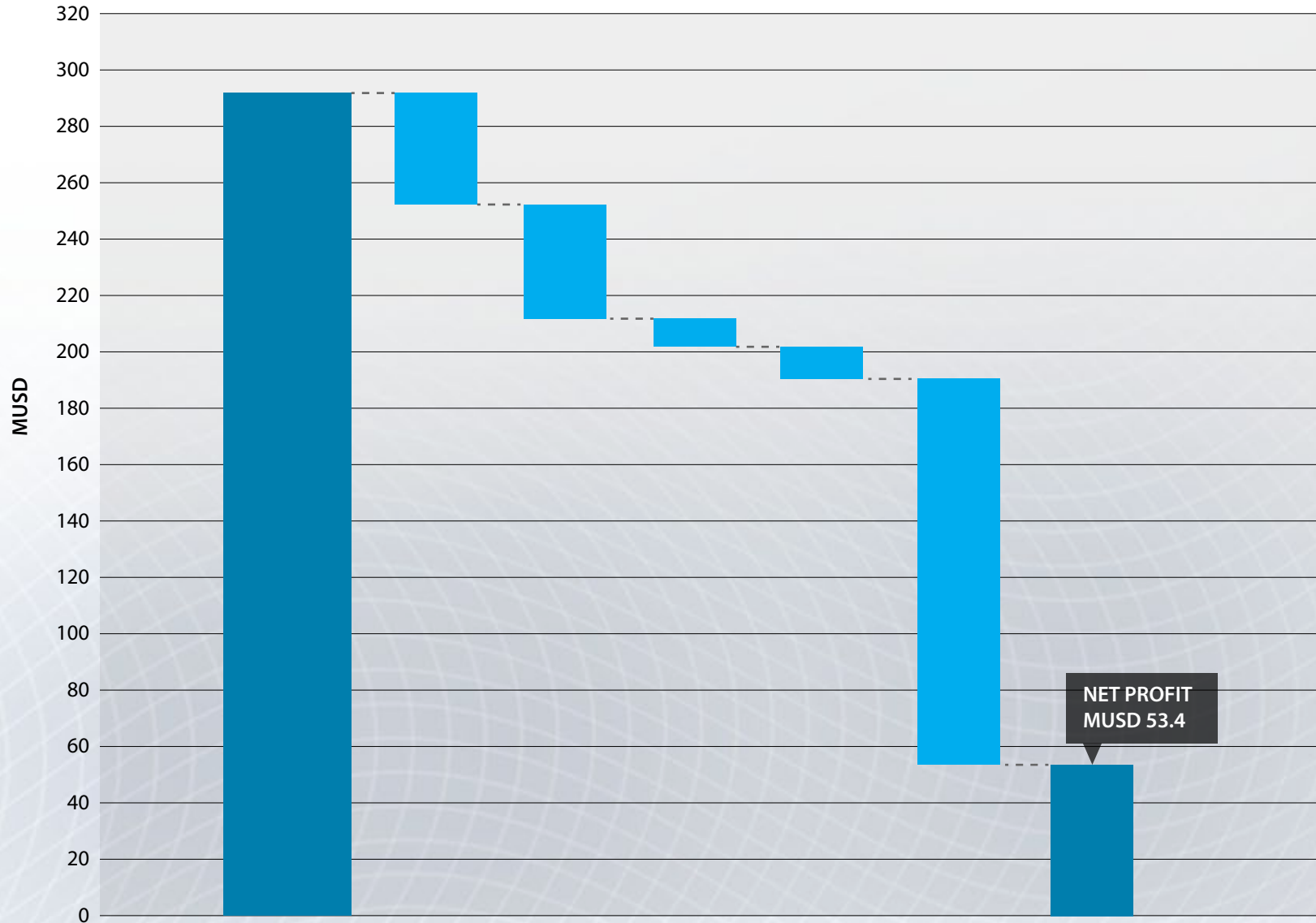
Financial Results - First Quarter 2011



Financial Results - First Quarter 2011

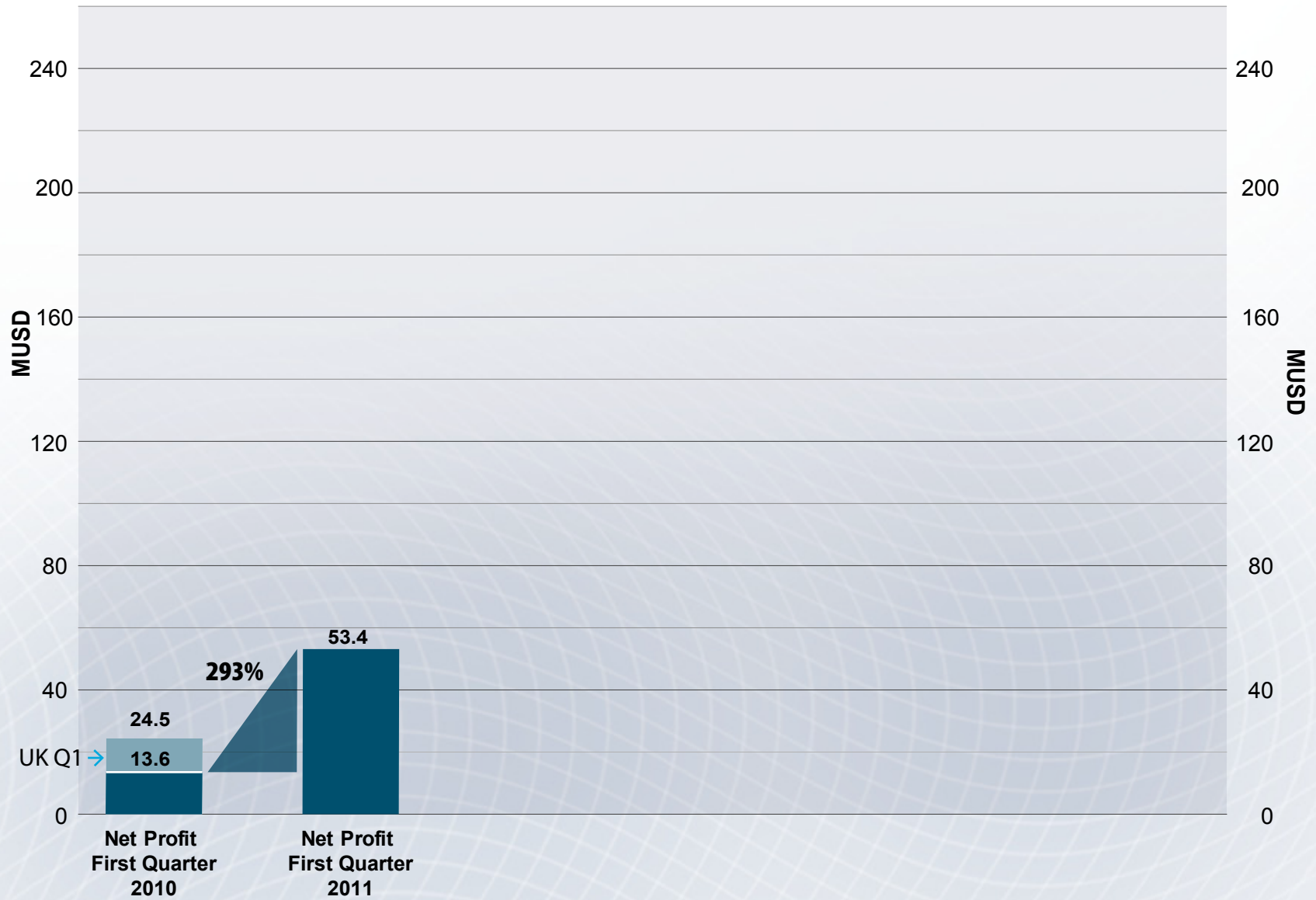


Financial Results - First Quarter 2011

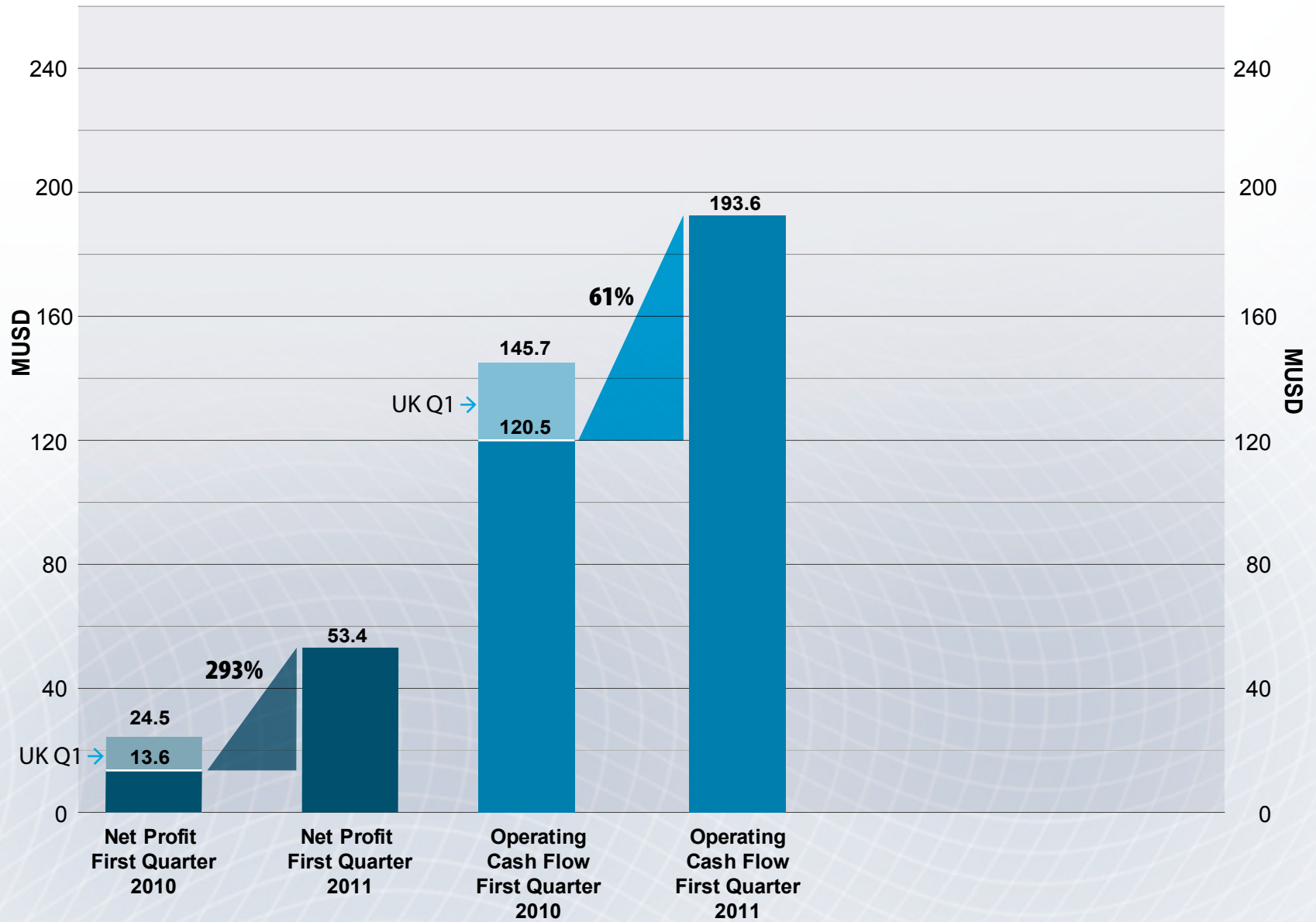


NET PROFIT
MUSD 53.4

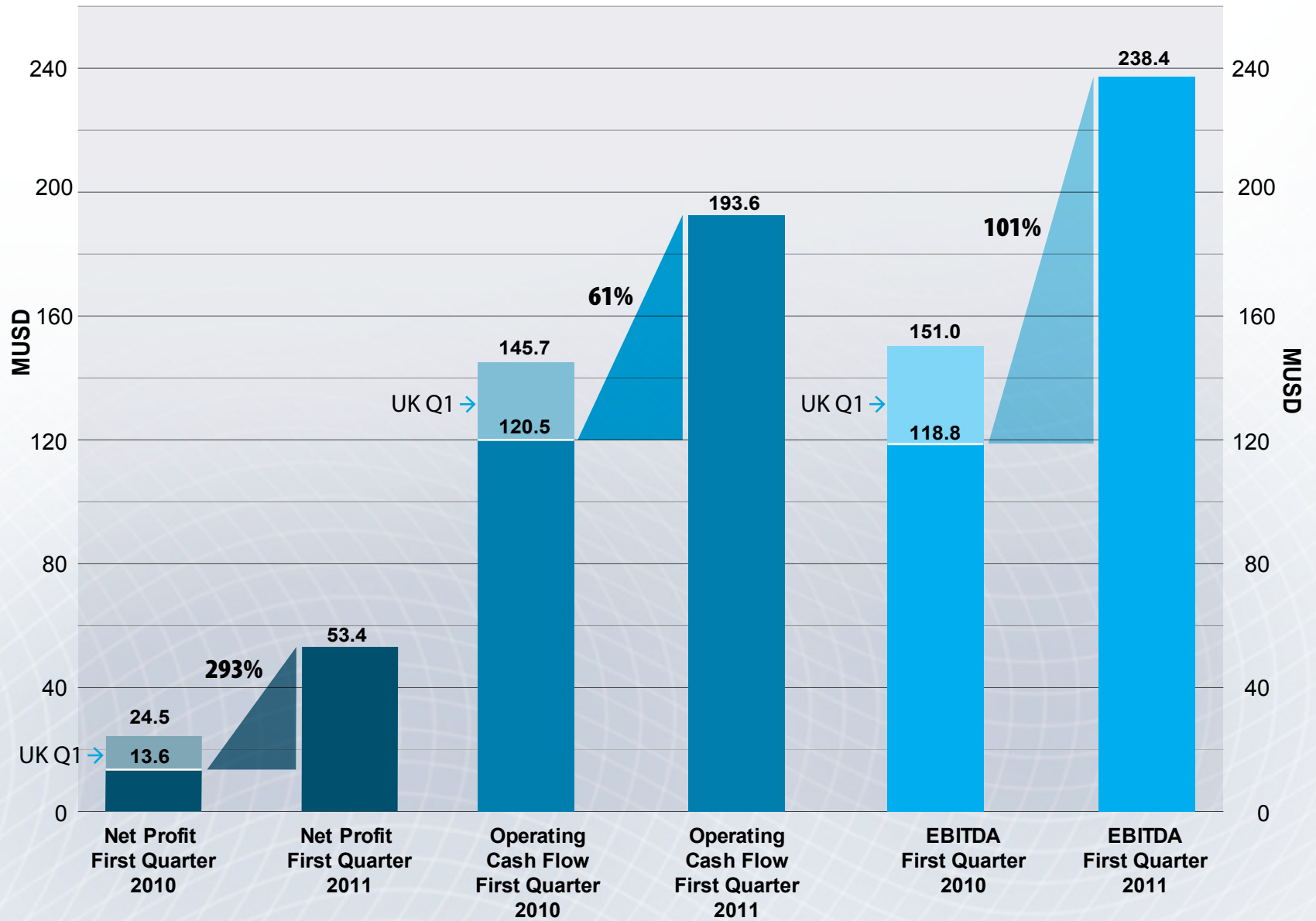
Financial Results - First Quarter 2011



Financial Results - First Quarter 2011



Financial Results - First Quarter 2011



Netback - First Quarter 2011



	USD/boe
<i>Average Brent oil price</i>	105.43
Revenue	96.83
Cost of operations	-7.70
Tariffs	-1.98
Royalty and direct taxes	-3.86
Changes in inventory/overlift	0.62
Other	-0.19
Cash Margin	83.72
Cash taxes	-19.47
Operating Cash Flow	64.25
General and administration costs	-4.60
EBITDA	79.12

- Development capex → 37 MUSD
- Exploration capex → 72 MUSD

General & Administration / Financial Items - First Quarter 2011



General & Administration	MUSD
General & administration expenses	(8.5)
LTIP – non-cash charge	(6.3)
	(14.8)
Other Income	0.2
Net Financial Items	
Gain on sale of AOC loan conversion shares	15.6
Foreign exchange loss	(8.5)
Others	(3.9)
	3.2

Tax - First Quarter 2011



	USD/boe	Effective tax rate
Current tax charge	19.47	31%
Deferred tax charge	25.95	41%
	45.42	72%

Liquidity [MUSD]



→ at 31 March 2011

Debt Outstanding	324
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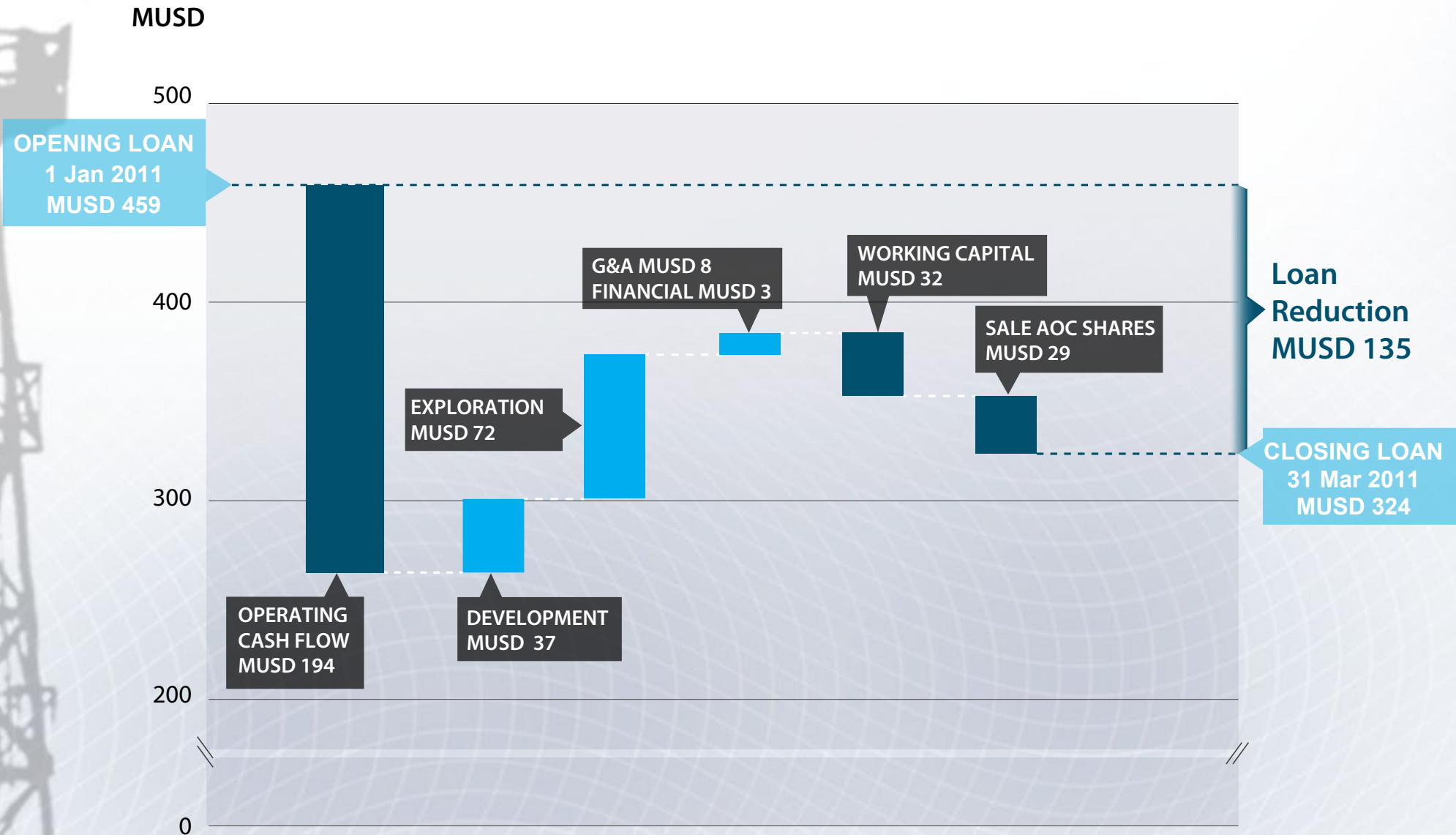
Cash Balances	27
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Net Debt Position	297
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Total Credit Facility	850
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- **Q2 2011 Items:**
- Sale of remaining AOC shares ~ MUSD 25
 - Etrion loan repayment ~ MUSD 80

Debt Position - First Quarter 2011



Lundin Petroleum - Secondary Listing



- ➔ **Lundin Petroleum obtained a secondary listing on Toronto Stock Exchange in March 2011**
- ➔ **Ticker: LUP**
Traded in Canadian Dollars
- ➔ **Toronto Stock Exchange offers exposure to one of the largest resource based exchanges in the world**

Q1 2011 - Highlights



➔ Strong production and cashflow

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➔ Development programme

- ➔ Gaupe development on schedule, first production Q4 2011
- ➔ Luno standalone development, FEED ongoing, PDO submission 2011
- ➔ Nemo and Bøyla PDO's submission in 2011

➔ Strong production and cashflow**➔ Development programme**

- ➔ Gaupe development on schedule, first production Q4 2011
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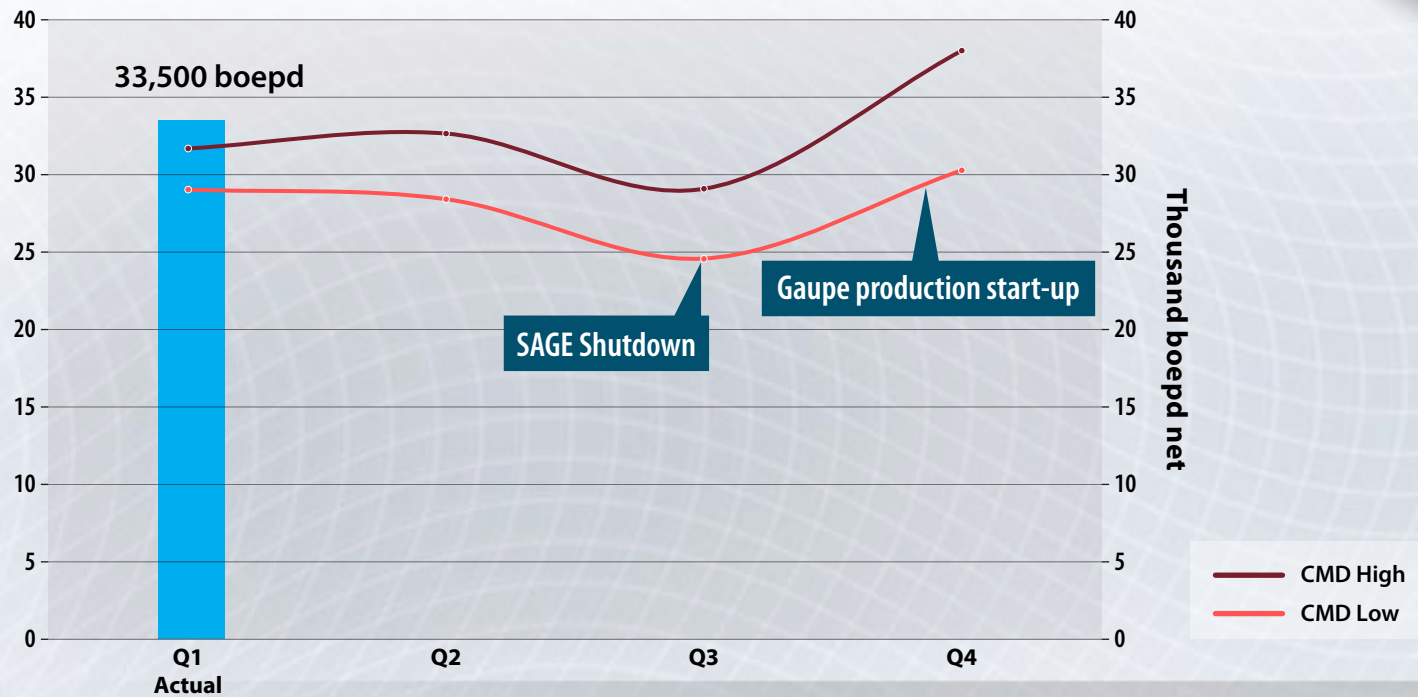
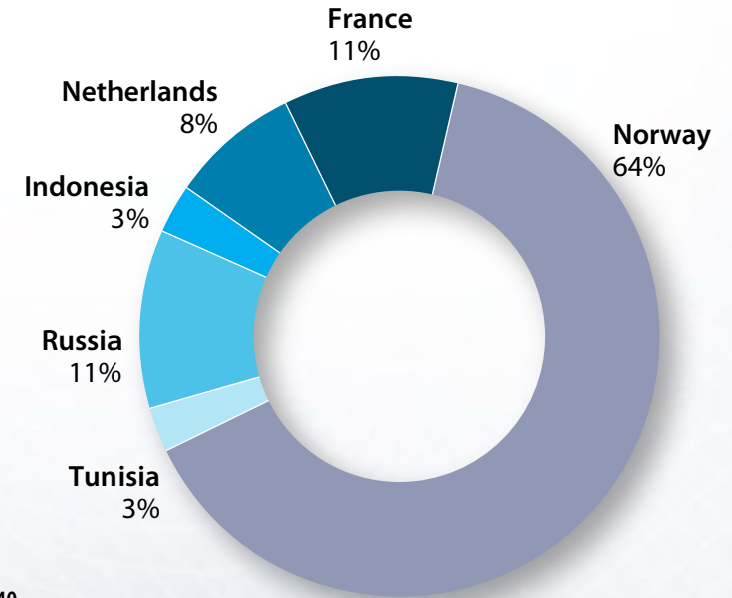
➔ Exploration focus to continue

- ➔ Two successful discoveries in the Greater Alvheim Area and Greater Luno Area
 - *Caterpillar*
 - *Tellus*
- ➔ Four well Avaldsnes appraisal drilling programme to commence in next couple of weeks
- ➔ Barents Sea drilling activity to commence in mid-year
 - *New Statoil discovery, Skrugard 150-250 MMboe*
 - *Lundin Petroleum new licence award, PL609*
- ➔ SE Asia drilling programme to commence
- ➔ Lundin Petroleum new licence award in Natuna Sea, Gurita, Indonesia

2011 Production



- Strong Q1 production 33,500 boepd
- Outperformance of Volund and Alvheim
 - ➔ Alvheim ~12,700 boepd
 - ➔ Volund ~10,800 boepd
- 2011 production guidance 28,000 - 33,000 boepd

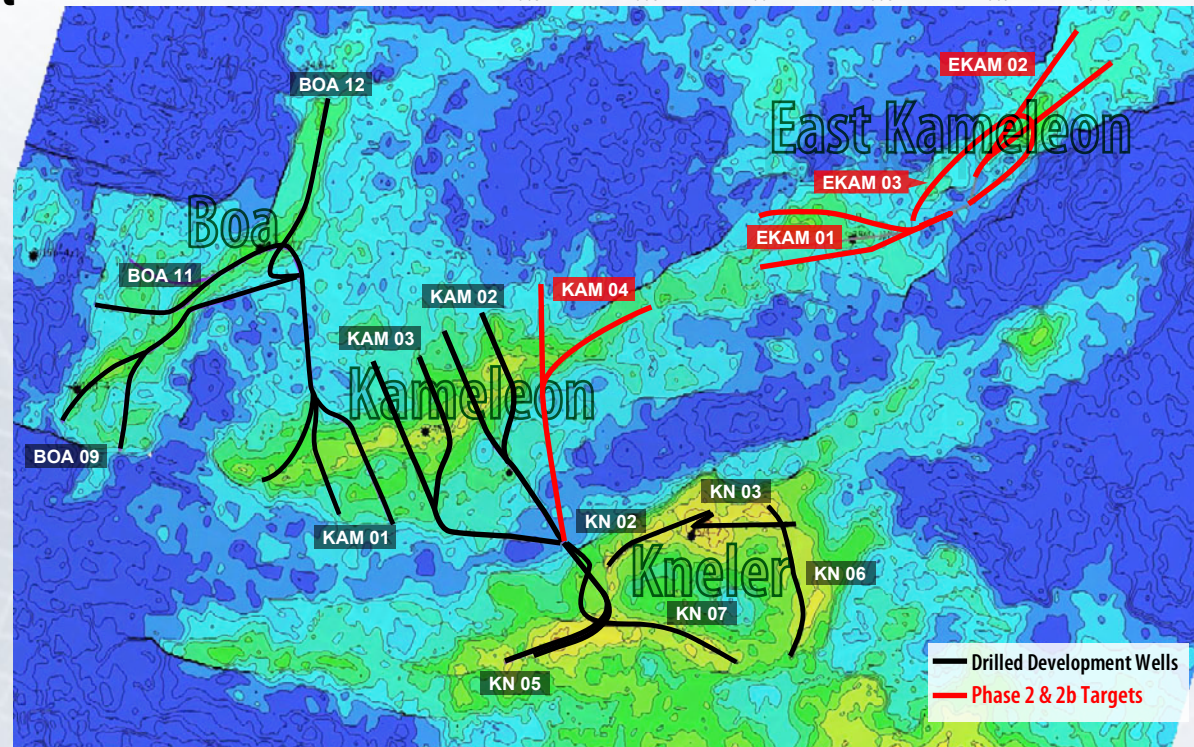
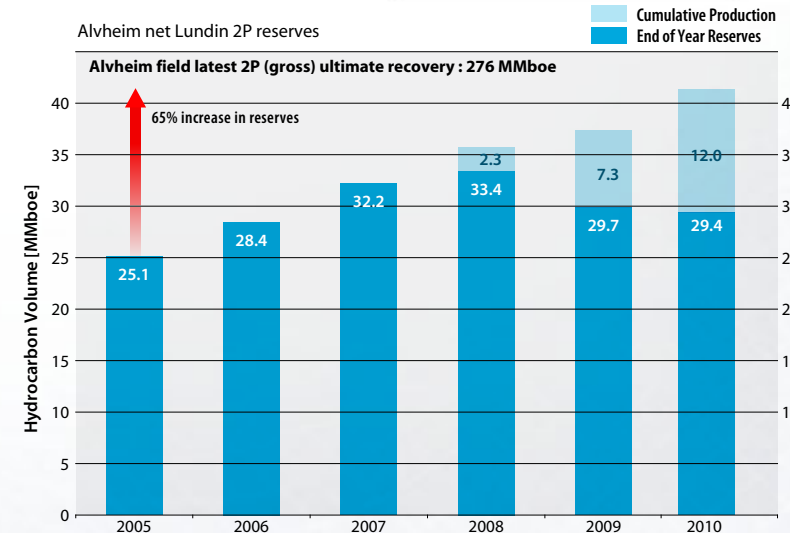


Norway - Solid Production Underpins Growth



Alvheim Field

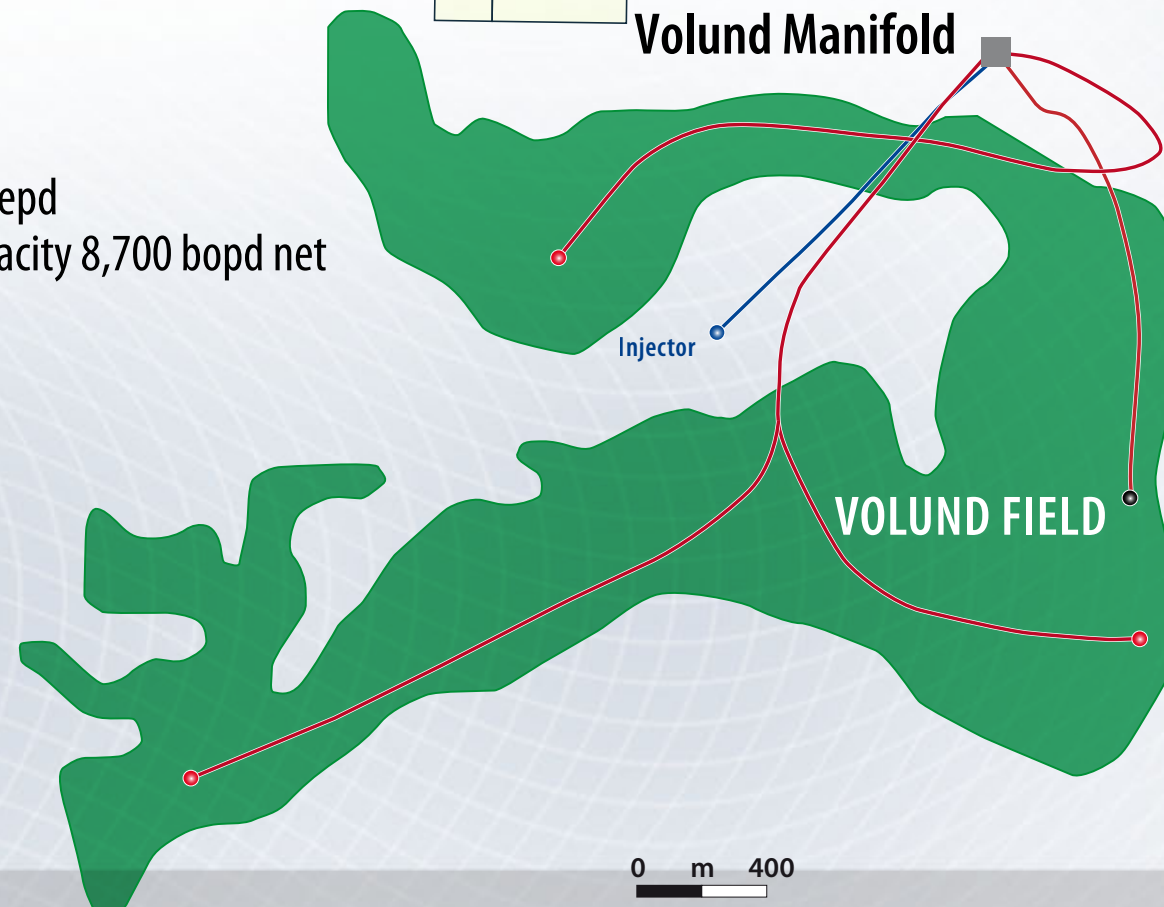
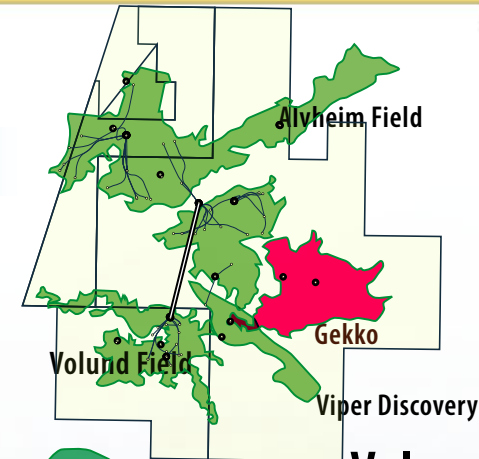
- **Lundin Petroleum 15%**
→ Marathon 65%, ConocoPhillips 20%
- **Gross 2P reserves: 196 MMboe**
- **Q1 2011 Production at 12,700 boepd net**
- **Costs of operations USD 4.5/boe for Q1 2011**
- **Drilling**
→ Three wells to be completed in 2011
→ One infill well in 2012
- **Other tie-in opportunities**



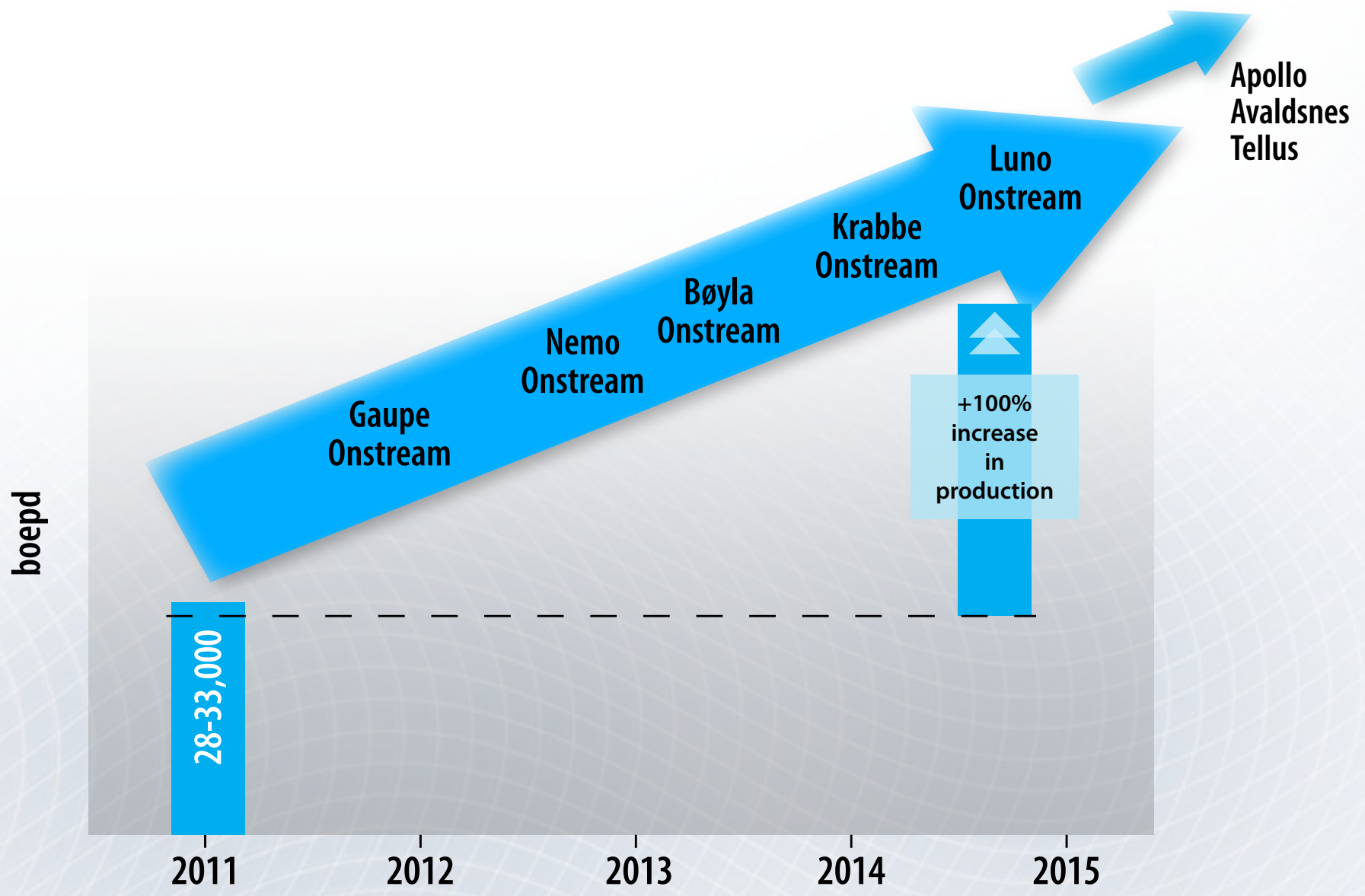
Norway - Solid Production Underpins Growth

Volund Field

- **Lundin Petroleum 35%**
 - ➔ Marathon 65% (operator)
- **Gross 2P reserves: 38 MMboe**
- **Strong production**
 - ➔ Q1 2011 net production of 10,800 boepd
 - ➔ Minimum contracted production capacity 8,700 bopd net
- **Operating cost**
 - ➔ Cost of operations 3.4 USD/boe
 - ➔ Tariff to Alvheim 4.9 USD/boe



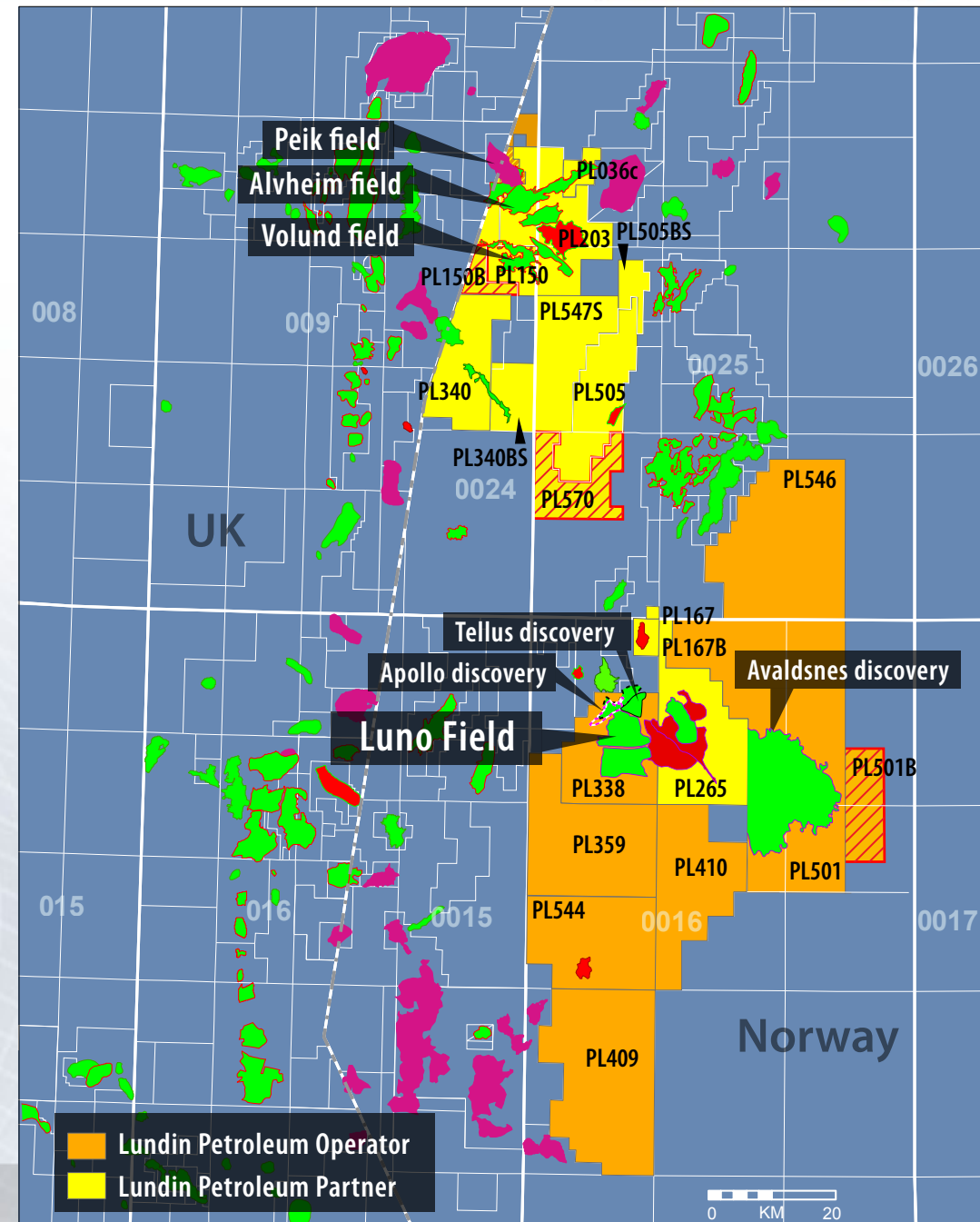
Increase of Production



Greater Luno Area - Luno Development

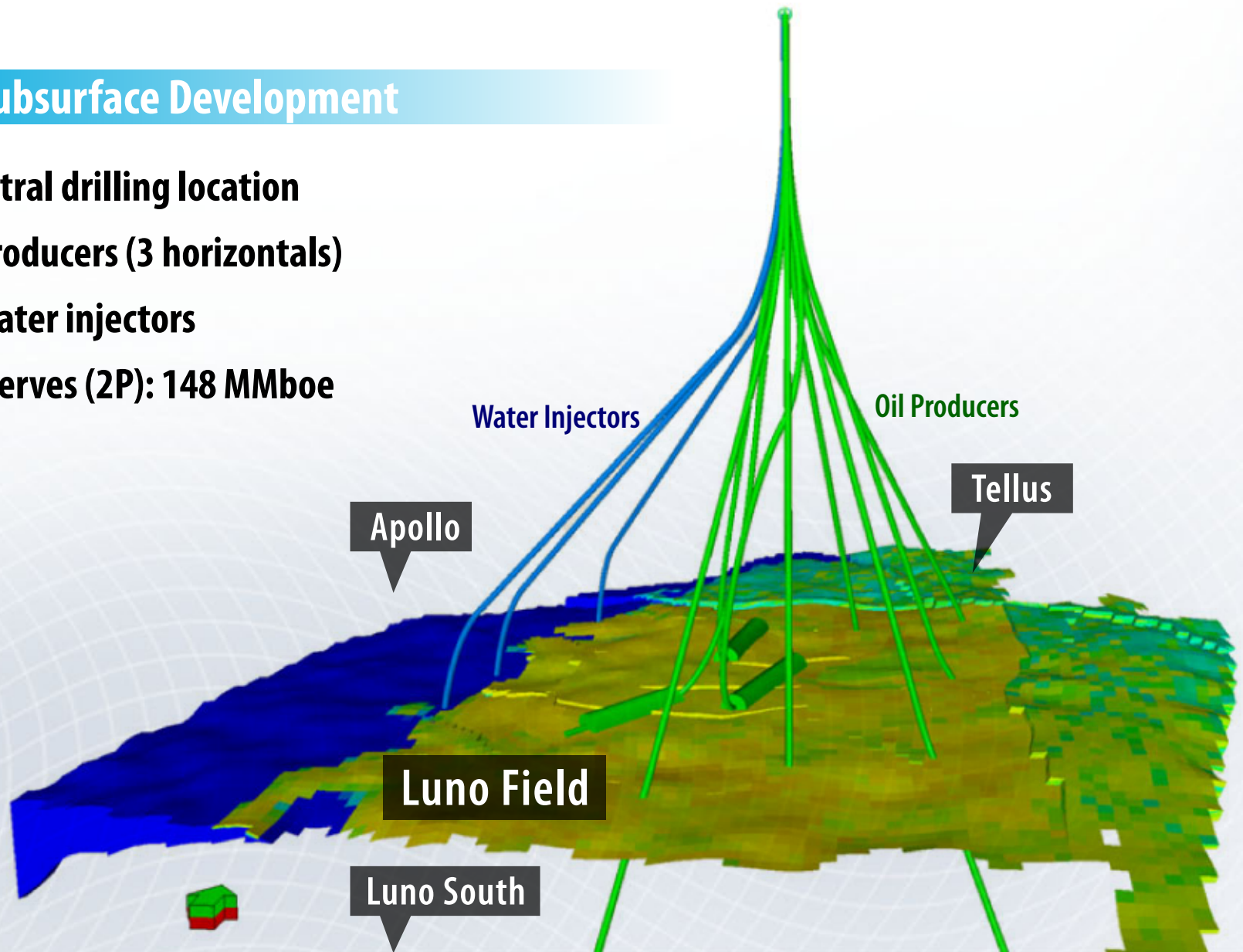


- **Lundin Petroleum interest: 50% (operator)**
 - ➔ Wintershall 30%, RWE 20%
- **Subsurface work completed**
 - ➔ Certified 2P reserves of 148 MMboe gross
 - ➔ Plateau production forecast >60,000 boepd gross
- **Stand alone development concept selected**
 - ➔ FEED ongoing
 - ➔ PDO submission in 2011
 - ➔ First oil 2014/15



Luno Subsurface Development

- **Central drilling location**
- **9 producers (3 horizontals)**
- **3 water injectors**
- **Reserves (2P): 148 MMboe**

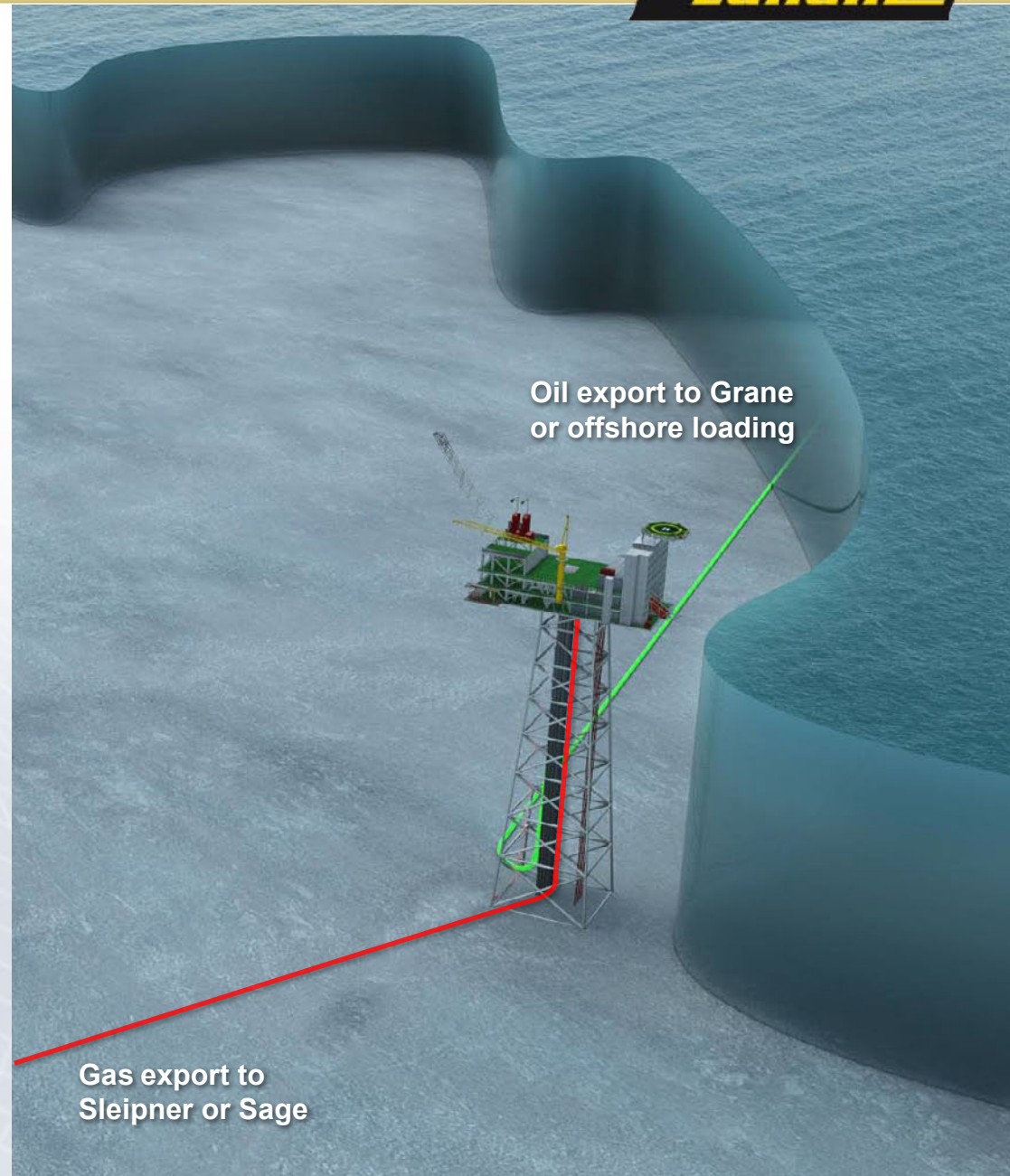


Greater Luno Area - Luno Development

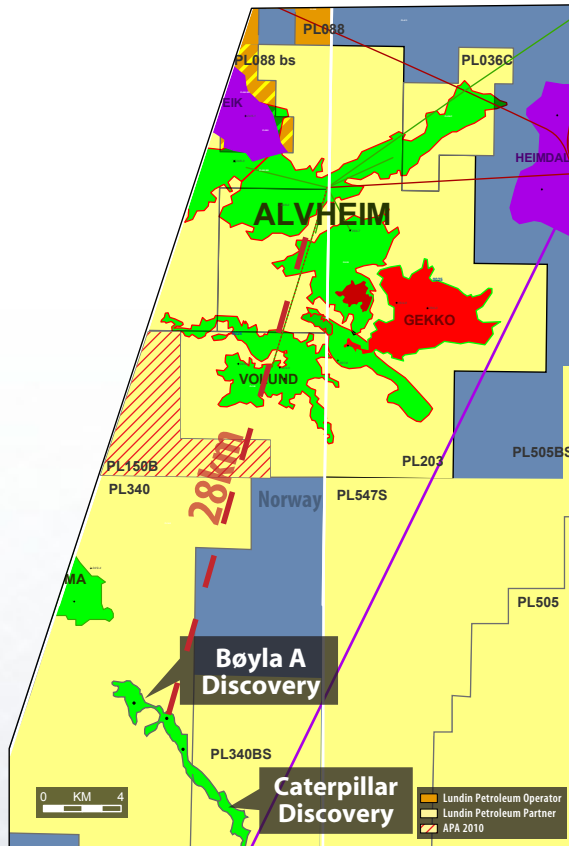


Luno stand alone development concept selected

- ➔ Dry wellheads
- ➔ Flexibility regarding oil/gas export
- ➔ FEED studies ongoing

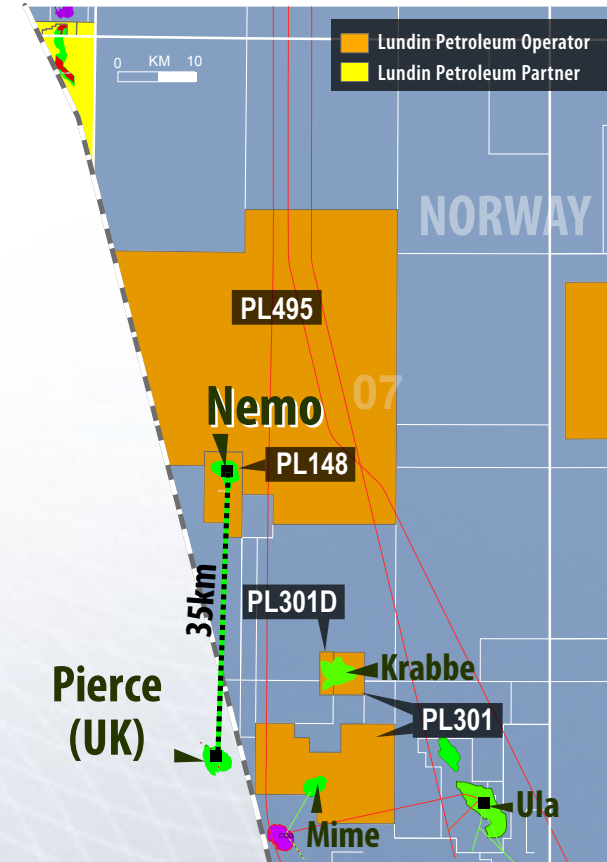


Bøyla & Nemo Developments



Bøyla & Caterpillar

- Lundin Petroleum interest: 15%
 - ➔ Marathon 65% (Operator), ConocoPhillips 20%
- Plateau production: 2,000 boepd net
- Tie-back to Alvheim
- PDO 2011
- First oil end 2013/2014



Nemo

- Lundin Petroleum interest: 50% (Operator)
 - ➔ Talisman 30%, Noreco 20%
- Plateau production: 6,000 boepd net
- Tie-back to Pierce
- PDO 2011
- First oil end 2013

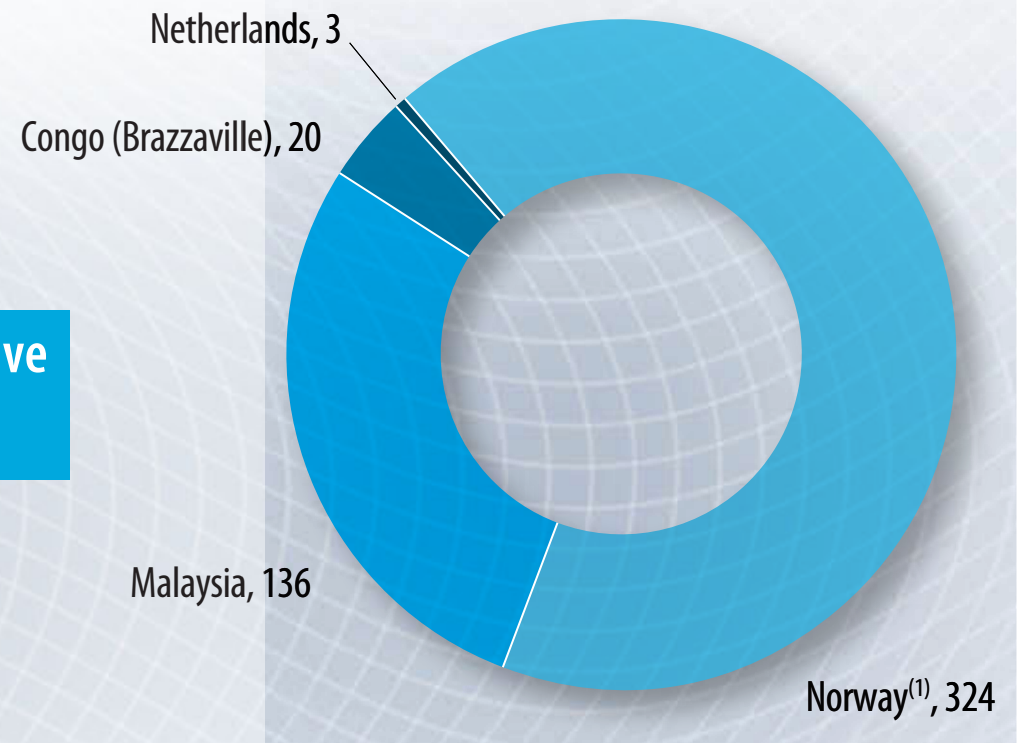
Exploration – 2011 Drilling



- ▣ **2011 exploration and appraisal drilling - 21 wells**
 - 10 wells in Norway
 - 5 wells in Malaysia
 - 4 wells in Netherlands
 - 2 wells in Congo (Brazzaville)

2011 drilling is targetting net prospective resources of 483 MMboe

LUPE 2011 Net Unrisked Exploration Targets



⁽¹⁾ Prospective numbers exclude upside in Avalsnes

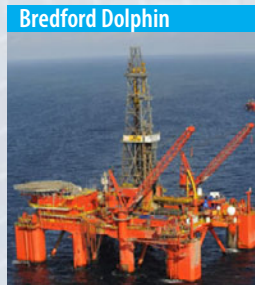
Norway Exploration - 2011 Exploration WP & Budget



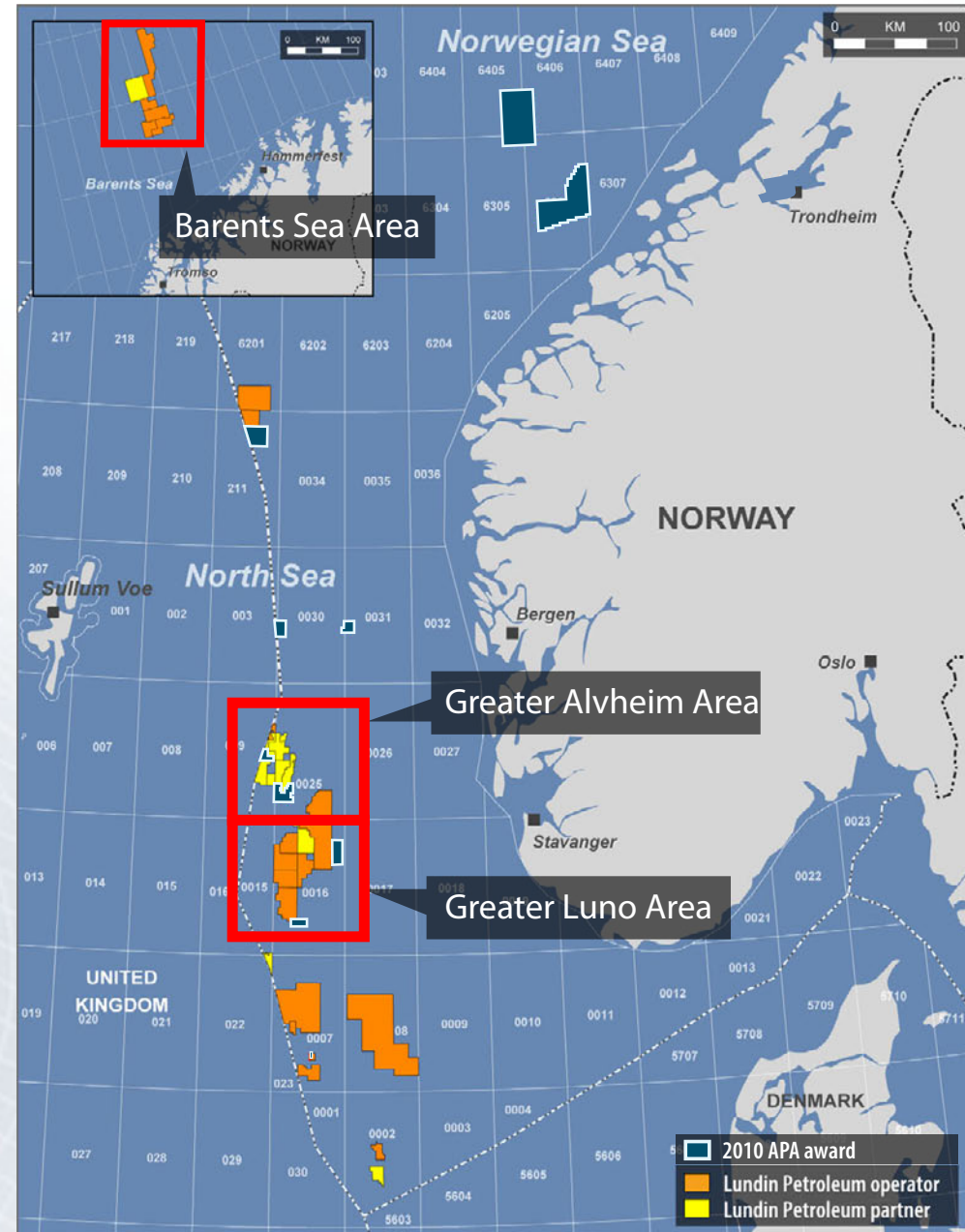
10 exploration wells

- ➔ **Greater Luno Area**
 - ➔ Total: MUSD 116
 - ➔ 5 wells (3 appraisal + 2 expl. wells)
- ➔ **Greater Alvheim Area**
 - ➔ Total: MUSD 35
 - ➔ 2 wells
- ➔ **Barents Sea Area**
 - ➔ Total: MUSD 32
 - ➔ 2 wells
- ➔ **Others**
 - ➔ Total: MUSD 34
 - ➔ 1 well

Norway Total: MUSD 217
(71% of total 2011 exploration budget)



Rigs secured for all 2011 proposed drilling prospects



Greater Luno Area - Apollo Discovery & Tellus Prospect



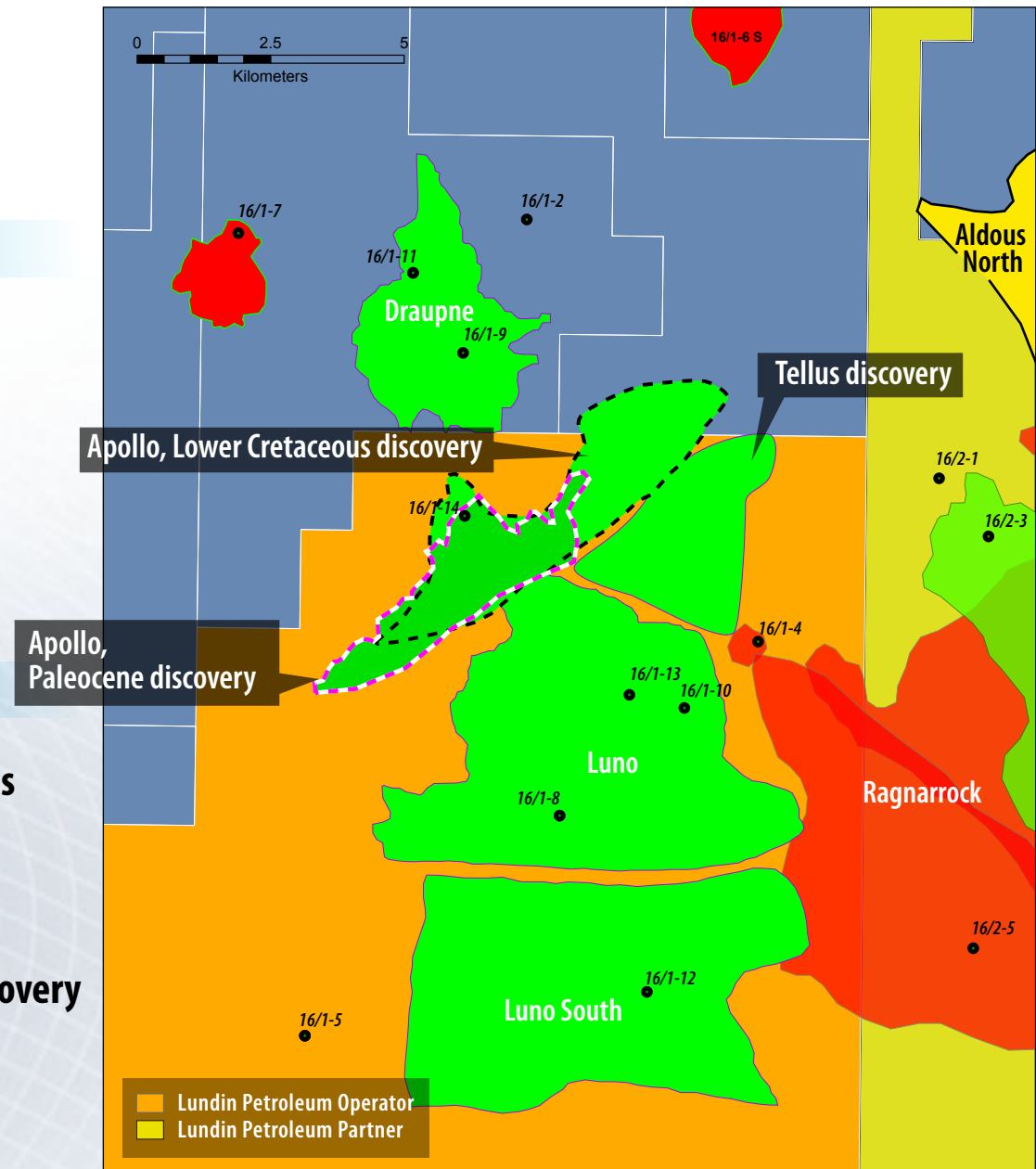
- **PL 338 - Lundin Petroleum 50% operator**
Wintershall 30%, RWE 20%

Apollo Discovery (PL338)

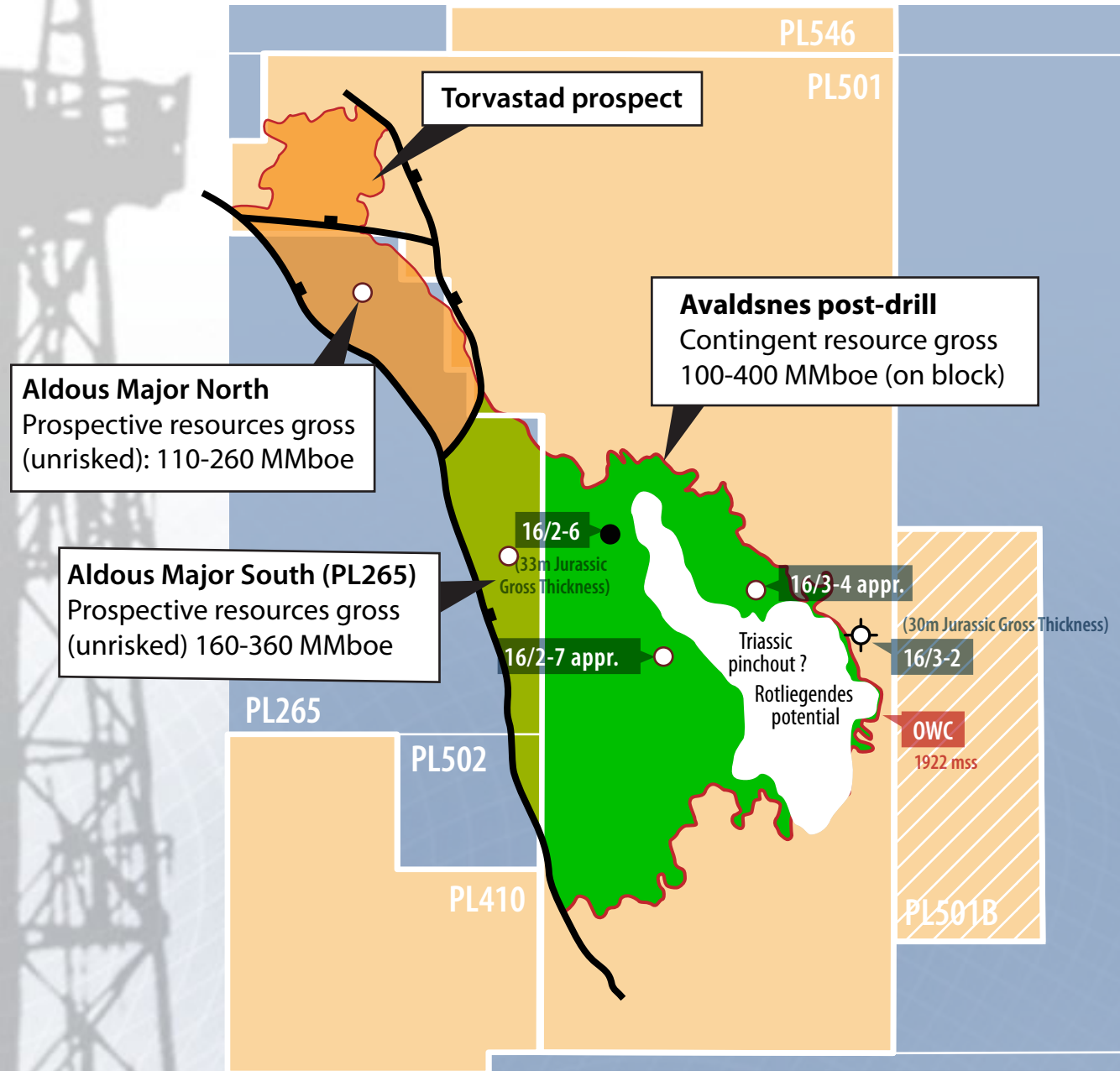
- **Lower Cretaceous/Upper Jurassic discovery**
Paleocene Discovery
- **Gross Contingent Resources range**
15-65 MMboe gross (PL338)
→2012 Appraisal Programme

Tellus Discovery (PL338)

- **Pre-drill resources estimates 40 MMboe gross**
unrisked
- **Well being sidetracked**
- **Lower Cretaceous / Fractured Basement discovery**
- **The Tellus discovery will be part of the**
Luno development



Greater Luno Area - Avaldsnes - Appraisal Programme



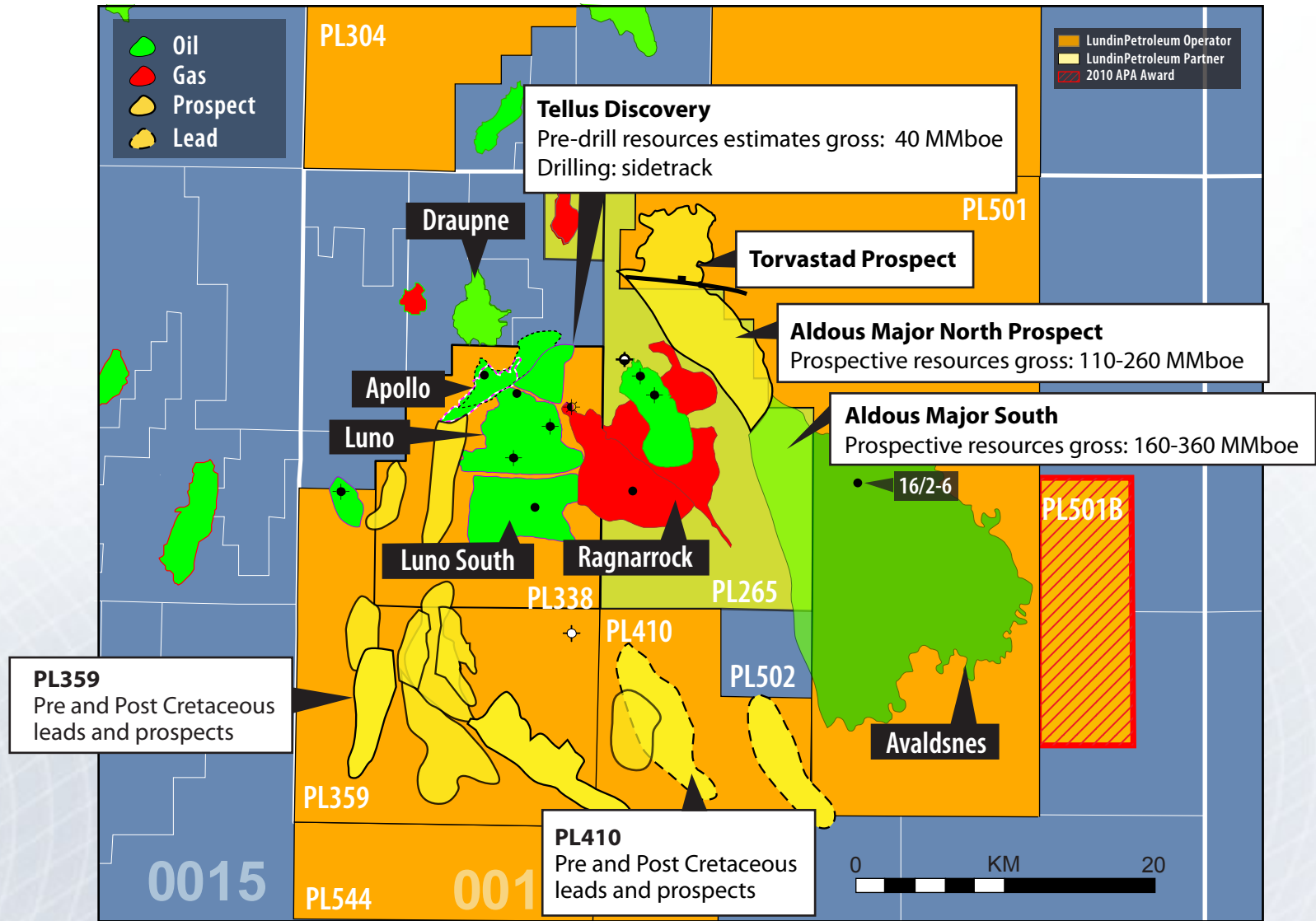
PL501

- ➔ Avaldsnes drilling to commence in May 2011
- ➔ 1st appraisal (16/3-4)
- ➔ 2nd appraisal (16/2-7)
- ➔ Additional prospectivity in Torvastad prospect in PL501

PL265

- ➔ Aldous Major North and Aldous Major South wells in 2011. Drilling start up mid year 2011

Greater Luno Area - Additional Exploration Potential



2 exploration wells and 3 appraisal wells to be drilled in 2011

Barents Sea - Drilling to Commence in 2011

Numerous multi-stacked prospects matured in the portfolio

➔ PL438

- ➔ Lundin Petroleum 25% (operator)
- ➔ 3 prospects
- ➔ Skalle to be drilled in mid year 2011, 250 MMboe gross prospect size in multiple targets

➔ PL533

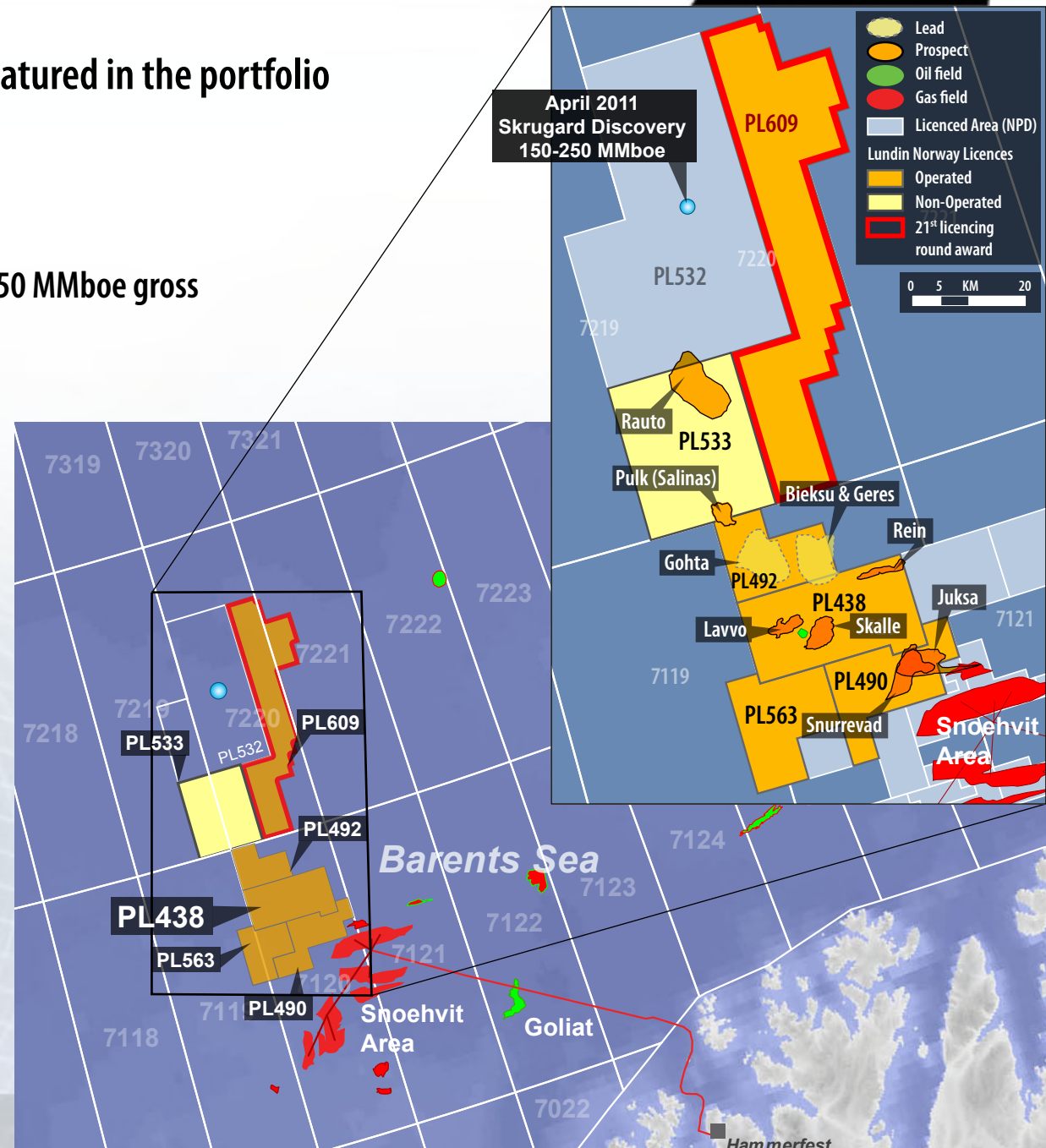
- ➔ Lundin Petroleum 20%
- ➔ Rauto & Pulk (Salinas) prospects
- ➔ Pulk 500 MMboe gross prospect size in multiple targets
- ➔ to be drilled in Q4 2011

➔ PL490

- ➔ Lundin Petroleum 30% (operator)
- ➔ Juksa and Snurrevad prospects
- ➔ likely drilling in 2012

➔ PL609

- ➔ Lundin Petroleum 40% (operator)
- ➔ Adjacent to Skrugard discovery



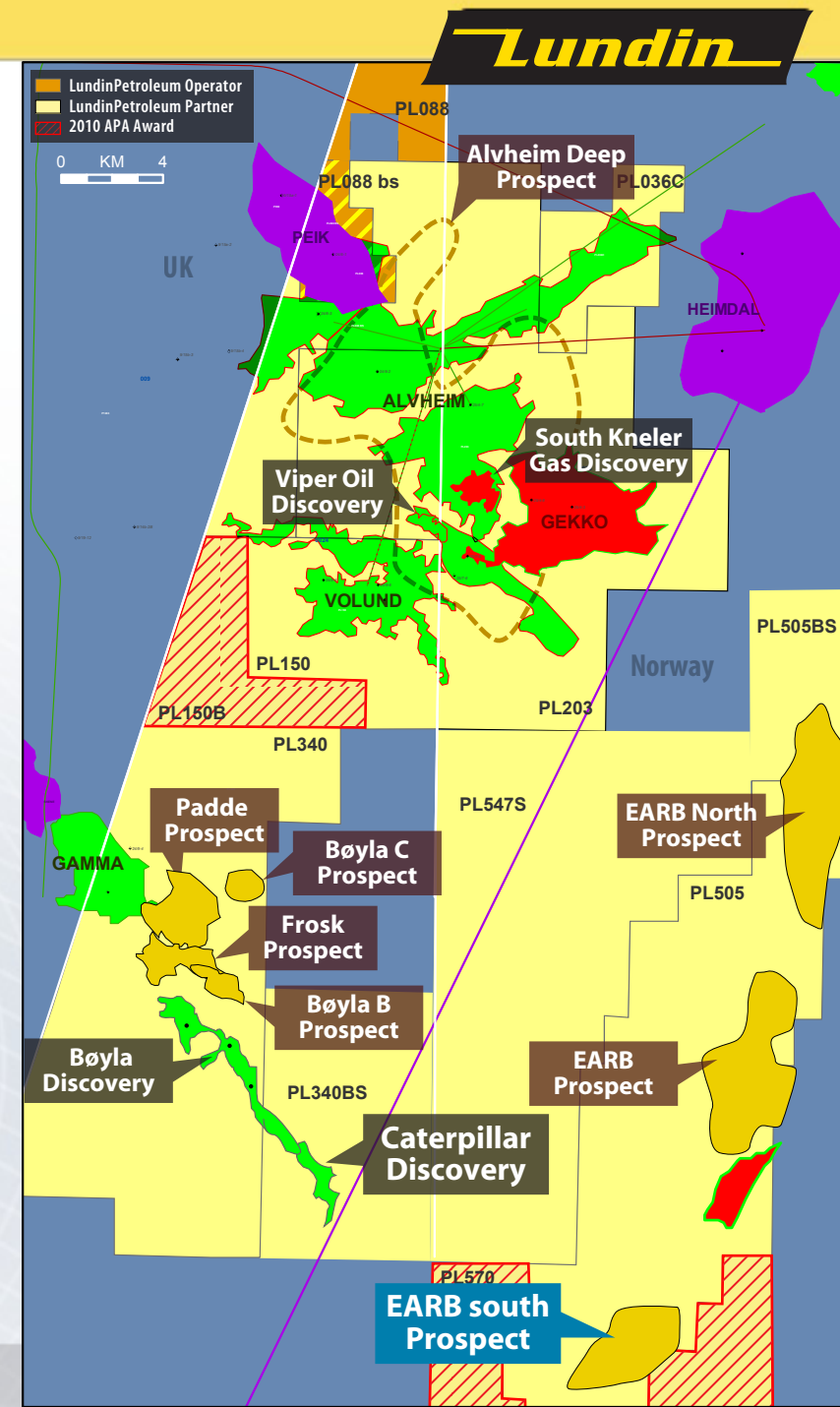
Greater Alvheim Area

Discoveries

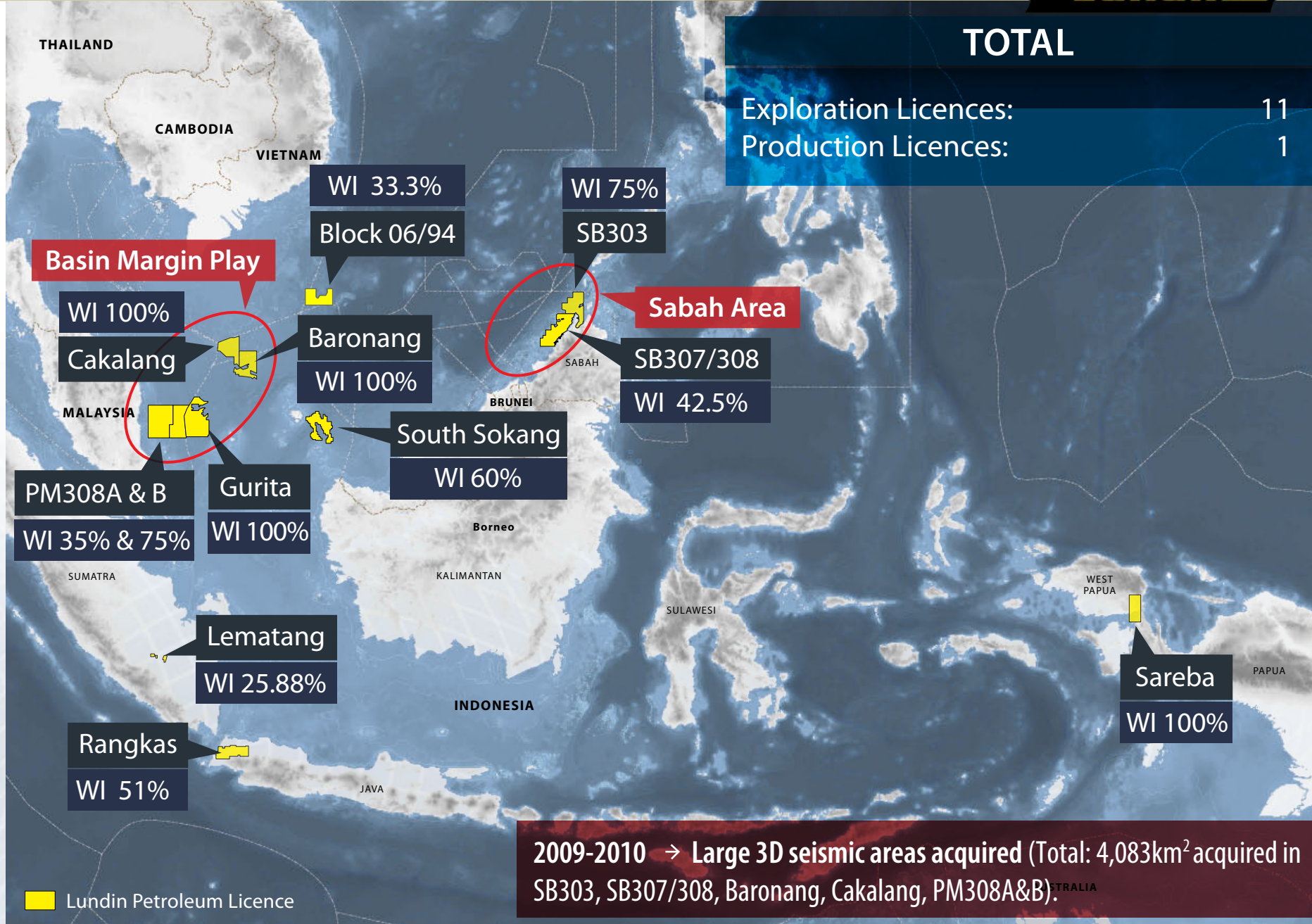
- **PL340 & PL340BS (15%)**
 - ➔ Bøyla oil discovery 20-30 MMboe
 - ➔ Caterpillar oil discovery 5-10 MMboe
 - ➔ Bøyla PDO submission 2011
 - ➔ Caterpillar likely development with Bøyla
- **PL203 (15%)**
 - ➔ Viper oil discovery 5-10 MMboe
 - ➔ Tie back to Alvheim FPSO
 - ➔ South Kneler gas discovery

Further Exploration

- **PL505 (30%)**
 - ➔ EARB South prospect
 - ➔ Unrisked gross resource potential 81 MMboe
 - ➔ Drilling ongoing
- **PL150B (15%)**
 - ➔ Volund play extension. Work in progress
- **PL203 (15%)**
 - ➔ Alvheim Deep prospect



Exploration - South East Asia - Building a New Core Area

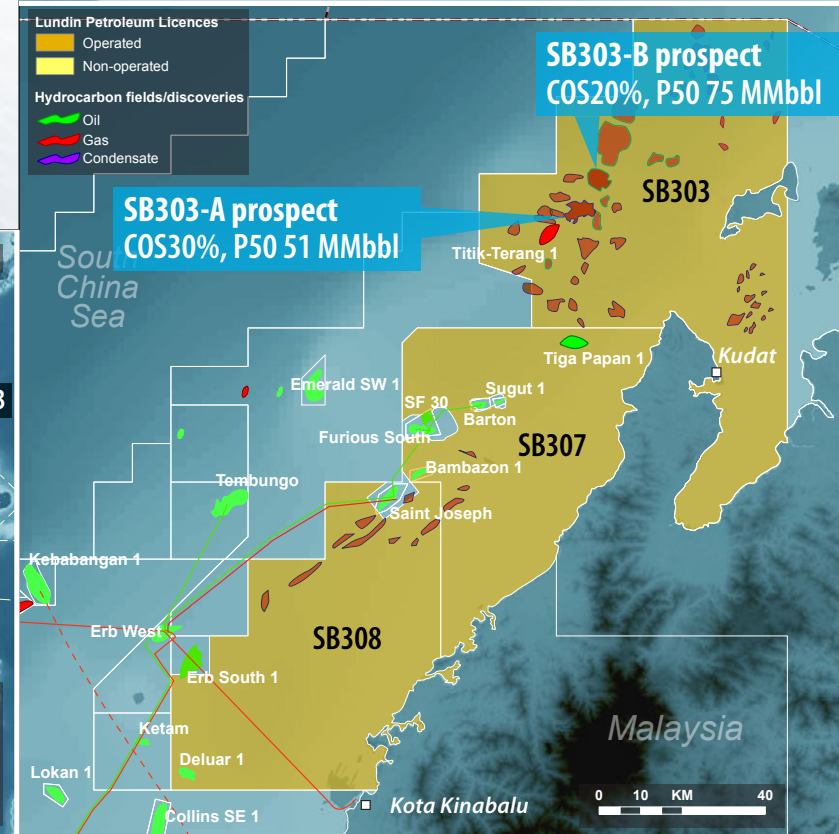
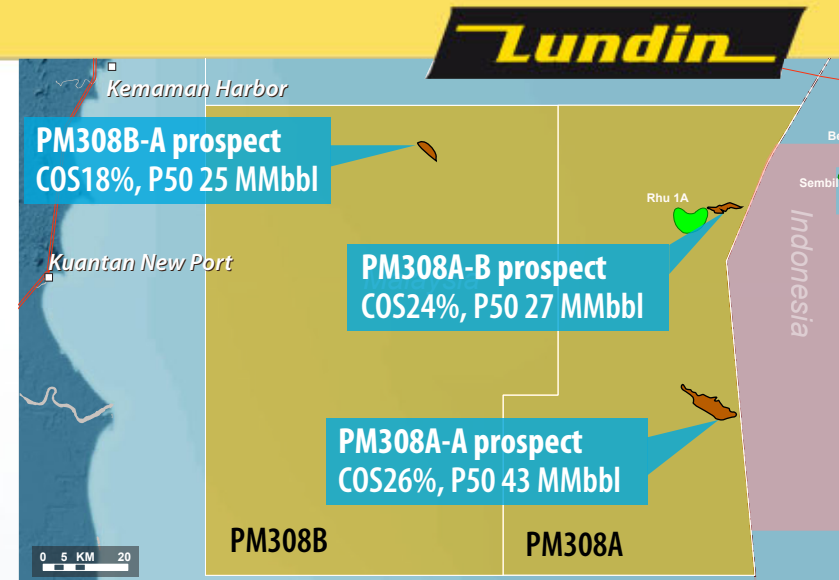


Malaysia 2011 Drilling Programme

- ➔ On schedule for mid-May spud
- ➔ 5 exploration wells to be drilled in 2011, total net unrisked potential resources 136 MMboe

Rig secured and drilling to commence towards mid year 2011

Prospect	Block	Unrisked PR (MMboe)	
		Gross	Net
SB303-A	SB303	51	37
SB303-B	SB303	75	56
PM308A-A	PM308A	43	15
PM308A-B	PM308A	27	9
PM308B-A	PM308B	25	19
Total		221	136



Targeted Prospective Resources – 2011 Drilling Schedule

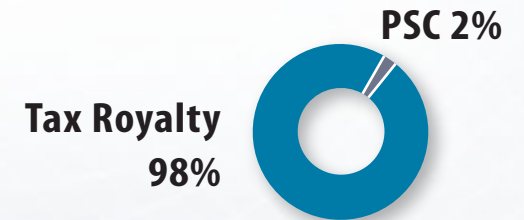
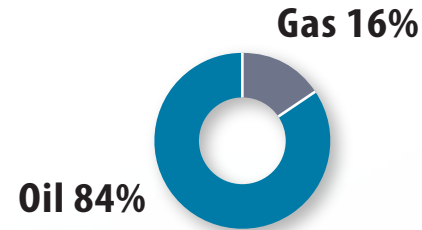
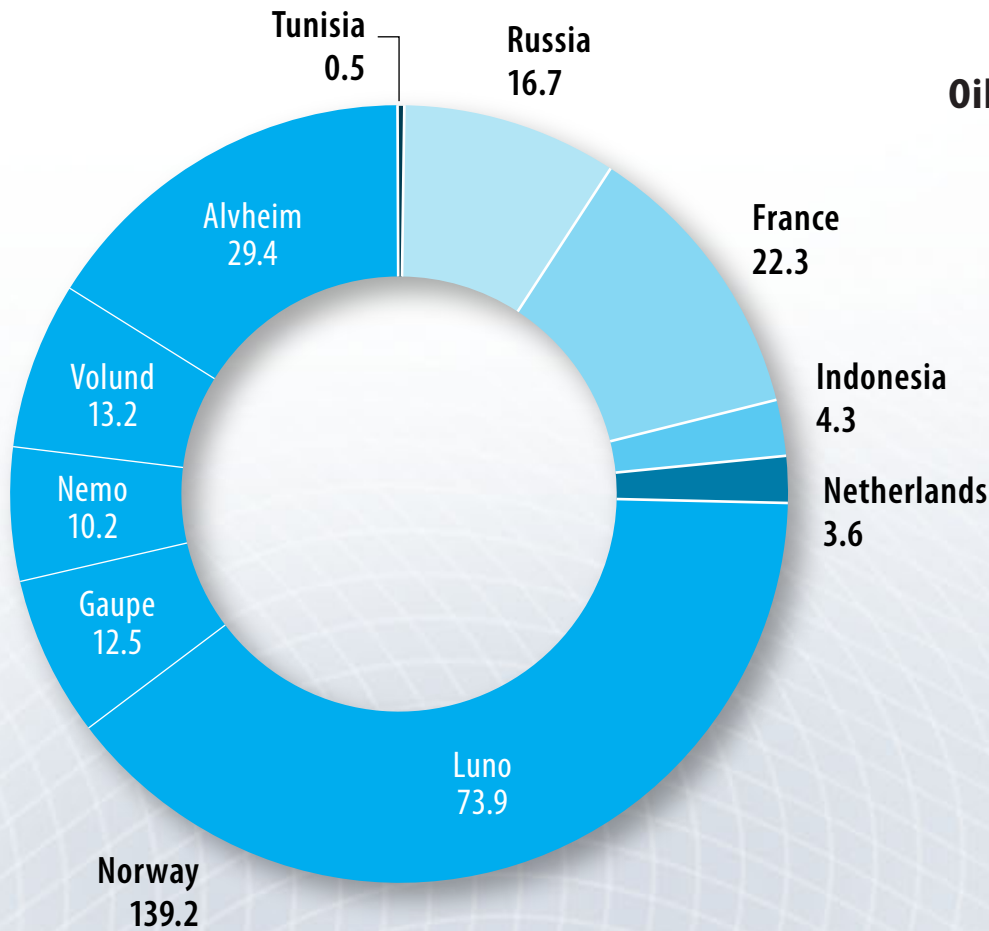


							2011			
Country	Licence - Prospect	Operator	LUPE%	NURPR ⁽¹⁾	CoS%	NRPR ⁽²⁾	Q1	Q2	Q3	Q4
1 Norway	PL340 - Caterpillar	Marathon	15.00	2	45	1	Discovery			
2 Norway	PL505 - Earb South	Marathon	30.00	24	18	4	Ongoing			
3 Norway	PL338 - Tellus	Lundin	50.00	20	40	8	Discovery			
4 Norway	PL501 - Avaldsnes 16/3-4 App.	Lundin	40.00	–	–	–				
5 Norway	PL501 - Avaldsnes 16/2-7 App.	Lundin	40.00	–	–	–				
6 Norway	PL265 - Aldous Major South	Statoil	10.00	25	39	10				
7 Norway	PL265 - Aldous Major North	Statoil	10.00	18	39	7				
8 Norway	PL438 - Skalle	Lundin	25.00	63	19-41	22				
9 Norway	PL533 - Pulk (Salinas)	ENI	21.30 ⁽³⁾	102	14-19	15				
10 Norway	PL519 - Albert	Lundin	40.00	70	26	18				
11 Malaysia	SB303 - SB303-A	Lundin	75.00	37	30	11				
12 Malaysia	SB303 - SB303-B	Lundin	75.00	56	20	11				
13 Malaysia	PM308A - PM308A-A	Lundin	35.00	15	26	4				
14 Malaysia	PM308A - PM308A-B	Lundin	35.00	9	24	2				
15 Malaysia	PM308B - PM308B-A	Lundin	75.00	19	18	3				
16 Congo (Brazzaville)	Block Marine XIV - Makouala	SOCO	21.55	8	32	2				
17 Congo (Brazzaville)	Block Marine XI - Lideka	SOCO	18.75	12	23	2				
			operated	non operated	480 ⁽⁴⁾	120				

⁽¹⁾ Net Unrisked Prospective Resources (MMboe) ⁽²⁾ Net Risked Prospective Resources (MMboe) ⁽³⁾ Prospect split between PL533 (20% equity) and PL 492 (30% equity)

⁽⁴⁾ Excludes Netherlands prospective resources (3 MMboe)

Proven & Probable Reserves



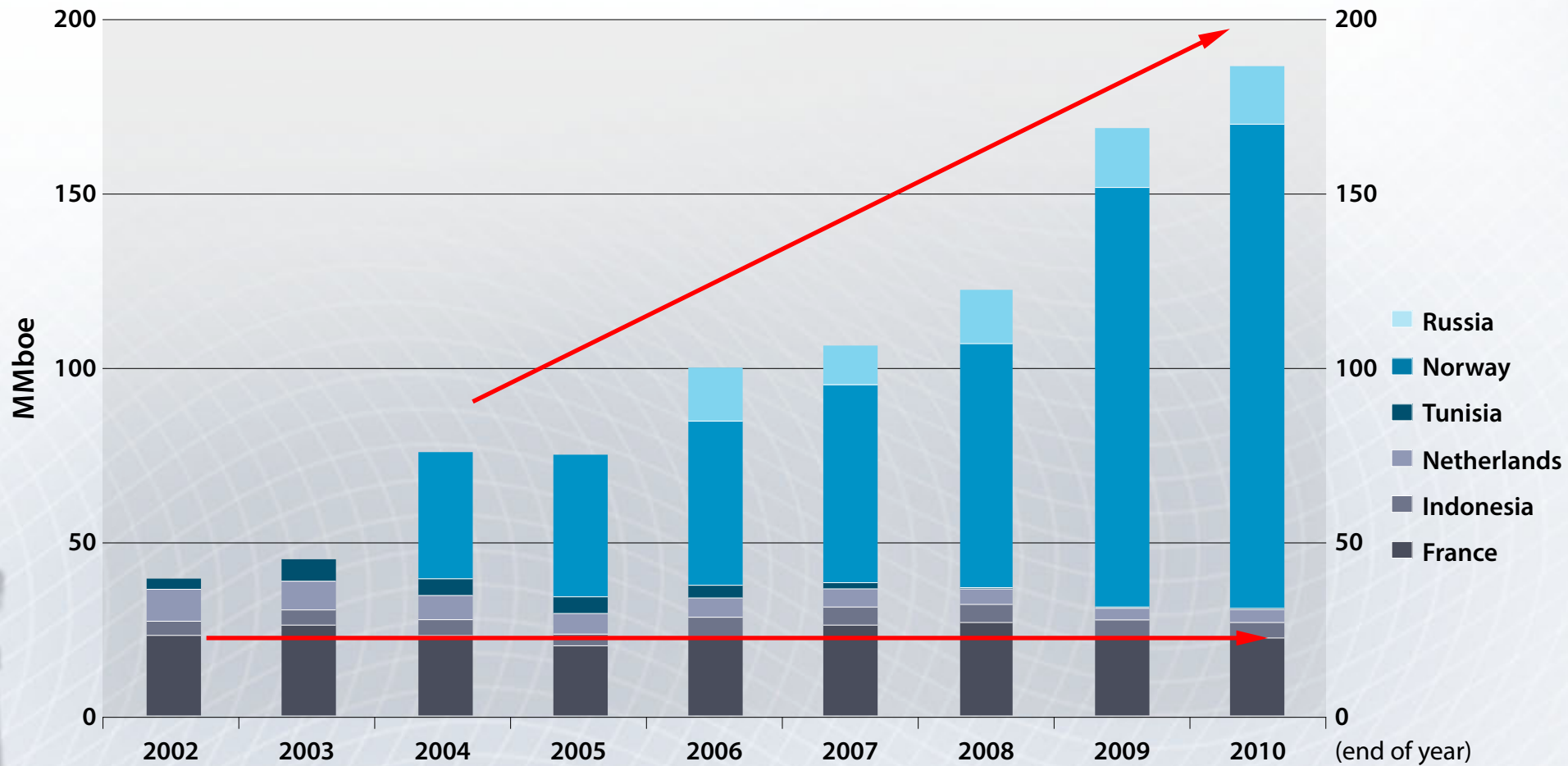
Total 186.7 MMboe	
End 2009 MMboe	255.9
- Produced	11.9
+ New Reserves (excl sales/acquisitions)	28.3
- Sales	85.5
End 2010 MMboe	186.7
2010 Reserves Replacement Ratio	237%
2010 Increase in Reserves	18%

Reserves Growth



➤ 383% reserves increase in Norway

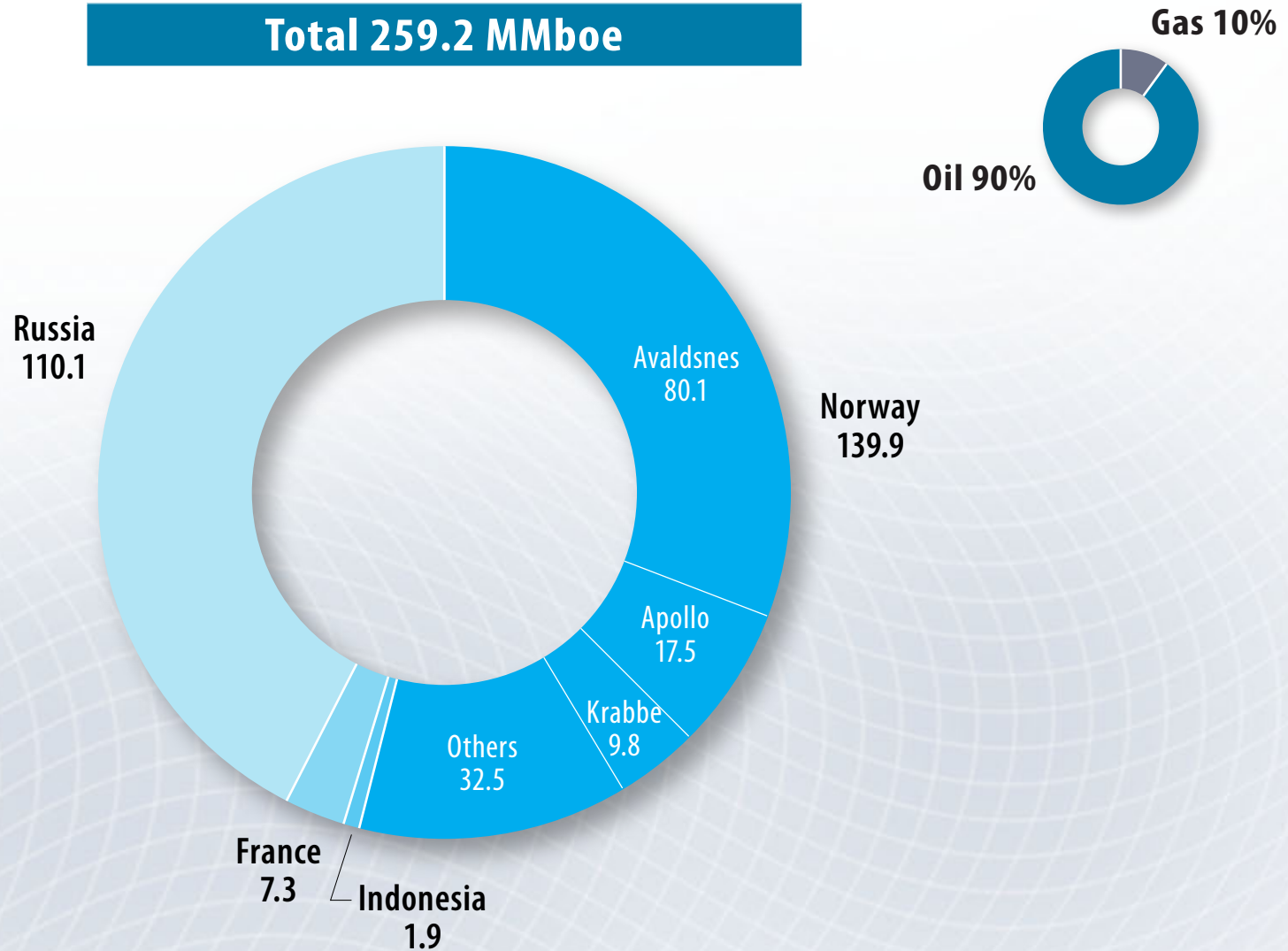
➤ No decline in French reserves



Contingent Resources



Total 259.2 MMboe



- **Strong production and cashflow**
- **Development programme**
- **Exploration focus to continue**

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