

Financial Presentation - First Quarter 2012



WF11478

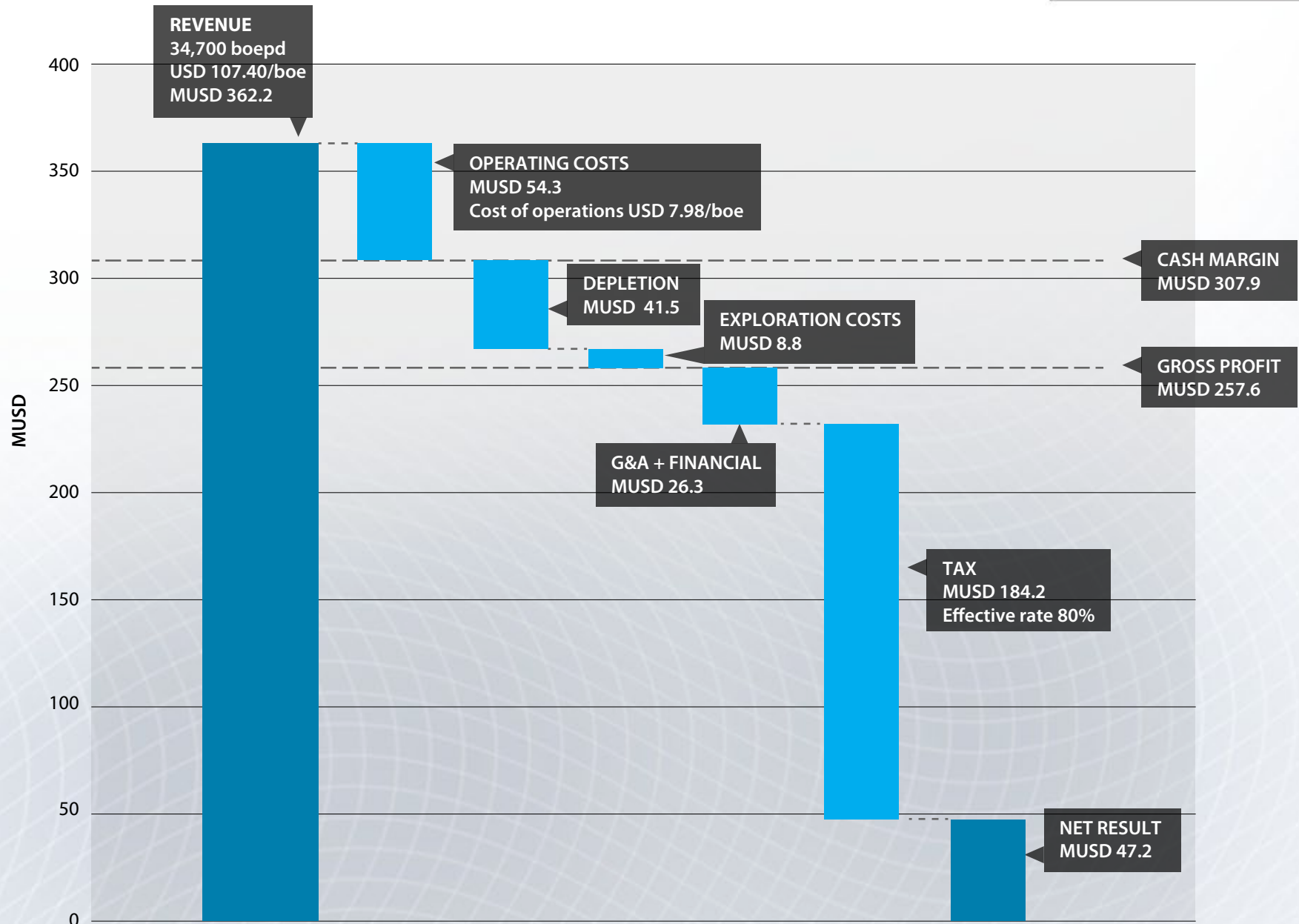
*C. Ashley Heppenstall, President & CEO
Geoff Turbott, VP Finance & CFO*

First Quarter 2012 Highlights

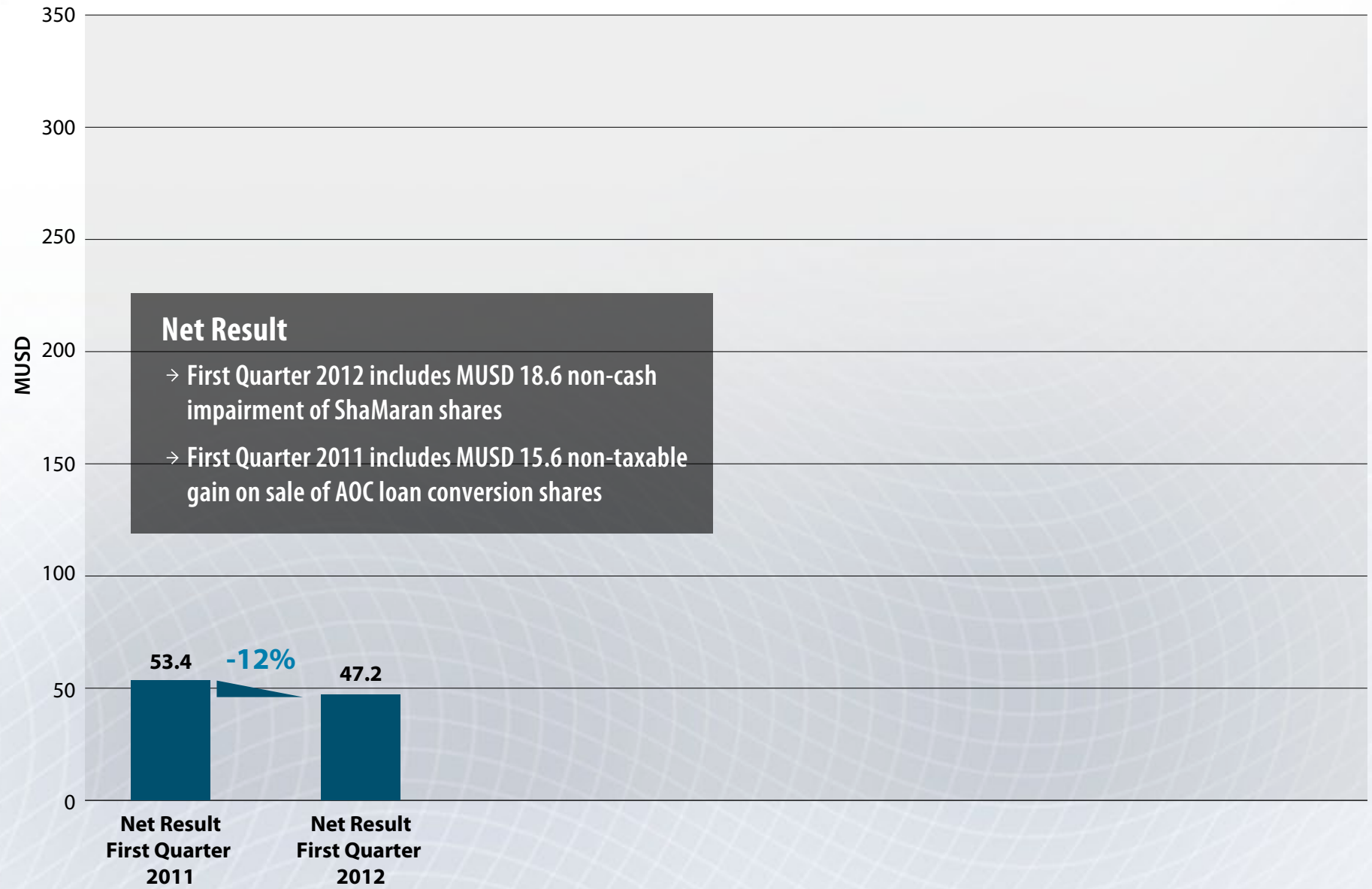


	First Quarter 2012
Production (boepd)	34,700
Average Brent oil price (USD/boe)	118.60
Cost of operations (USD/boe)	7.98
Net result (MUSD)	47.2
EBITDA (MUSD)	309.2
Operating cash flow (MUSD)	166.6

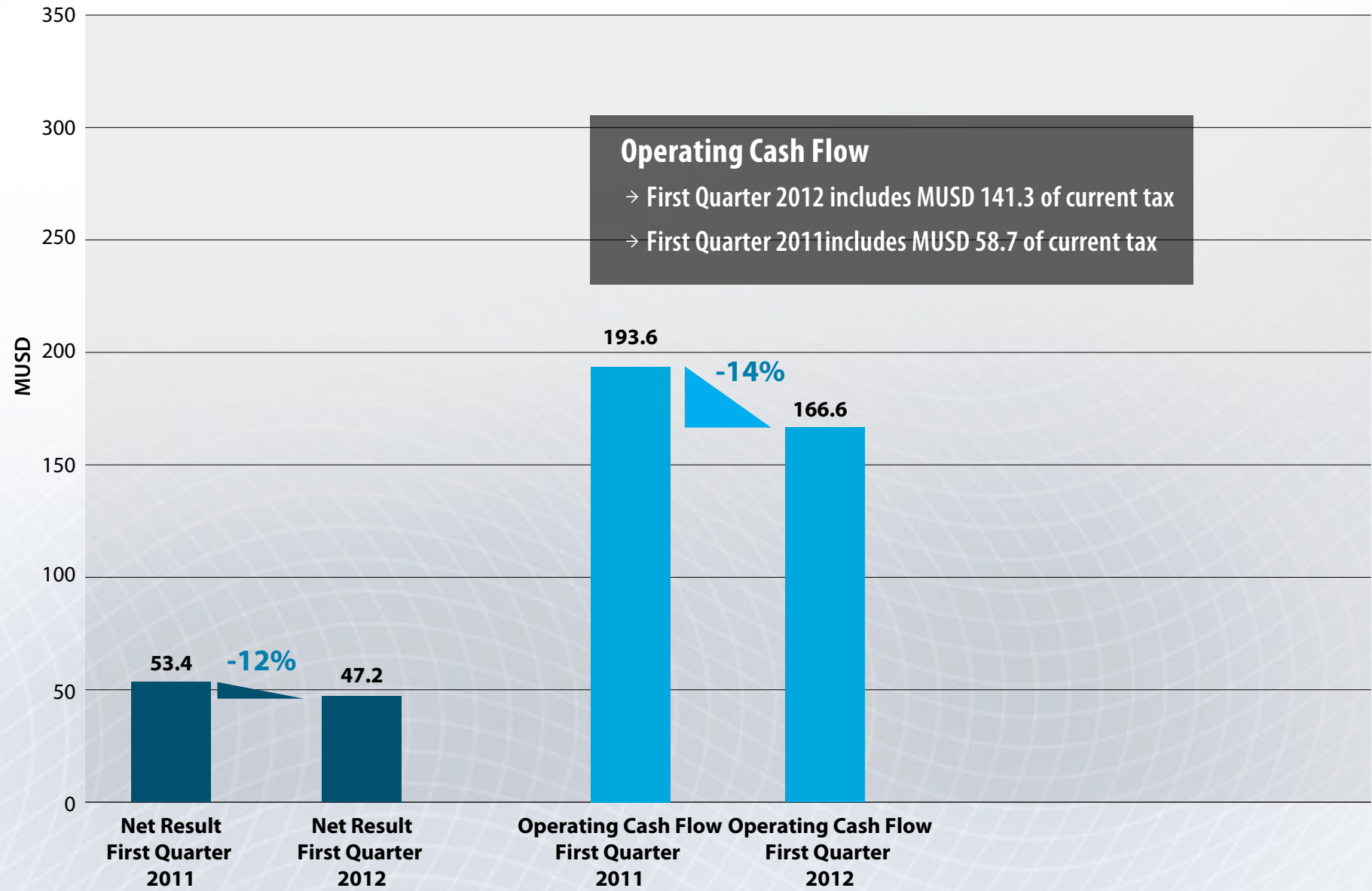
Financial Results - First Quarter 2012



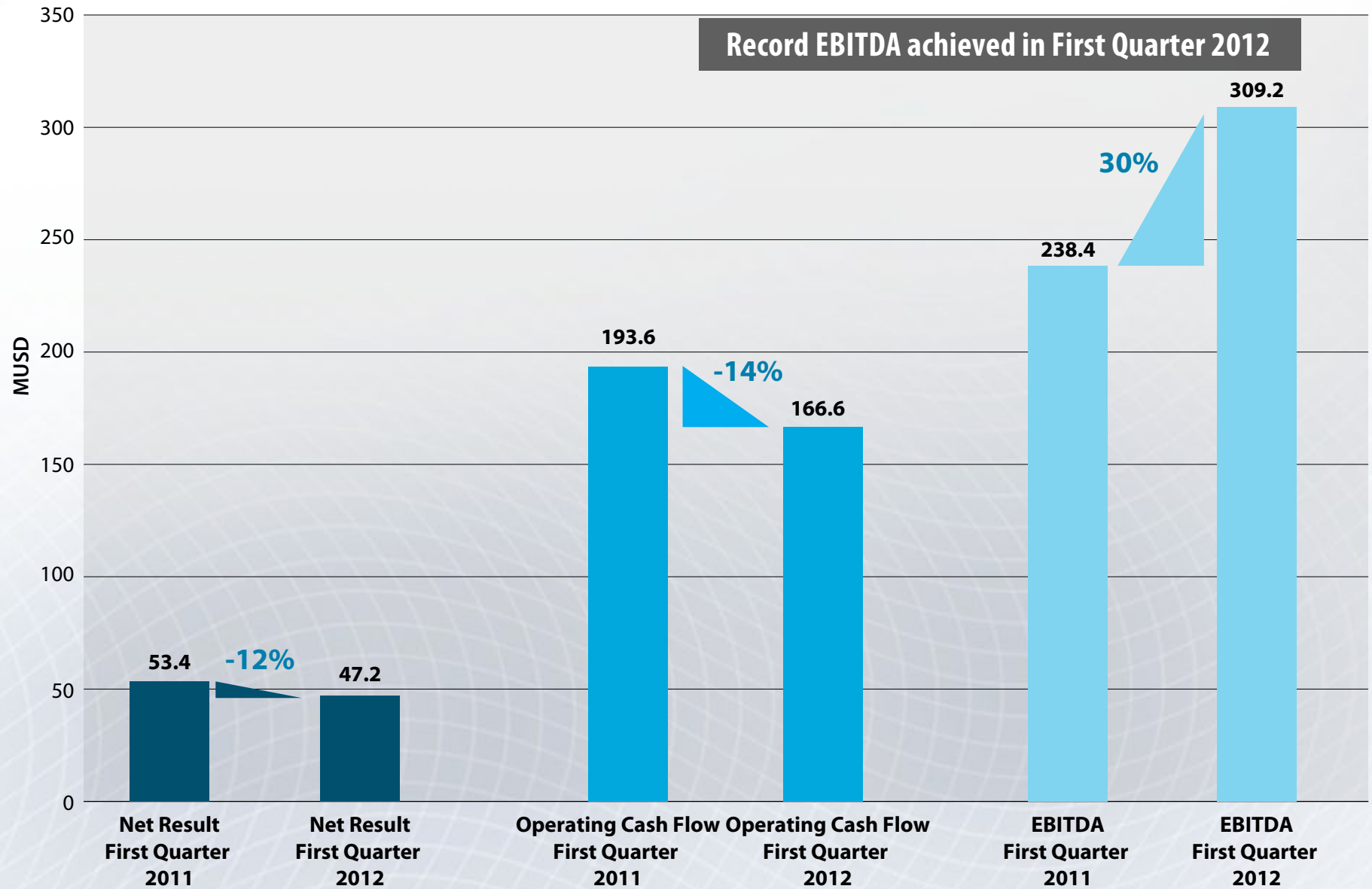
Financial Results - First Quarter 2012



Financial Results - First Quarter 2012



Financial Results - First Quarter 2012



Netback - First Quarter 2012 (USD/boe)



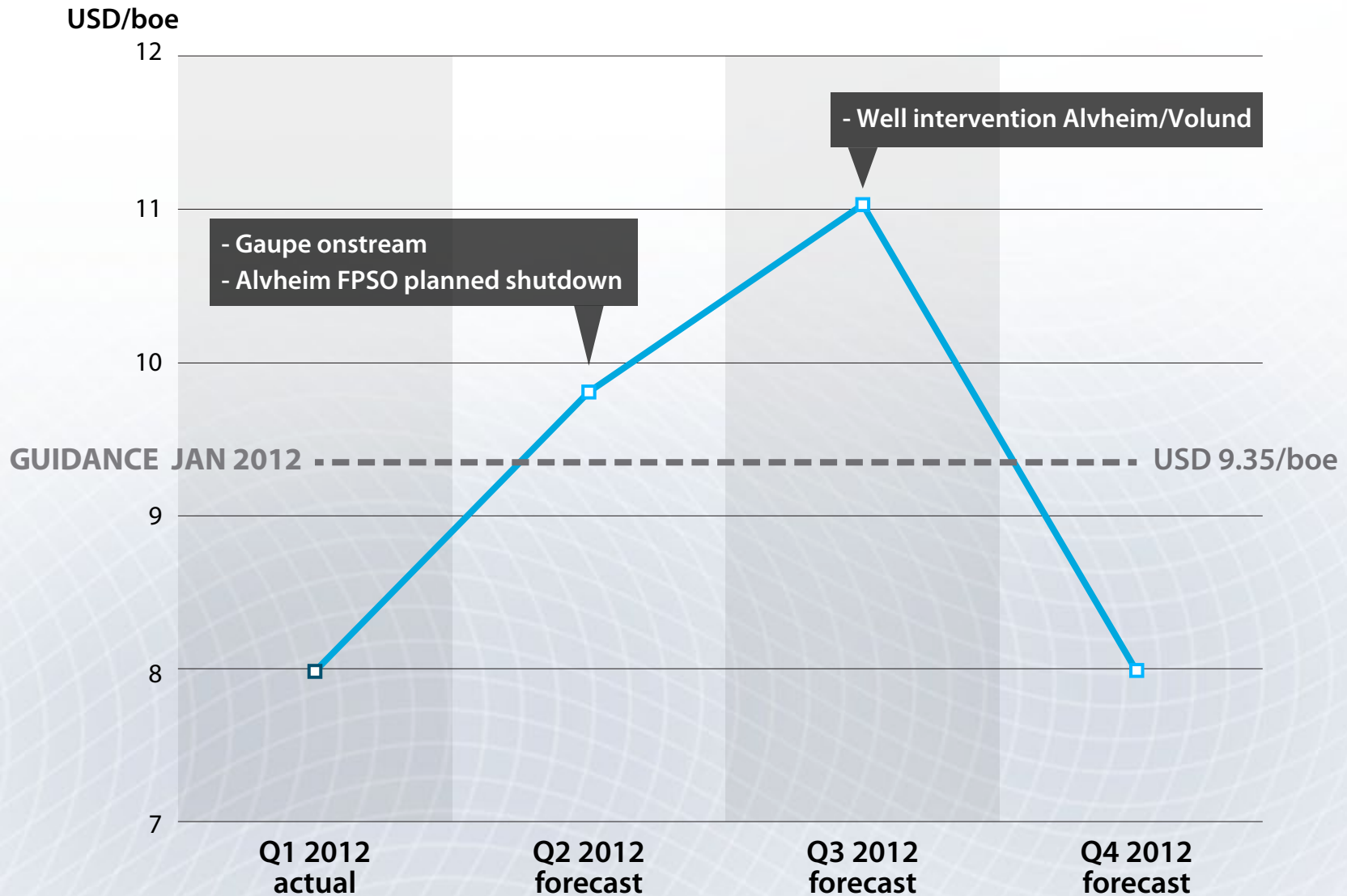
	First Quarter 2012
<i>Average Brent oil price USD/boe</i>	118.60
Revenue	114.84
Cost of operations	-7.98
Tariffs	-2.17
Production taxes	-3.97
Stock movement	-2.94
Other	-0.17
Cash Margin	97.61
Cash taxes	-44.80
Operating Cash Flow	52.81
General and administration costs ⁽¹⁾	0.41
EBITDA	98.02

⁽¹⁾ Adjusted for depreciation

Cost of Operations - First Quarter 2012



➤ Average 2012 forecast cost of operations in line with guidance



Exploration Costs - First Quarter 2012



		First Quarter 2012 MUSD	First Quarter 2012 after Tax MUSD
Norway	licence relinquishment	0.6	0.1
Congo (Brazzaville)	ongoing costs	1.2	1.2
Indonesia	Rangkas Block relinquishment	6.8	5.3
Others		0.2	0.2
Exploration Costs		8.8	6.8

G & A / Financial Items - First Quarter 2012



	First Quarter 2012 MUSD
General & Administration Expenses	
General & administration cash charge	(7.7)
Non-cash provision - Long Term Incentive Plan	8.2
	0.5
Net Financial Items	
Impairment of ShaMaran shares ⁽¹⁾	(18.6)
Foreign exchange loss	(4.1)
Interest + other	(4.1)
	(26.8)

⁽¹⁾ no tax credit

Tax - First Quarter 2012



	First Quarter 2012	
	USD/boe	Effective tax rate
Current tax charge	44.80	61%
Deferred tax charge	13.59	19%
	58.39	80%

Effective Tax Rate - First Quarter 2012



- **2012 Effective Tax Rate:** → **80%**
 - Exploration Costs

- **2012 Effective Tax Rate excluding One-off Items:** → **78%**
 - General & Administrative
 - Financial Items - including impairment of ShaMaran shares

- **2012 Operational Tax Rate:** → **70%**

Liquidity [MUSD]



→ at 31 March 2012

Debt Outstanding	227
-------------------------	------------

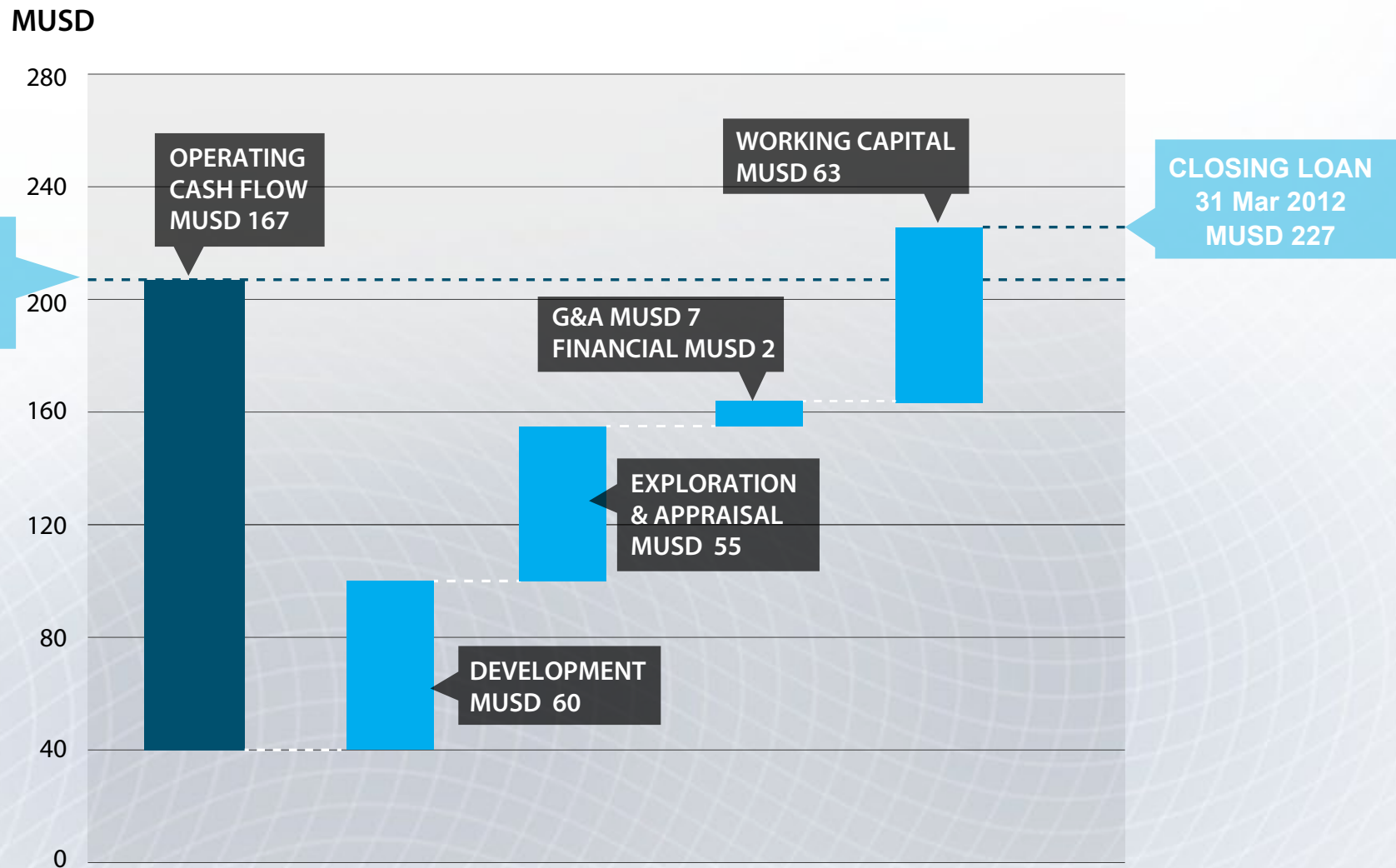
Cash Balances	138
----------------------	------------

Net Debt Position	89
--------------------------	-----------

Availability Under Credit Facility⁽¹⁾	630
---	------------

⁽¹⁾ Current loan facility MUSD 850 with reducing availability to 2014

Debt Position - First Quarter 2012



➤ Discussions well advanced for new financing facility to be completed by mid-2012

	MUSD	
➔ Development cost to be funded ⁽¹⁾	➔ 2,500	(over 4 years)
➔ Current exploration spend	➔ 400	(per annum)
➔ Operating cash flow generated 2011	➔ 675	
➔ Existing asset base ⁽¹⁾ supports borrowings	➔ ~ 2,500	

➤ Ongoing development and exploration costs will continue to be funded from cash flow and bank borrowings

⁽¹⁾ Excluding Johan Sverdrup

➤ Solid production and cash flow

- ➔ 34,700 boepd production
- ➔ Record EBITDA USD 309.2 Million
- ➔ Gaupe field onstream

➤ Appraisal success in Norway

- ➔ Johan Sverdrup
 - Second appraisal well successfully completed. Encountered good quality reservoir on prognosis
 - Pre-Unit agreement signed

➤ Development

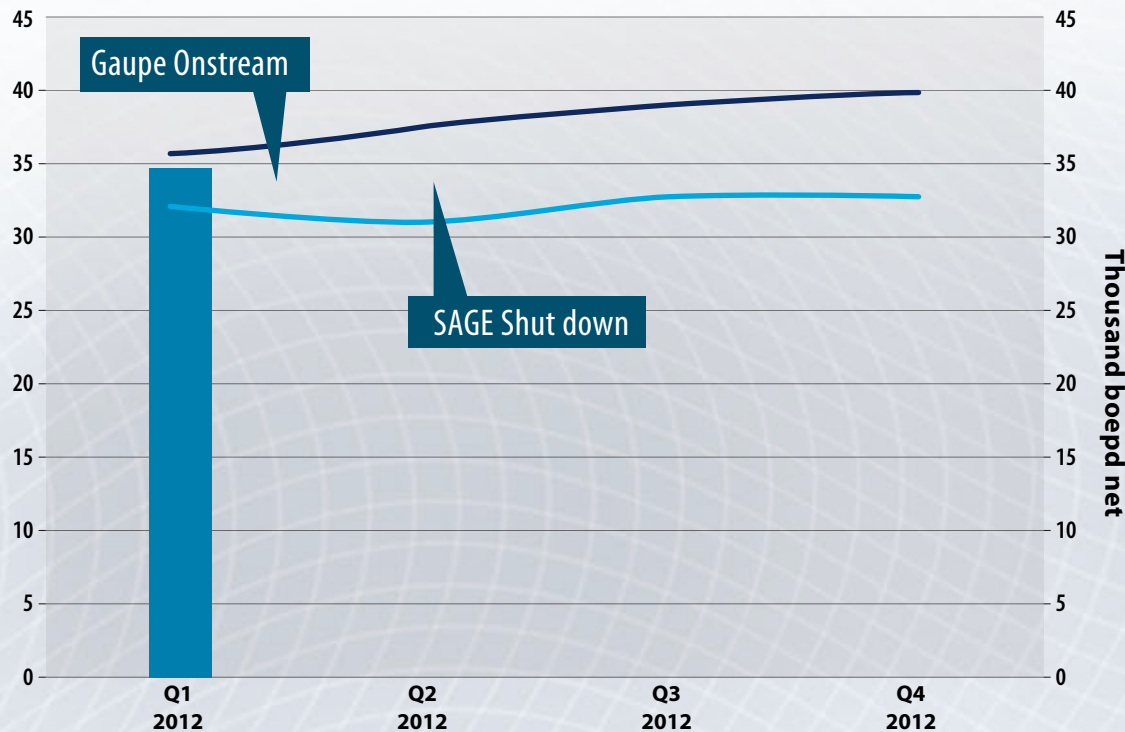
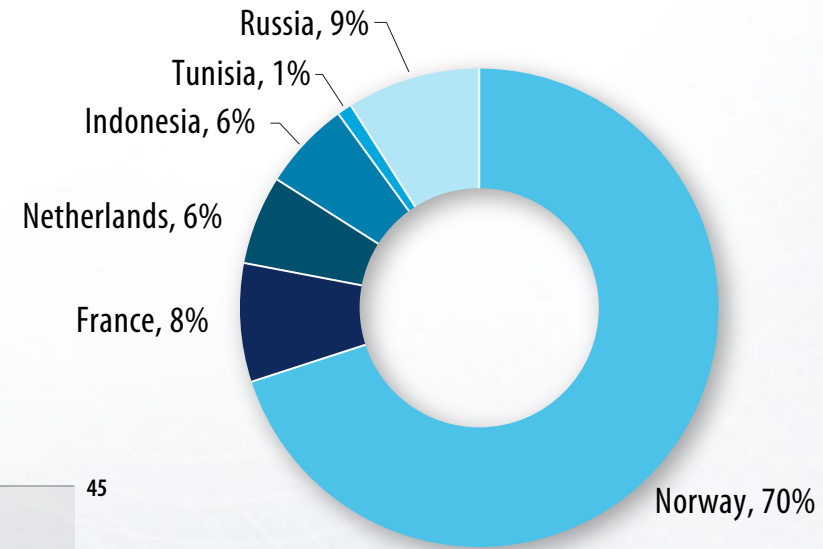
- ➔ Edvard Grieg
 - Coordinated development agreement with Draupne field.
 - Plan of Development approved by the the Ministry of Petroleum & Energy
 - Major contracts awarded - Kværner, Rowen & Saipem

2012 Production Guidance



- **Q1 production: 34,700 boepd**
 - ➔ Alvheim: 12,300 boepd
 - ➔ Volund: 13,200 boepd

- **2012 production guidance maintained:**
 - ➔ 32,000 - 38,000 boepd



2012 Production guidance

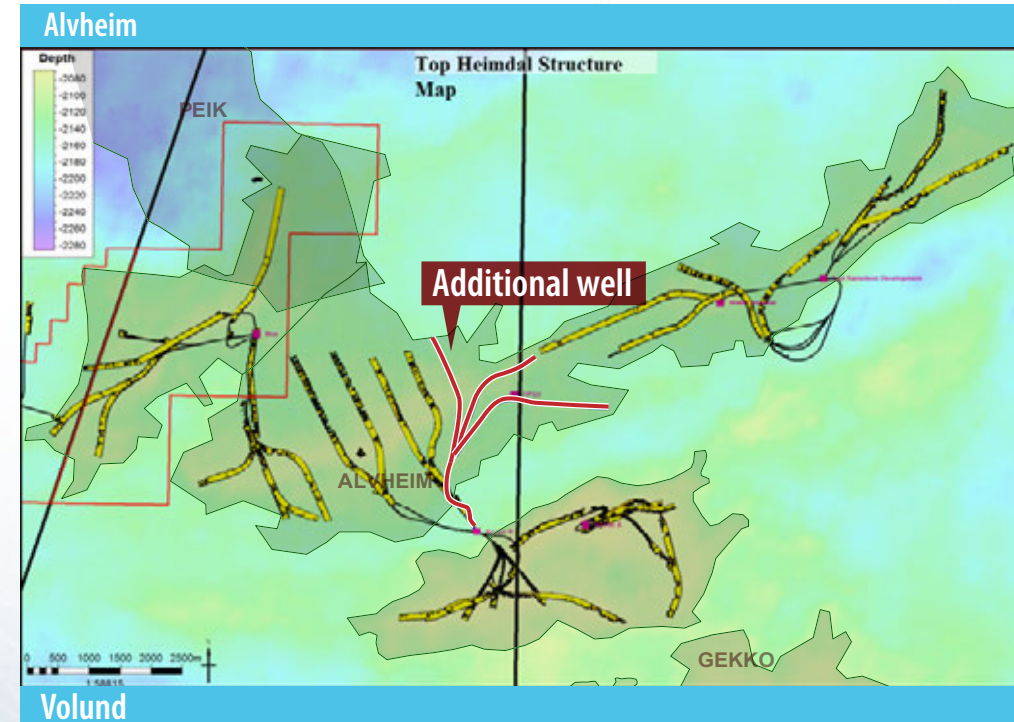
- High
- Low

Greater Alvheim Area



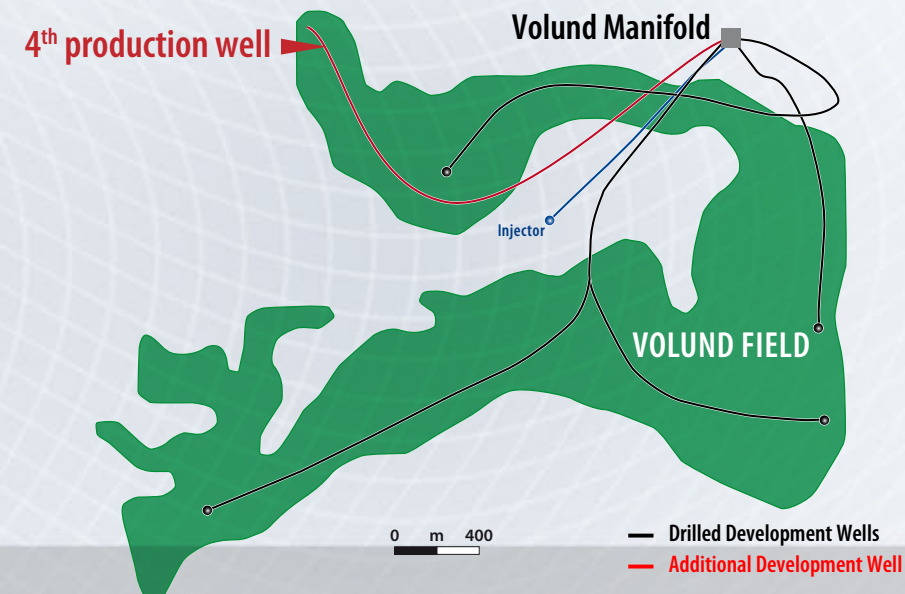
Alvheim Field

- **Lundin Petroleum 15%**
 - ➔ Marathon 65%, ConocoPhillips 20%
- **Gross 2P reserves: 174 MMboe**
- **2011 Production at 11,200 boepd net**
- **Alvheim cost of operations ~USD 5/boe for 2011**
- **2012 Kameleon multilateral infill well**



Volund Field

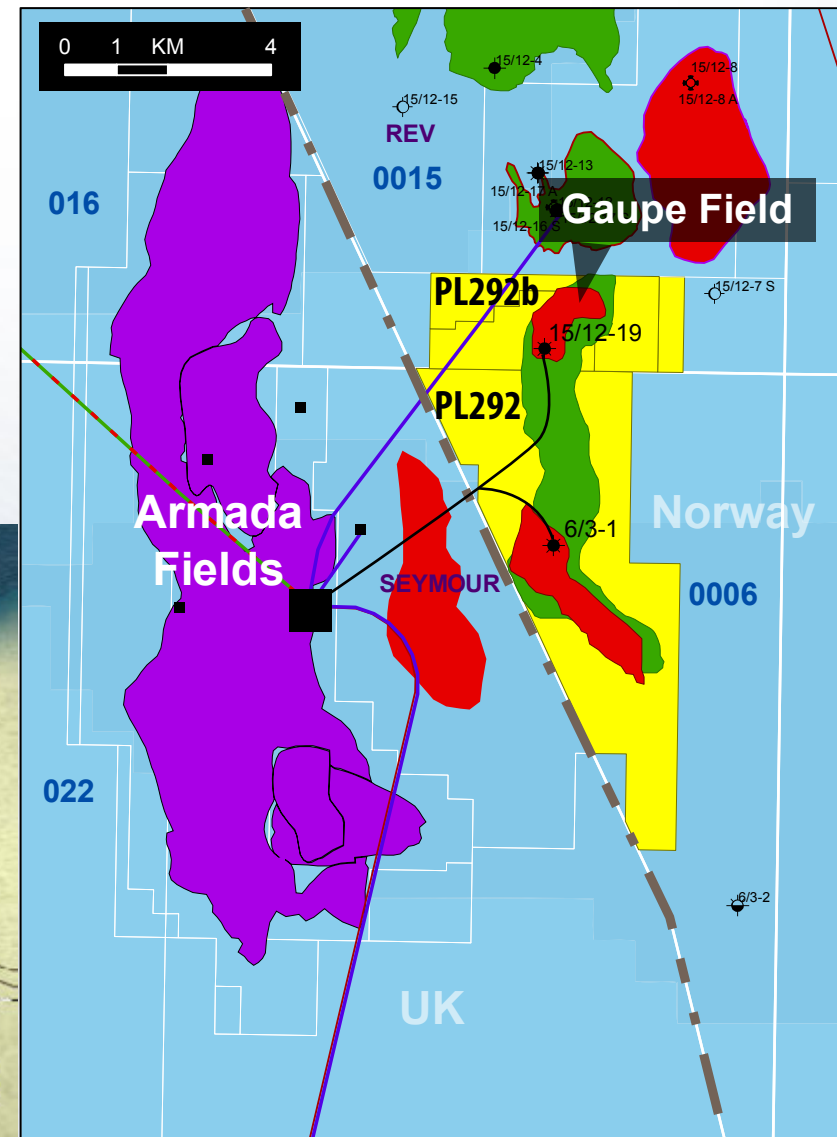
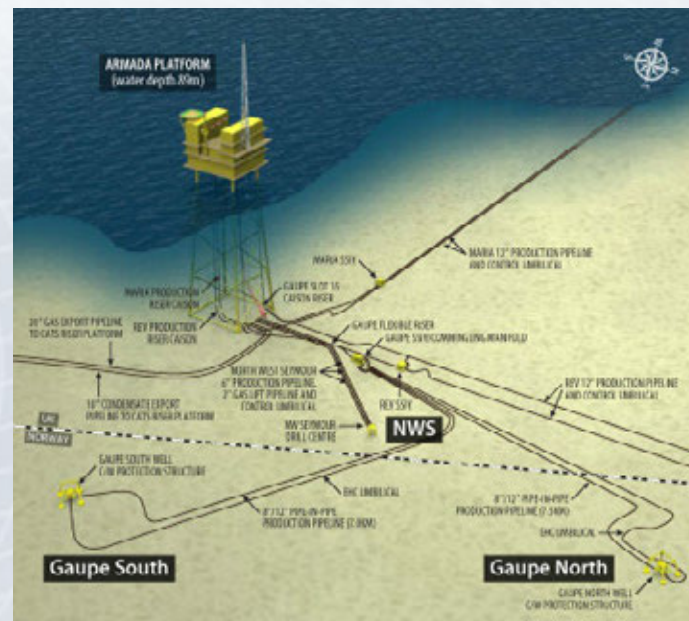
- **Lundin Petroleum 35%**
 - ➔ Marathon 65% (operator)
- **Gross 2P reserves: 37 MMboe**
- **2011 net production of 12,000 boepd**
- **Operating cost**
 - ➔ Cost of operations 3.2 USD/boe
 - ➔ Tariff to Alvheim 3.2 USD/boe
- **2012 North-West Volund infill well**



Gaupe - Onstream 31 March 2012



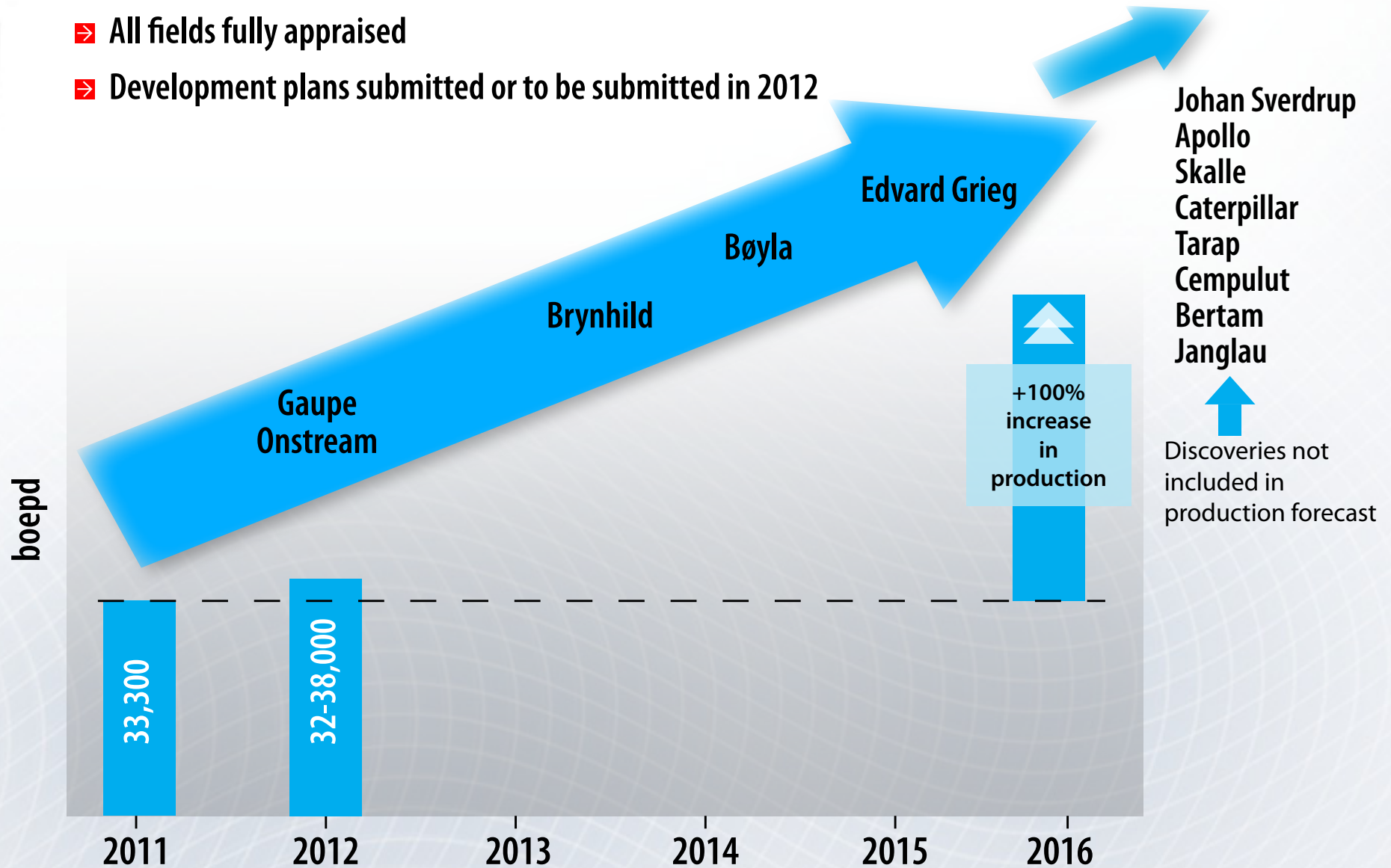
- Lundin Petroleum 40%
BG Norge 60% (operator)
- 2P gross reserves of 31.3 MMboe
- Two subsea wells tied back to Armada fields
- Production commenced end March 2012
- Plateau production ~ 5,000 boepd net



Production to Double from Ongoing Development Projects



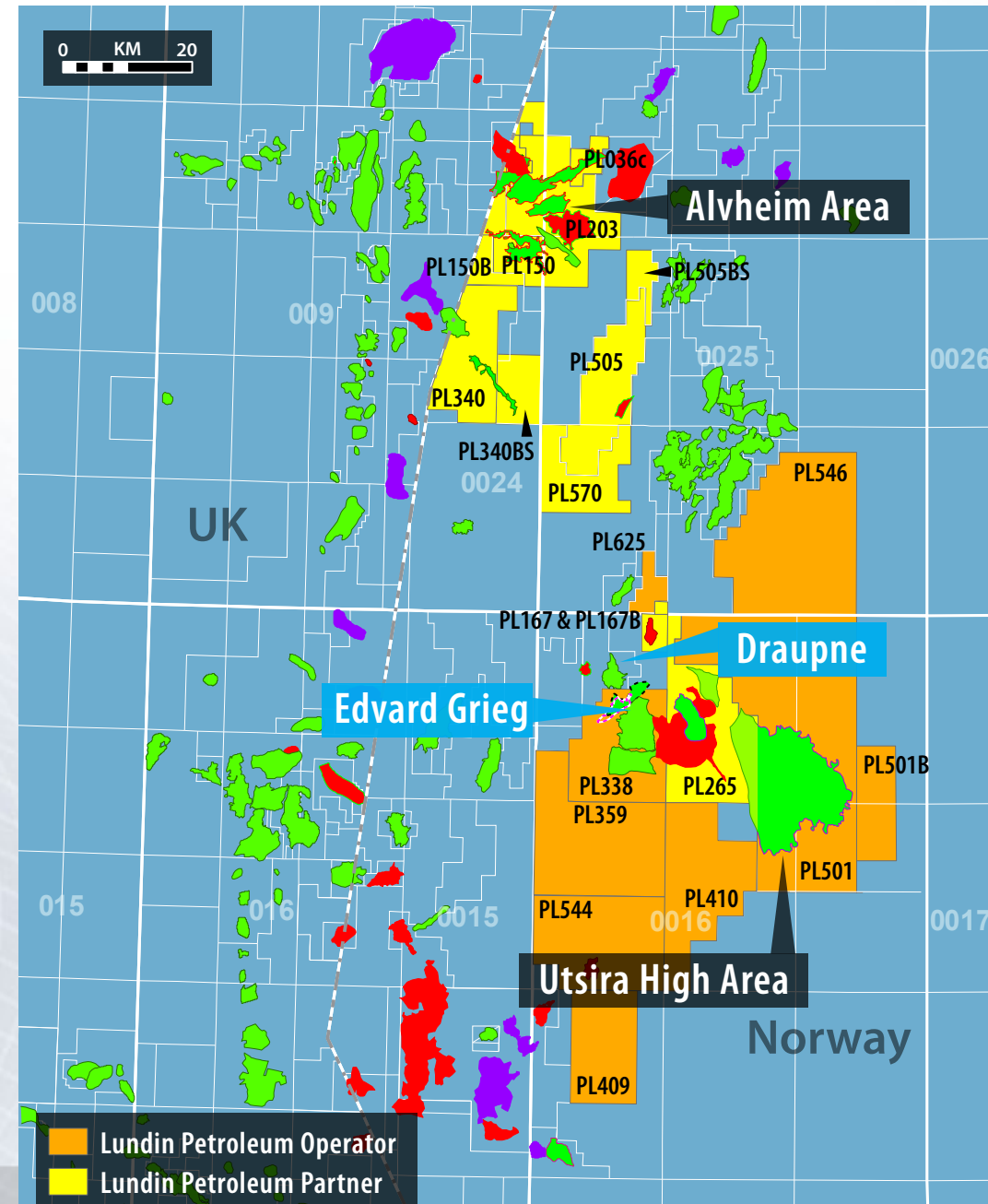
- All fields fully appraised
- Development plans submitted or to be submitted in 2012



Utsira High Area - Edvard Grieg Development



- ➔ Lundin Petroleum interest: 50% (operator)
 - ➔ Wintershall 30%, RWE Dea 20%
- ➔ Development plan approved by the Ministry of Petroleum & Energy
- ➔ 2P reserves: 186 MMboe gross
- ➔ Plateau production rate: 100,000 boepd gross
- ➔ Commercial agreement for coordinated development with Draupne
- ➔ Lundin Petroleum to join the club of fixed asset installation operators on the Norwegian North Sea



Edvard Grieg Development Project



- **Production startup Oct 2015**
- **Capital costs: 24 NOK billion**
- **Drilling 15 wells from jack-up rig**
 - ➔ 11 producers and 4 water injectors
 - ➔ Contract award to Rowan companies
- **Platform PdQ**
 - ➔ Jacket and Topsides - contracts awarded to Kværner
 - ➔ Marine installations - contract awarded to Saipem
 - ➔ Design capacity
 - Oil: 90 000 bopd (with Draupne: >120 000 bopd)
 - Gas: 2 MSm³/d (with Draupne: 4 MSm³/d)
 - ➔ Prepared for coordinated development with a Draupne platform development
- **Export pipelines**
 - ➔ Oil export pipeline to Grane
 - ➔ Gas export pipeline



Johan Sverdrup - A New Giant in Norway



- PL501 licence operated by Lundin Petroleum (40%)

➔ Partners: Statoil 40%, Maersk 20%

**➔ Gross contingent resources end 2011
on block 800 – 1,800 MMbo**

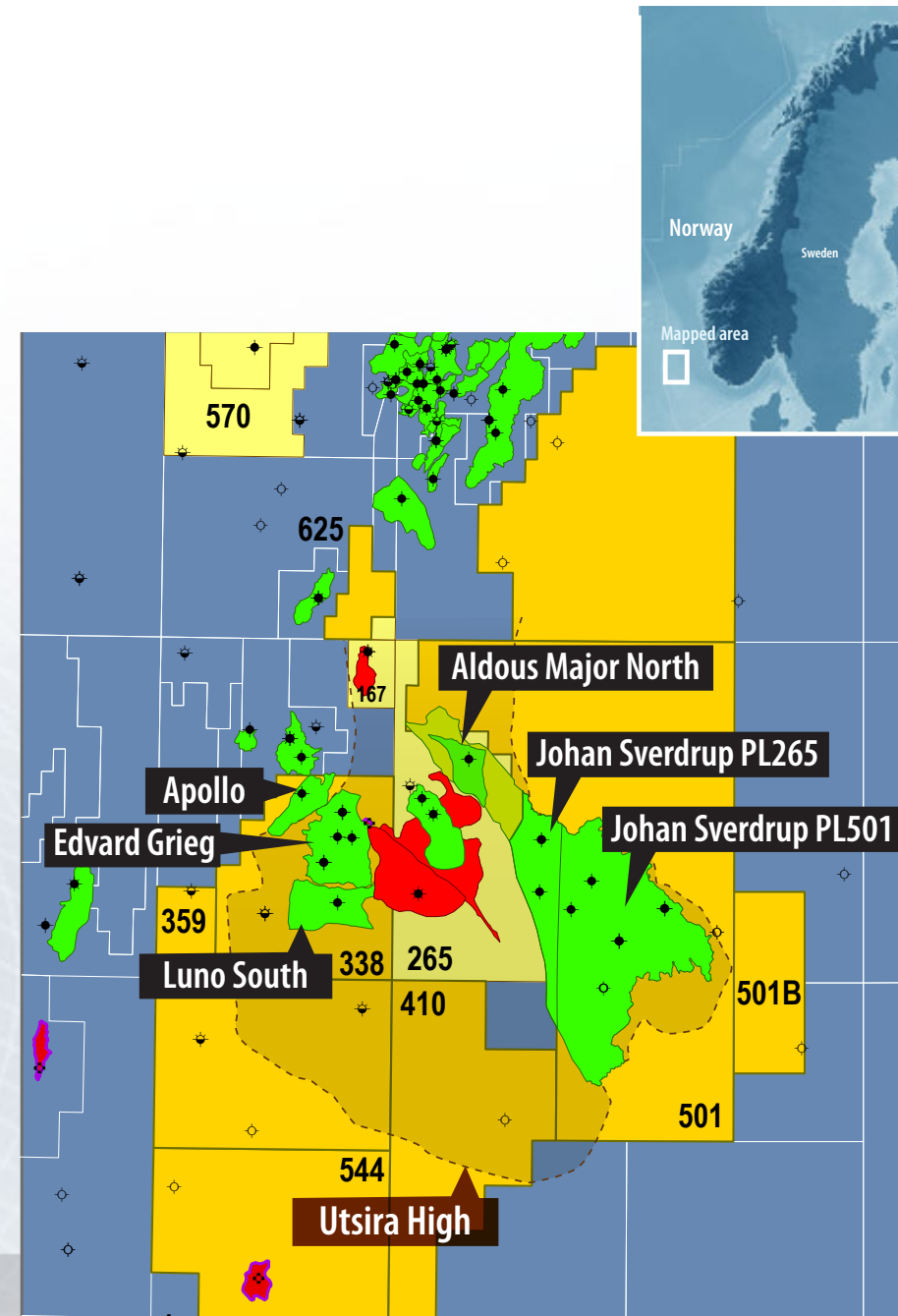
- PL265 licence operated by Statoil (40%)

➔ Partners: Petoro 30%,
Det Norske 20%,
Lundin Petroleum 10%

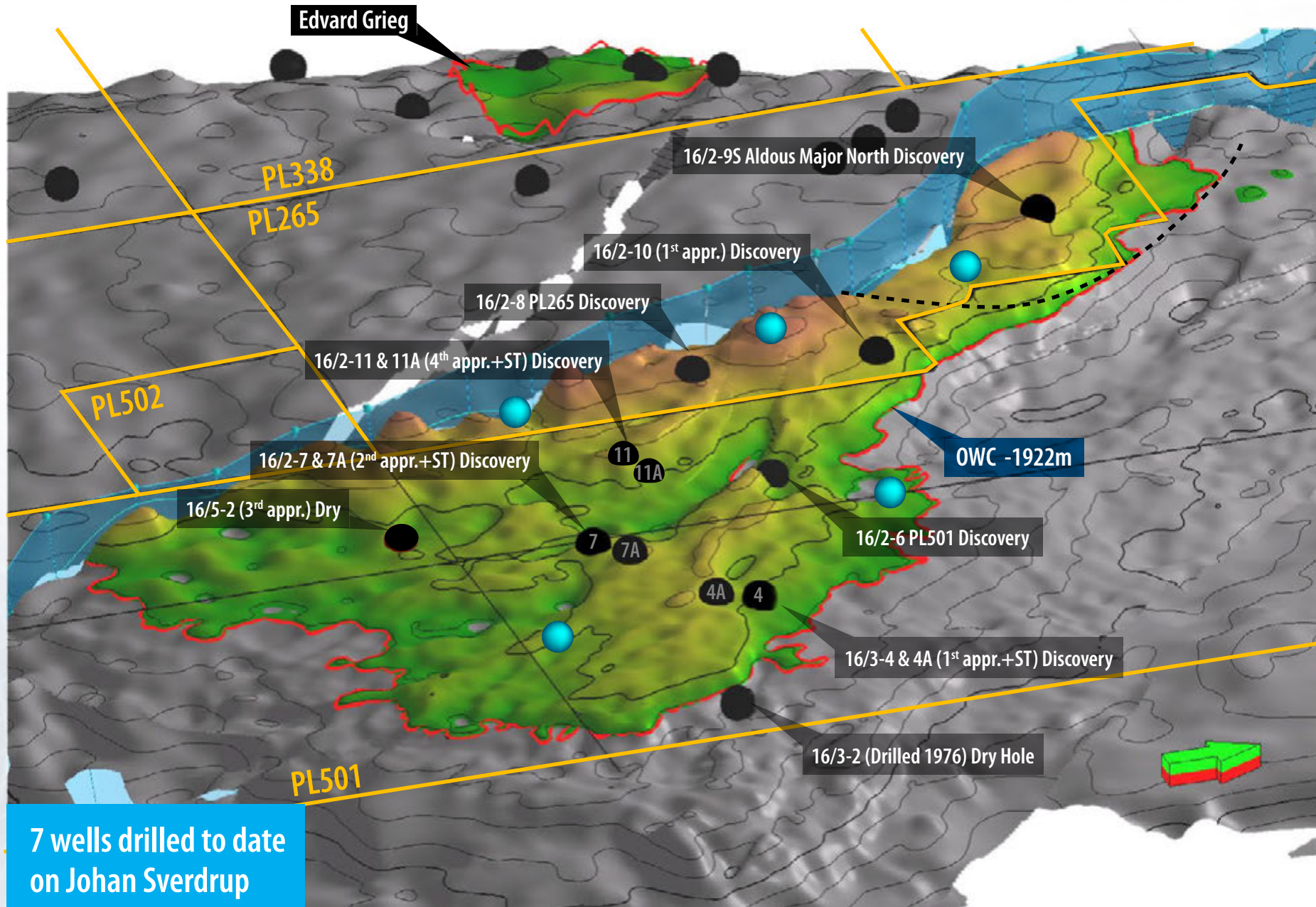
**➔ Gross contingent resources end 2011
on block 900 – 1,500 MMbo⁽¹⁾**

**1,700 - 3,300
MMbo**

- Updated resource estimates after current appraisal drilling programme



Johan Sverdrup Appraisal Programme

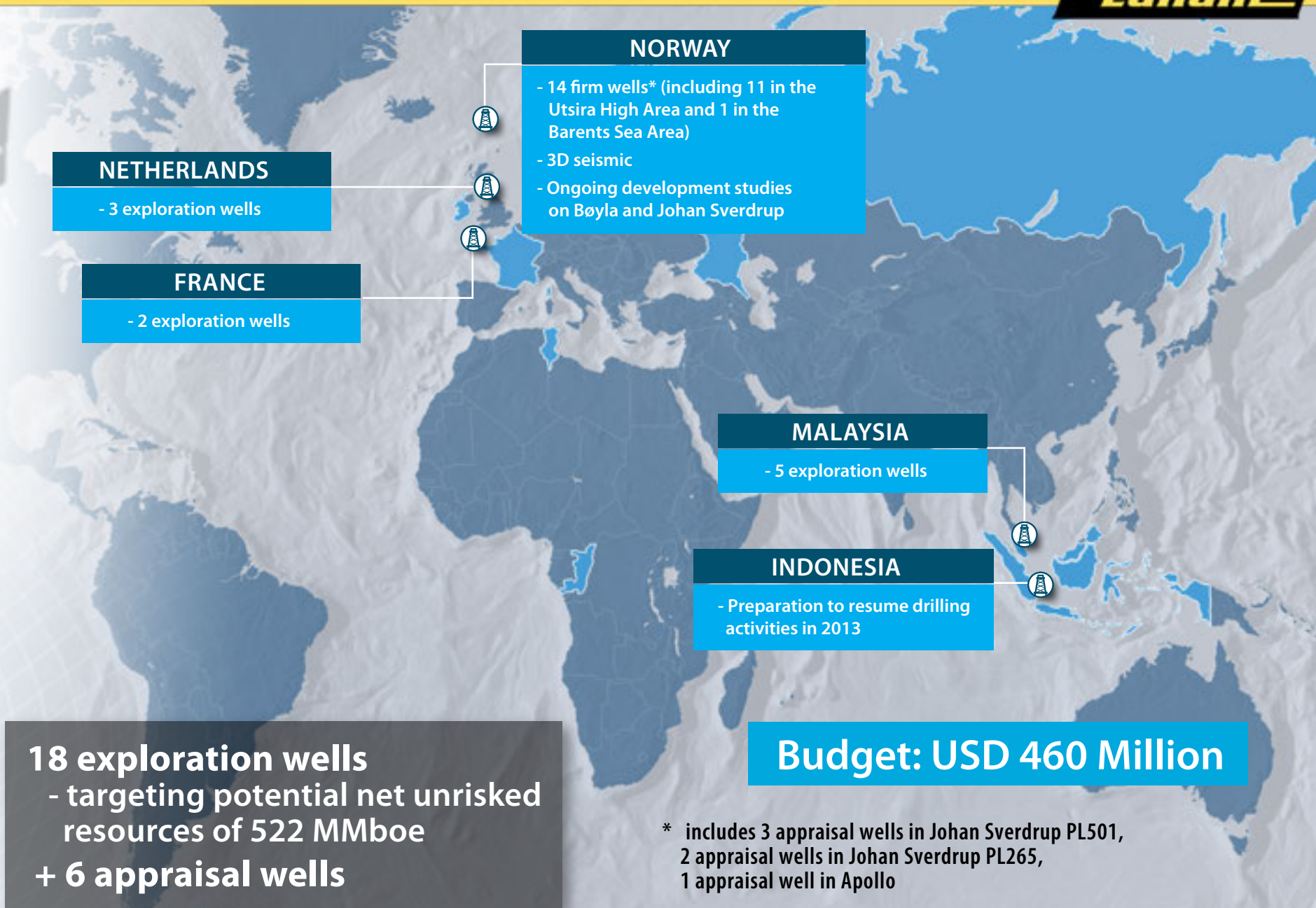


Pre-Unit Agreement for Johan Sverdrup



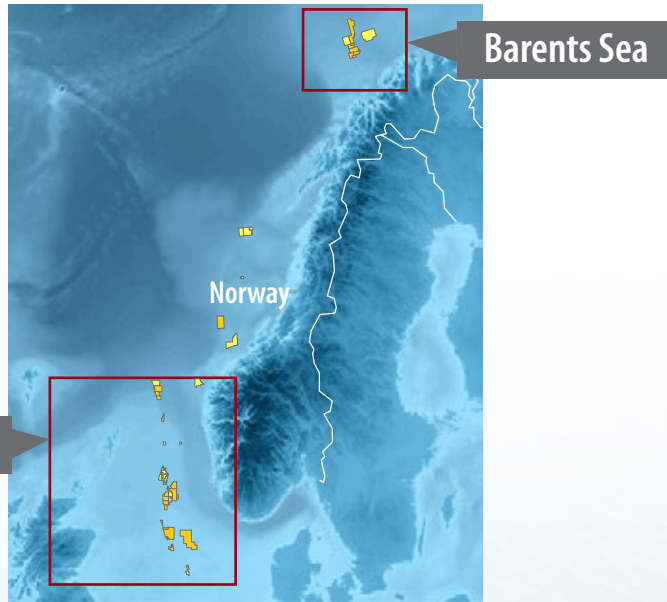
- ➔ **Pre-Unit Agreement signed in first quarter 2012**
- ➔ **Johan Sverdrup to be developed as one field**
- ➔ **Statoil “working operator” for pre-unit period**
- ➔ **Lundin Petroleum, operator PL501 and Statoil, operator PL265 to continue to be responsible for respective appraisal programmes**
- ➔ **Conceptual development studies ongoing**
- ➔ **Unitisation process to take place in parallel**

Exploration Licence - Budget 2012



* includes 3 appraisal wells in Johan Sverdrup PL501, 2 appraisal wells in Johan Sverdrup PL265, 1 appraisal well in Apollo

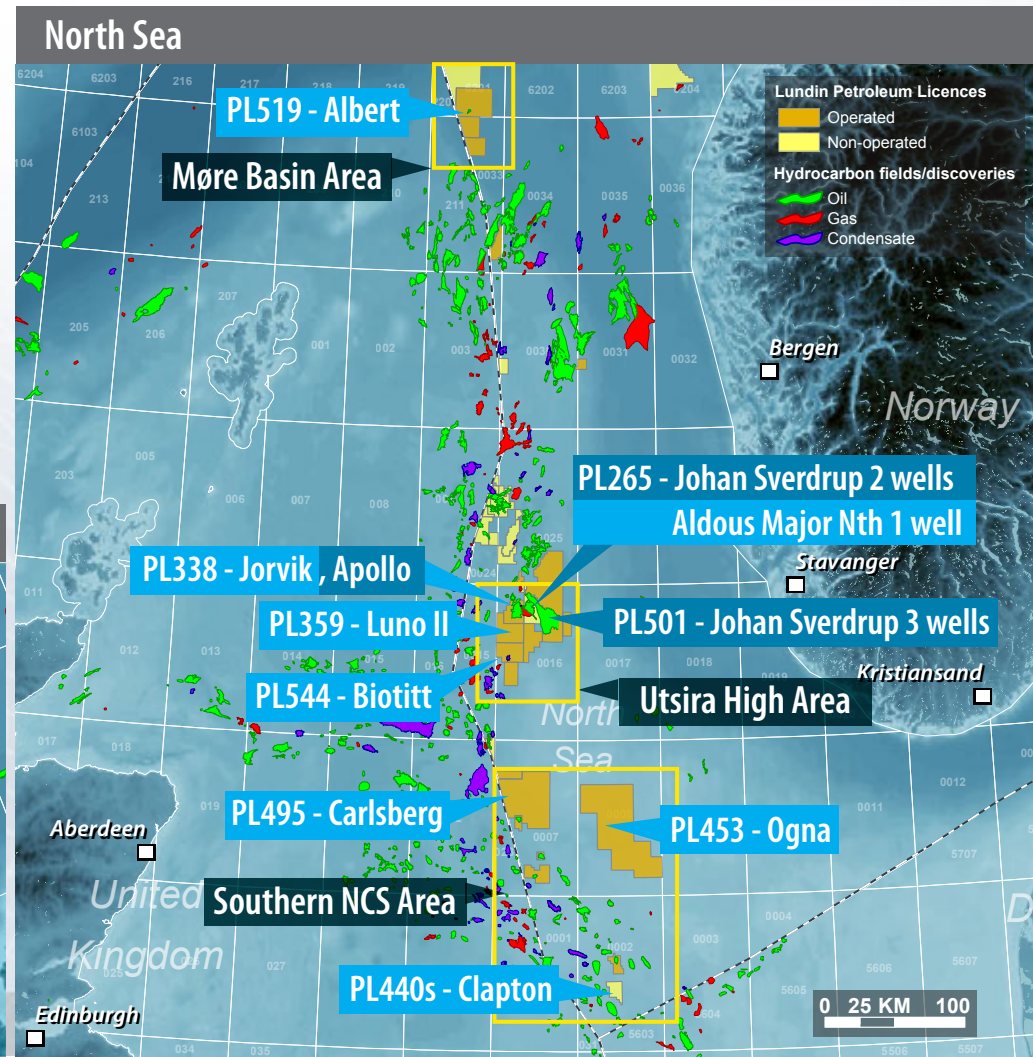
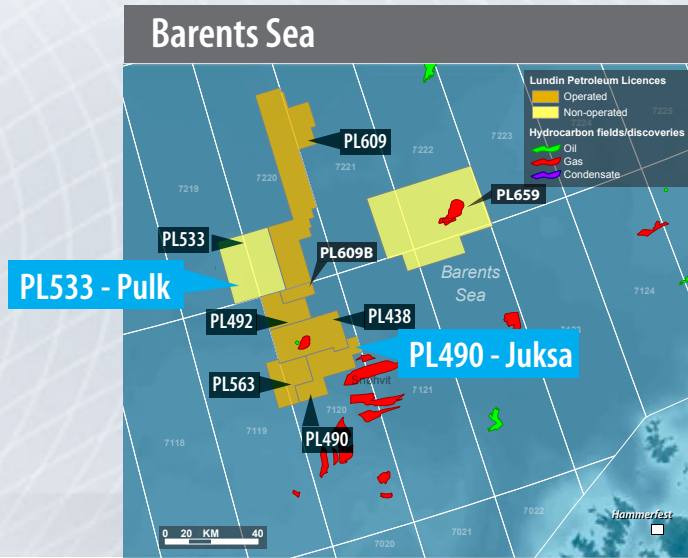
Norway Exploration Drilling Programme



➔ 4 Core Areas

Exploration (Drilling)

Appraisal (Drilling)



Utsira High Area Exploration



2012 Exploration Drilling

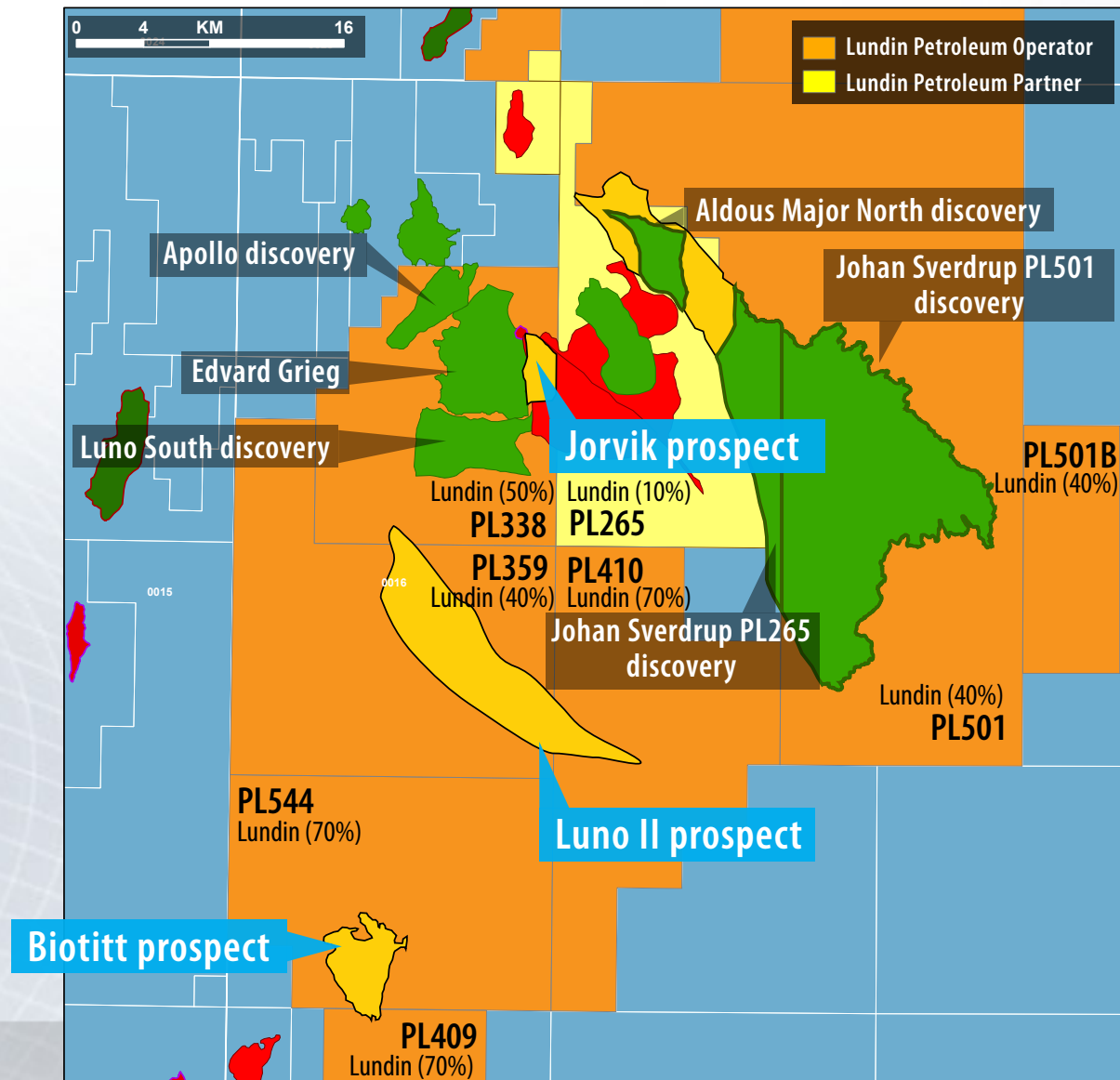
- PL359 (Lundin 40% operated)
Luno II prospect
➔ Gross unrisks prospective resources: 139 MMboe

2013 Exploration Drilling

- PL544 (Lundin 70% operated)
Biotitt prospect
➔ Gross unrisks prospective resources: 124 MMboe

- PL338 (Lundin 50% operated)
Jorvik prospect
➔ Gross unrisks prospective resources: 46 MMboe

- ⇒ Targetting a total of 166 MMboe net unrisks prospective resources

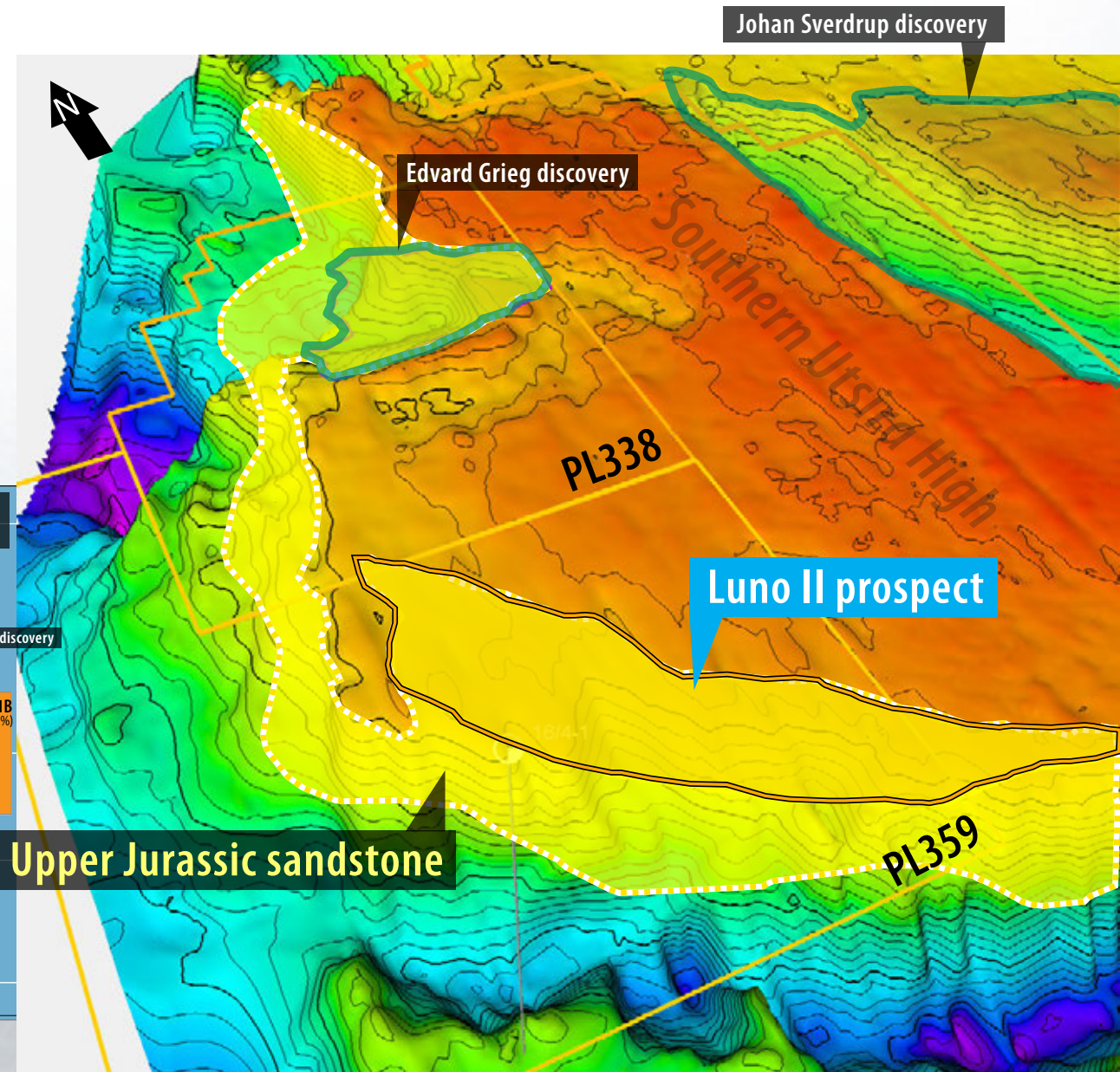
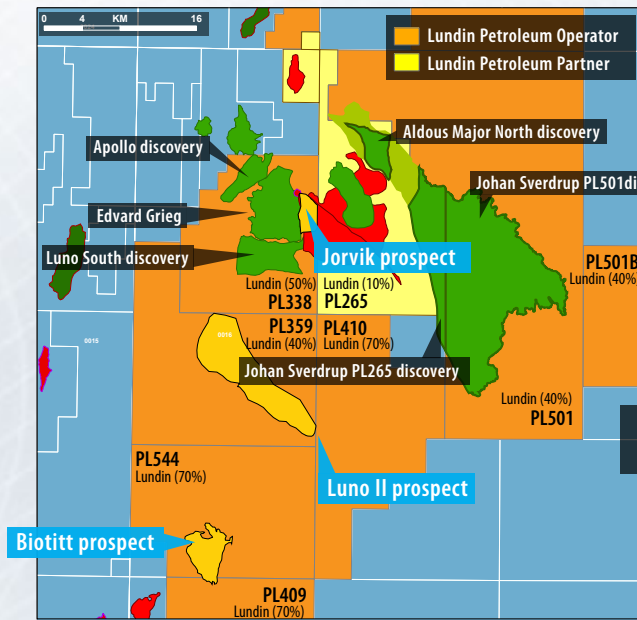


Luno II Prospect - PL359



2012 Exploration Drilling

- ➔ PL359 (Lundin 40% operated)
Luno II prospect
- ➔ Johan Sverdrup play type
- ➔ Reservoir: Upper Jurassic
- ➔ Gross unrisked prospective resources: 139 MMboe
- ➔ Drilling: Q4 2012



Møre Basin Area - A New "Core" Area



2012 Exploration Drilling

➔ PL519 (Lundin 40% operated)

Albert prospect

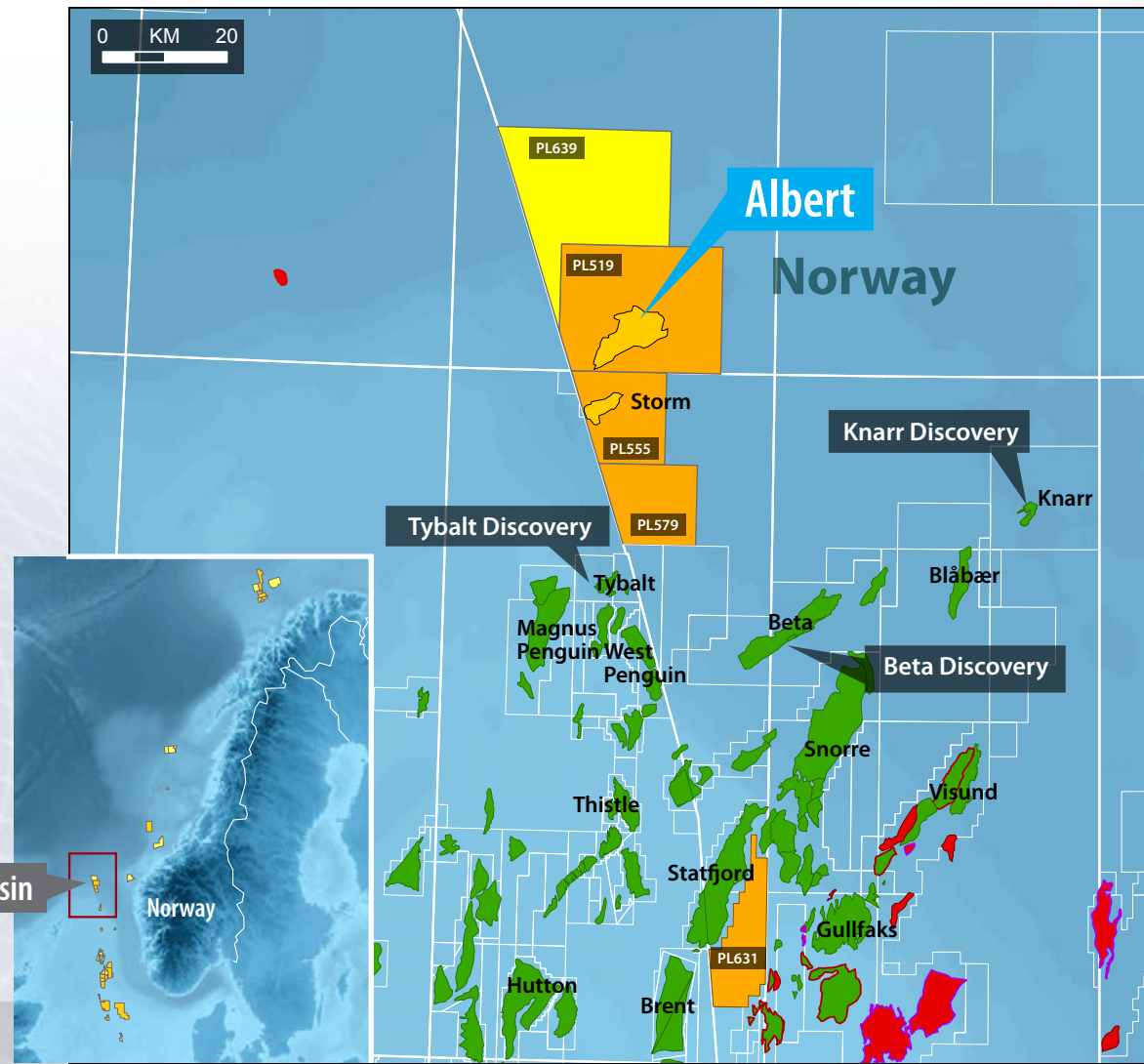
- ➔ Gross unrisked prospective resources: 177 MMboe
- ➔ Drilling: Ongoing

➔ Further prospectivity identified for 2013 drilling campaign

- ➔ Storm prospect

- Lundin operated block
- Lundin non-operated block

- PL519 Lundin 40% (Operator)
- PL555 Lundin 60% (Operator)
- PL579 Lundin 50% (Operator)
- PL631 Lundin 60% (Operator) - APA2011
- PL639 Lundin 20% (Partner) - APA2011



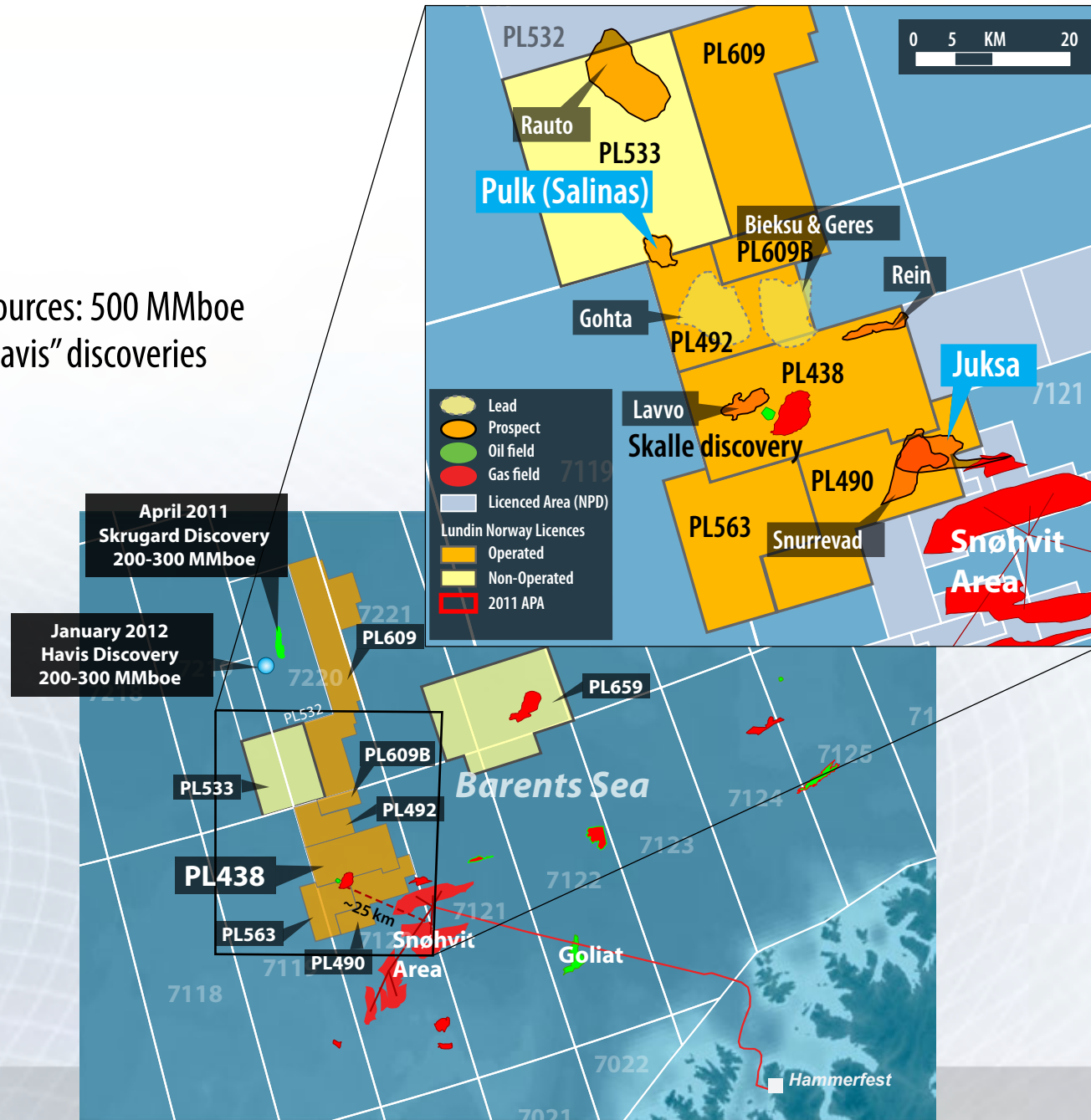
Barents Sea Area



2012 Exploration Drilling

- **PL533 (Lundin 20%)**
Pulk (Salinas) prospect
 - ➔ Gross unrisked prospective resources: 500 MMboe
 - ➔ On trend with "Skrugard and Havis" discoveries play type
 - ➔ Drilling Q2 2012

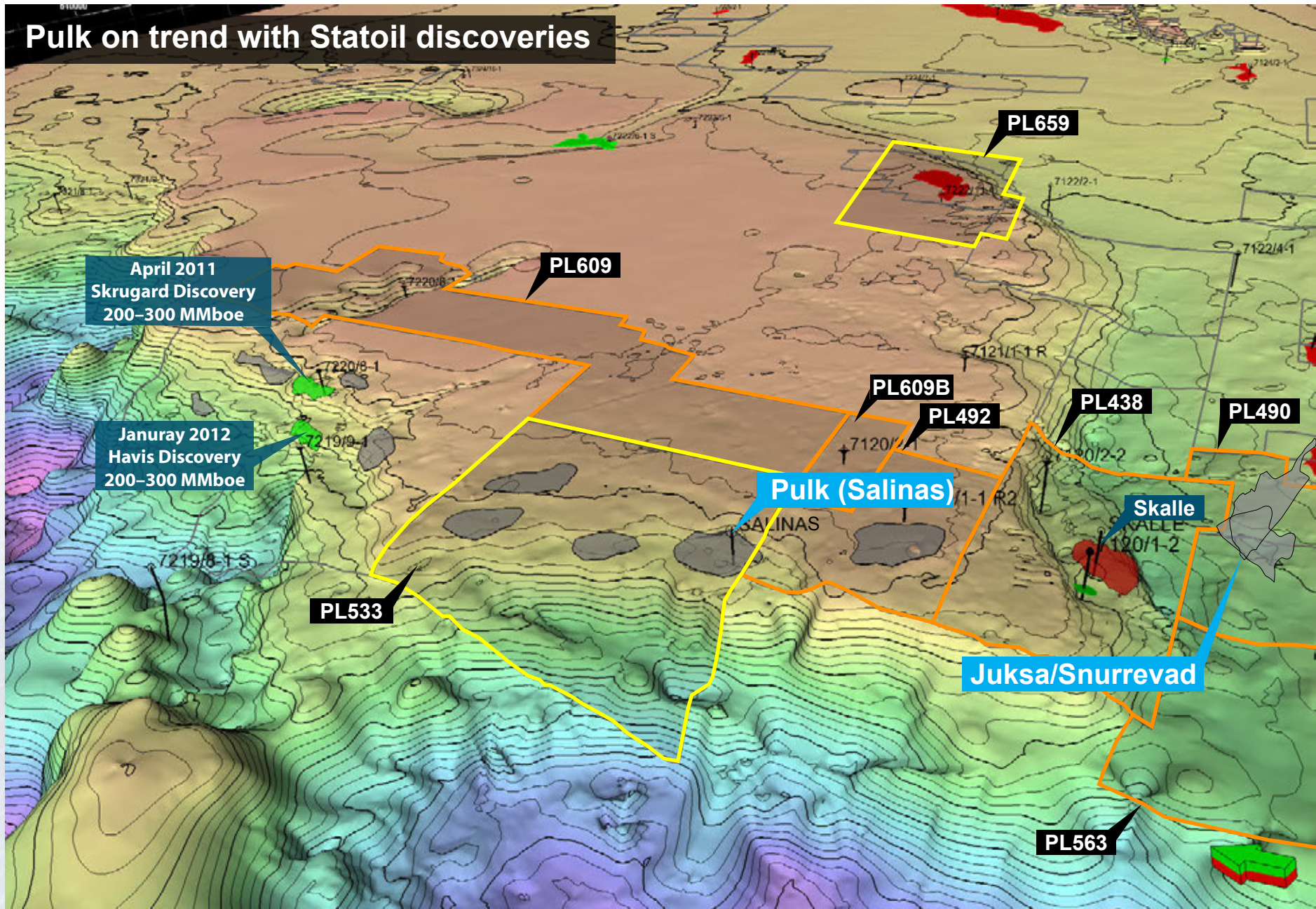
- **PL490 (Lundin 60%)**
Juksa/Snurrevad prospect
 - ➔ Cretaceous/Jurassic stratigraphic play
 - ➔ Volumes to be advised following third party review



Barents Sea



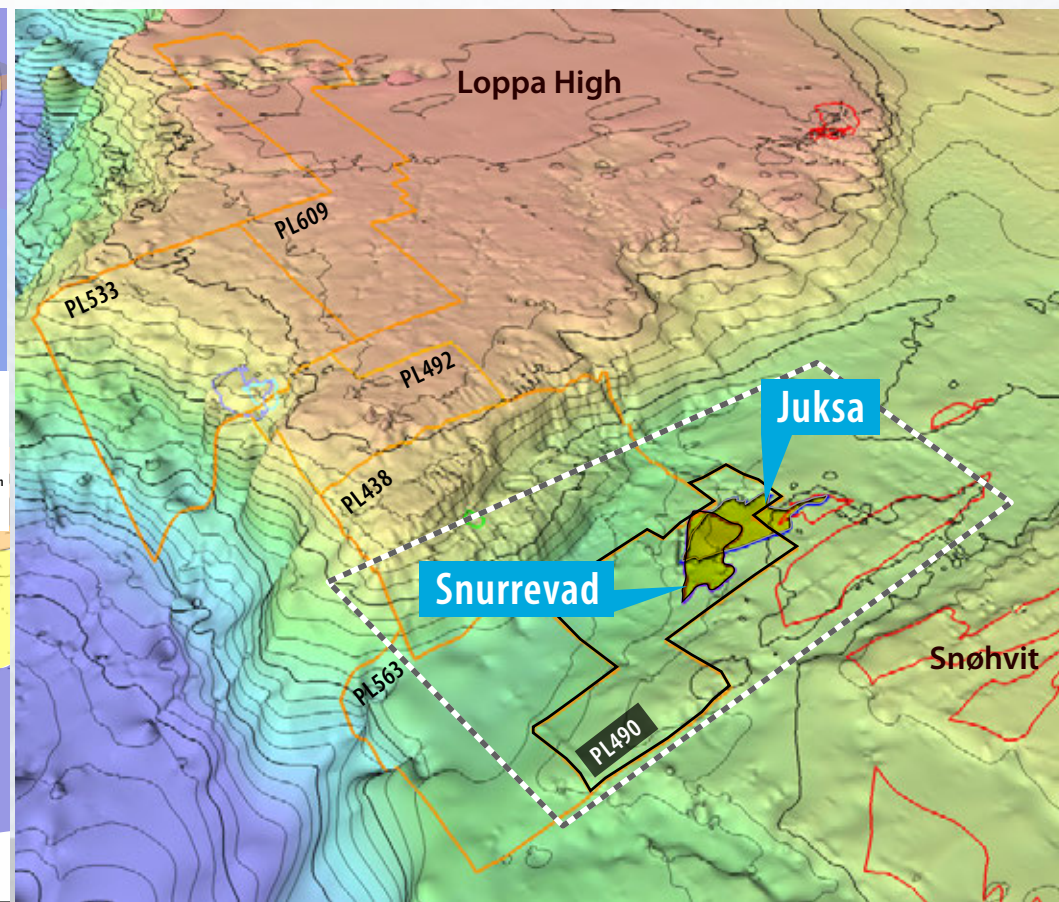
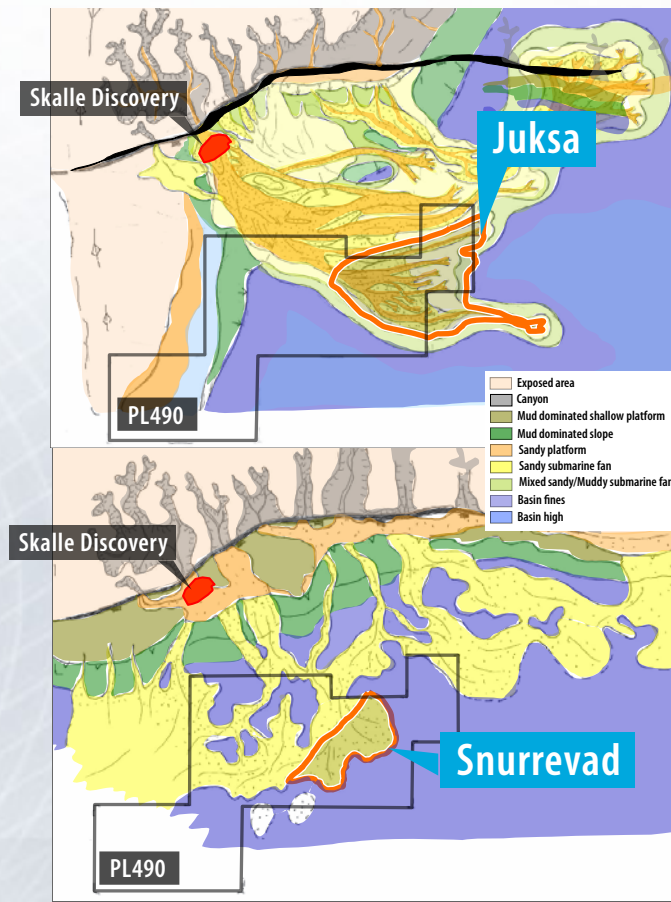
Pulk on trend with Statoil discoveries



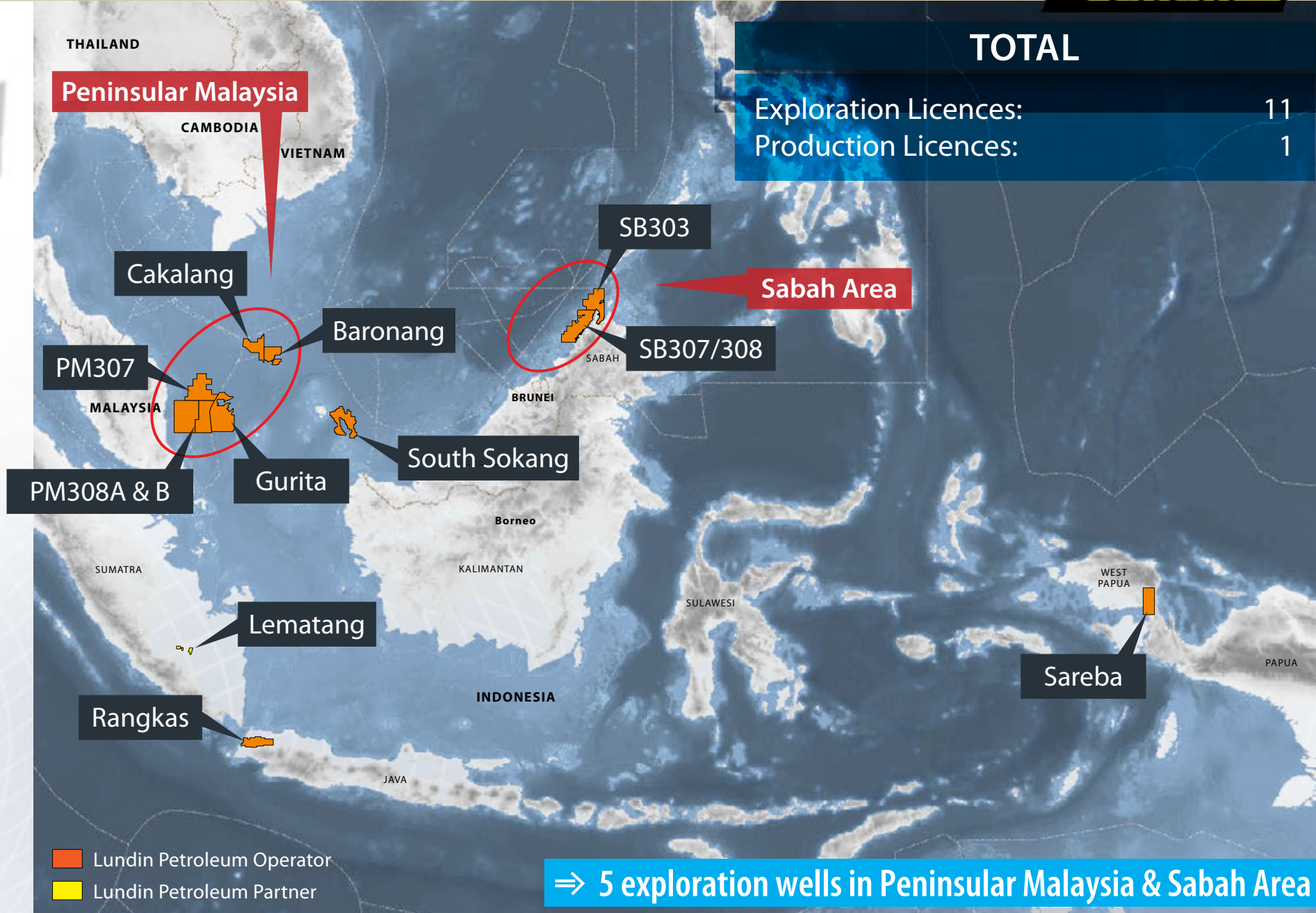
PL490 - Prospect Juksa and Snurrevad



- Reservoir: Jurassic (Snurrevad) Cretaceous (Juksa)
- Water Depth: ~330m
- Cretaceous play confirmed by Skalle discovery



South East Asia - 2012 Exploration Drilling



TOTAL	
Exploration Licences:	11
Production Licences:	1

⇒ 5 exploration wells in Peninsular Malaysia & Sabah Area

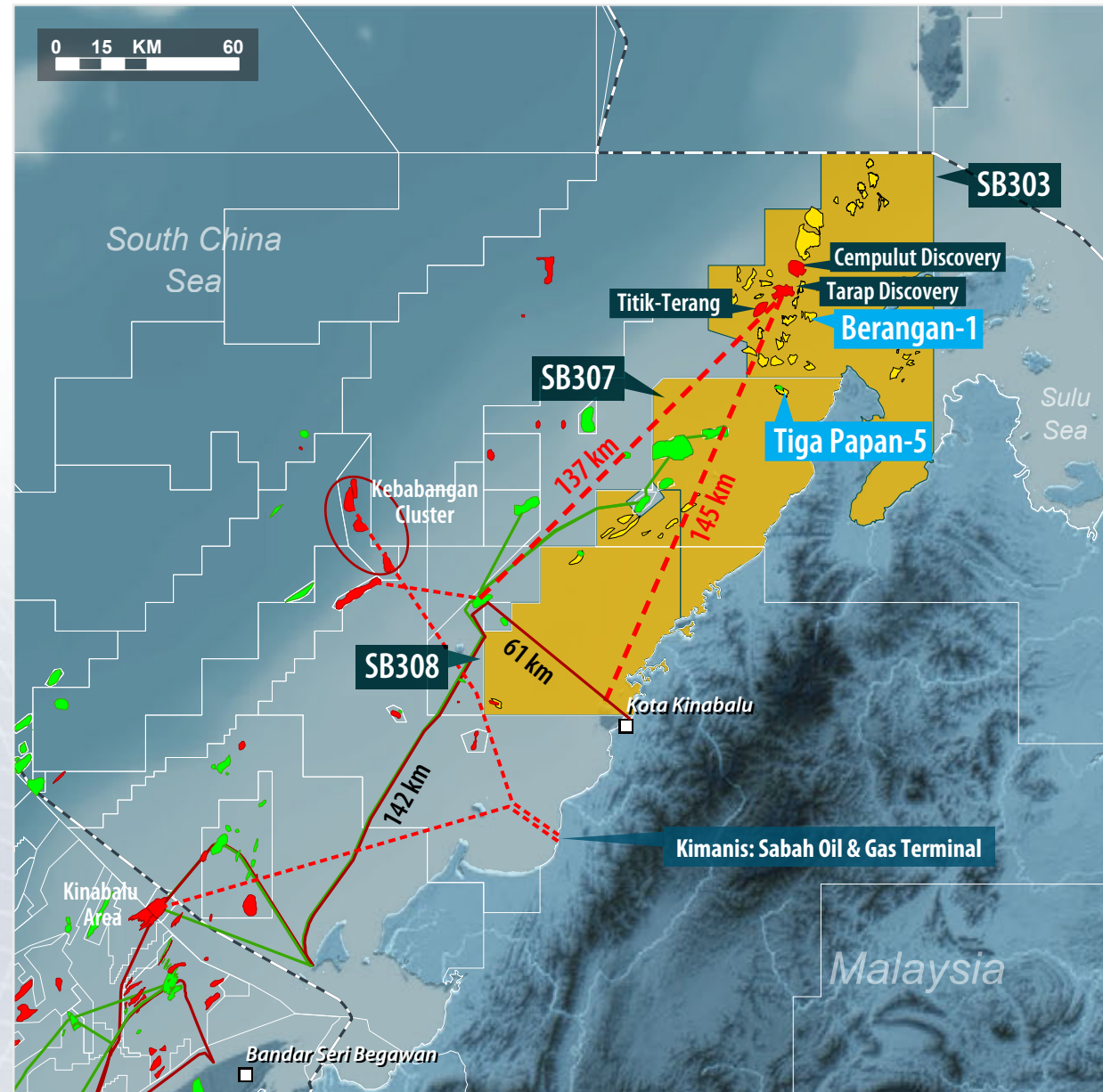
Malaysia - Sabah Area



- ➔ Tarap/Cempulut discoveries in 2011 + Titik-Terang discovery. Gross contingent resources >250 bcf. Potential cluster development.

2012 Drilling Campaign

- ➔ SB307/308 (Lundin 42.5% operated)
 - Tiga Papan-5 prospect
 - ➔ Gross unrisks prospective resources: 21 MMboe
 - ➔ Existing discovery
- ➔ SB303 (Lundin 75% operated)
 - Berangan-1 prospect
 - ➔ Gross unrisks prospective resources: 28 MMboe



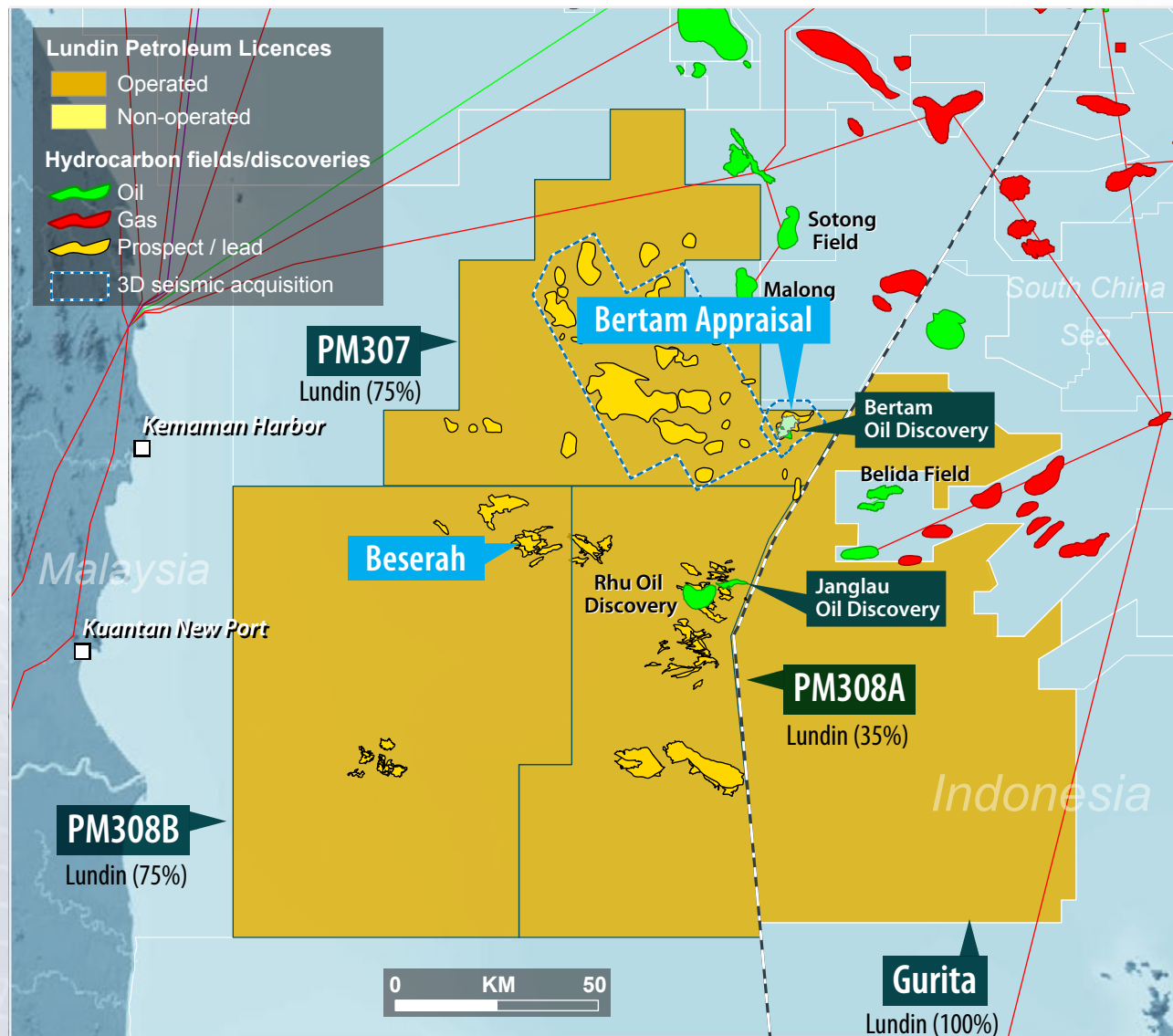
Peninsular Malaysia



- PM308A (Lundin 35% operated)
Janglau oil discovery
- PM307 (Lundin 75% operated)
Successful Bertam appraisal
- Commercial studies ongoing

2012 Drilling Campaign

- PM308B (Lundin 75% operated)
Beserah prospect
 - ➔ Gross unrisked prospective resources: 46 MMboe
- PM308A (Lundin 35% operated)
 - ➔ Exploration / appraisal Janglau discovery
- One additional well to be drilled.
Location to be confirmed.



2012 - Continued Growth



➤ Strong balance sheet and operating cash flow to fund continued growth

- Record EBITDA
- New financing progressing well

➤ Production to increase

- Production guidance 32-38,000 boepd. Mid point 5% increase over 2011
- Gaupe onstream
- Production to double by 2015 then increase again with Johan Sverdrup

➤ Development activity to increase

- Edvard Grieg development plan approved by the Ministry of Petroleum & Energy
- Further development drilling on Alvheim and Volund
- Brynhild being developed
- Johan Sverdrup appraisal and conceptual development ongoing

➤ Exploration focus to continue

- Budget >USD 400 million
- Focus on Norway - Utsira High, Møre Basin & Barents Sea
- Focus on Malaysia - 5 exploration wells

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.

