

Financial Results - First Six Months 2008



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Disclaimer

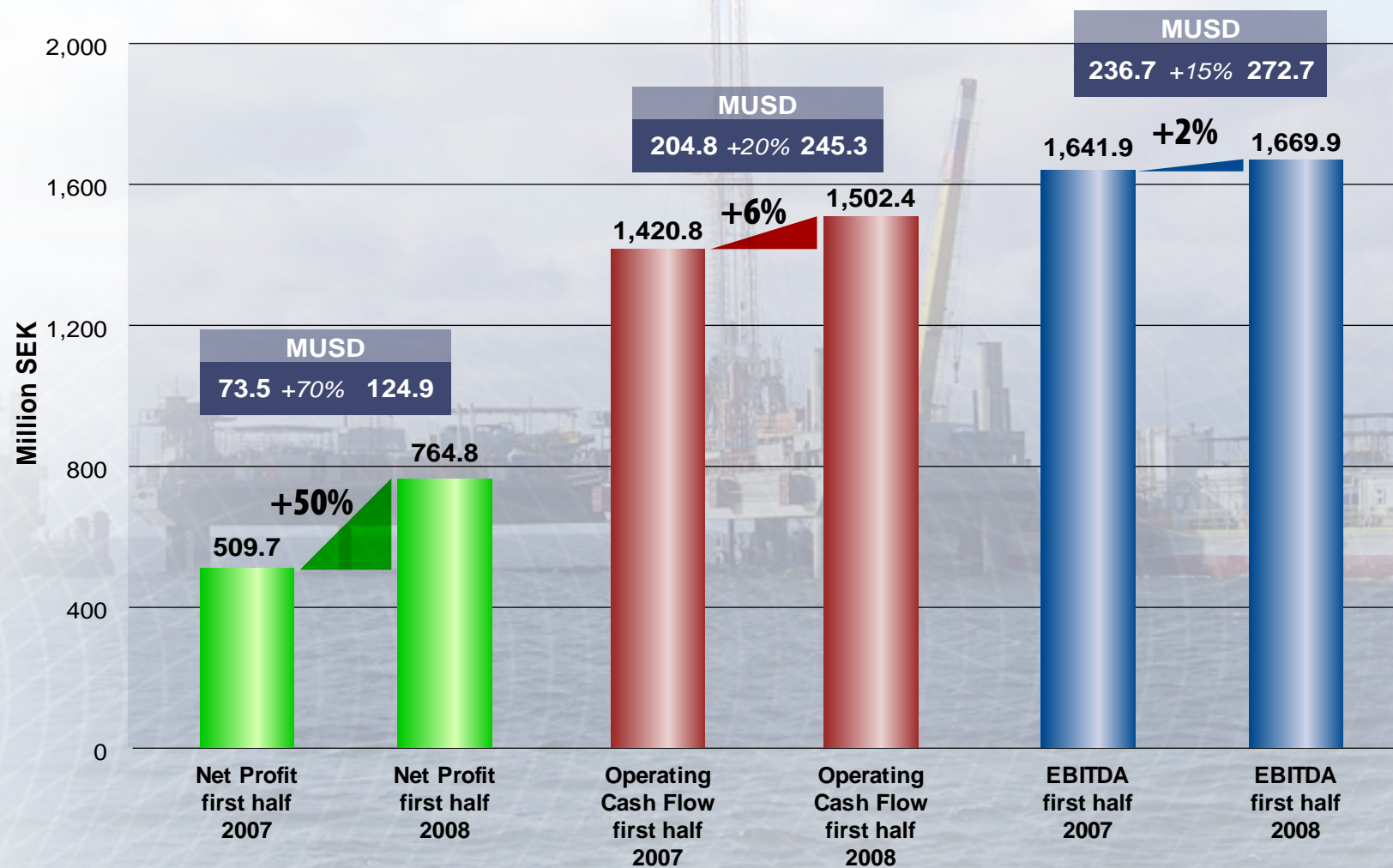


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Financial Results - First Half 2008



Financial Performance - First Half 2008



- ➔ **Production**
(after minority interest) 27,000 BOEPD
- ➔ **Cost of Operations**
(including minority interest) USD 24.06/BBL
- ➔ **Exploration Write-Offs** 189 MSEK
- ➔ **Foreign Exchange Gain** 158 MSEK
- ➔ **Venezuela Impact** 166 MSEK

Cost of Operations - First Half 2008



	MMBOE		USD/boe	=	MUSD
Actual First Half 2008	5.0	X	24.06	=	121.3
Forecast First Half 2008	6.1	X	22.14	=	134.9
% Change to Forecast First Half 2008	-17%		8.7%		-10.1%

Exploration Write-Offs - First Half 2008



	Actual MSEK	Actual MUSD
UK 12/17 B-1 Ridgewood well	46.7	7.6
Sudan 5B Nyal-1 well	44.5	7.3
Sudan 5B Wan Machar-1 well	74.5	12.2
Other	22.9	3.7
Exploration write-offs	188.6	30.8

Taxation - First Half 2008



➤ Effective rate of tax	44%	
➔ <i>Excluding PetroFalcon transactions</i>	<i>49%</i>	
➤ Current tax charge	251 MSEK	(8.14 USD/boe)
➤ Deferred tax charge	347 MSEK	(11.24 USD/boe)

Revenue Netback Reconciliation - First Half 2008



[USD/boe]

	Actual first half 2008	CMD - Jan 08 Forecast 2008
Average Brent oil price	109.05	85.00
Sales differential Russia	-8.87	-5.75
Gas price differential	-4.35	-2.80
Other	1.75	-0.40
Sales price achieved	97.58	76.05
Adjustment sales to production boe	0.49	0.35
Government take	-5.41	-3.15
UK quality difference	-0.87	-1.00
Inventory movements	1.64	0.40
Tariff receipts & other income	1.51	1.85
Effective sales price per boe produced	94.94	74.50

Margin Netback - First Half 2008 [USD/boe]



	Actual first half 2008
<i>Average Brent oil price</i>	109.05
Revenue	94.94
Cost of operations	-24.06
Tariffs	-2.83
Production taxes	-8.99
Stock movements / overlift	-2.28
	56.77
Depletion	-12.34
Write-offs	-6.11
Margin Netback	38.32

Profit Netback - First Half 2008 [USD/boe]



	Actual first half 2008
<i>Average Brent oil price</i>	109.05
Margin Netback	38.32
Sale of assets	2.89
General & administration cost	-2.71
Financial items	4.14
Share of result in associated company	-1.44
Profit Before Tax	44.08
Tax	-19.38
Profit After Tax	24.70
Attributable to:	
Shareholders of the parent company	24.82
Minority Interest	- 0.12

Balance Sheet - 30 June 2008



	30 Jun 2008	31 Dec 2007
➤ Fixed Assets	19,402	18,241
➤ Net Current Assets (excluding cash)	217	-224
➤ Net Bank Debt	3,258	2,197
➤ Shareholder Equity	10,156	9,706
➤ Net Debt/Equity Ratio	32%	23%

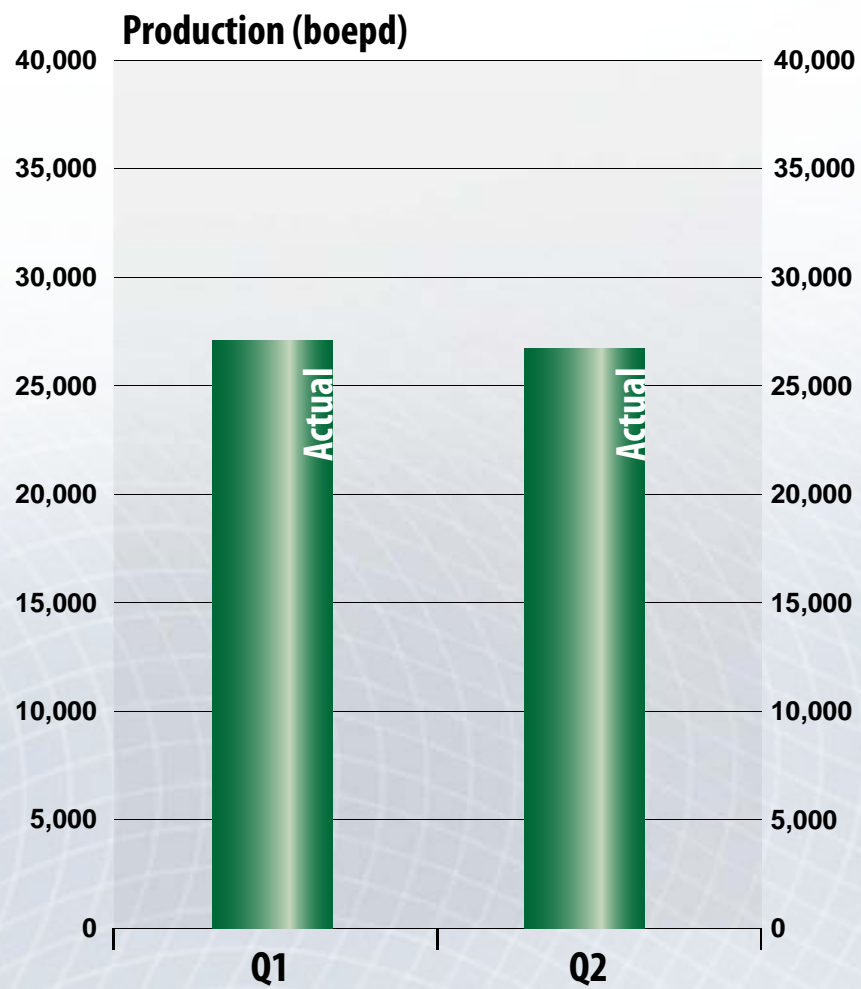
numbers in million SEK

First Half 2008 - Key Highlights



- ➔ **Average Production 27,000 boepd**
- ➔ **Alvheim achieved first oil 8 June 2008 – producing ahead of forecast**
- ➔ **Exploration success**
 - ➔ Russia: Morskaya-1 discovery on the Lagansky Block in the Caspian Sea – appraisal planned in 2009
 - ➔ Norway: Pi North discovery – combined Pi South and Pi North development likely to be a viable commercial project - planning for a PDO submission
 - ➔ United Kingdom: Torphins discovery – assessing commerciality
- ➔ **Appraisal success in Norway**
 - ➔ Nemo discovery successfully appraised – planning for a PDO submission
- ➔ **New Ventures**
 - ➔ Norway - 7 Licences awarded in APA2007 licensing round
 - ➔ Malaysia – 3 PSC's awarded, Lundin operator in all three
 - ➔ Kenya – Farmed into Block 9 in the Anza Basin, Lundin 30% working interest
 - ➔ Indonesia – Awarded the Rangkas block 100%
 - ➔ Added 40 licences through the last 18 months

Production Forecast 2008



First Half 2008 - Production Shortfall

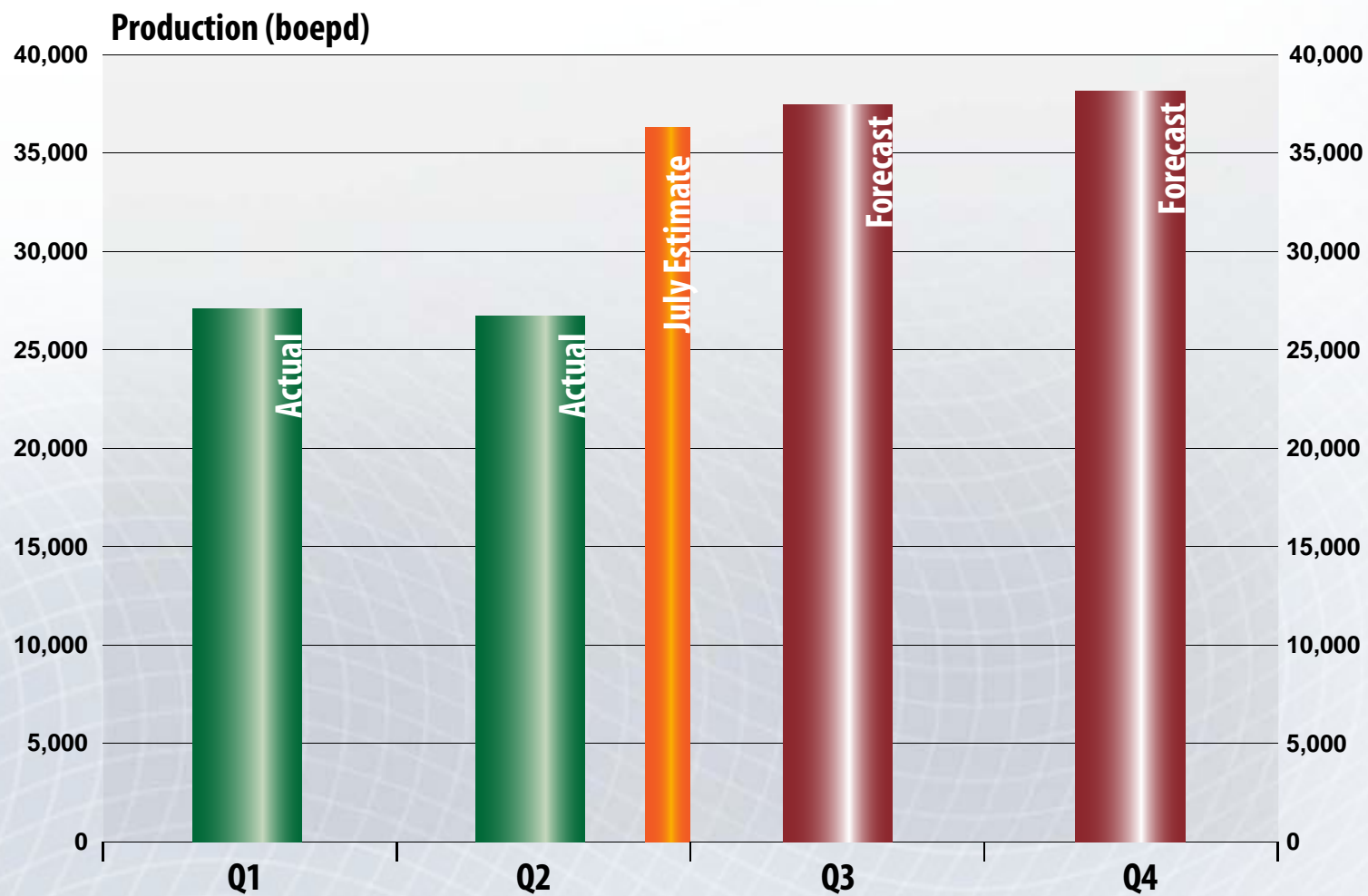


➤ Norway - Alvheim	-2,200 boepd	Project delays
➤ Netherlands	-400 boepd	Project delays
➤ United Kingdom	-1,500 boepd	
➤ Broom	-900 boepd	Project delays
➤ Heather	-300 boepd	Facilities
➤ Thistle	-300 boepd	Facilities
➤ Tunisia - Oudna	-1,100 boepd	Reservoir performance
➤ Others	-300 boepd	
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	-5,500 boepd	

Production Forecast 2008



➔ Average 2008 Production Forecast: 32,500 boepd



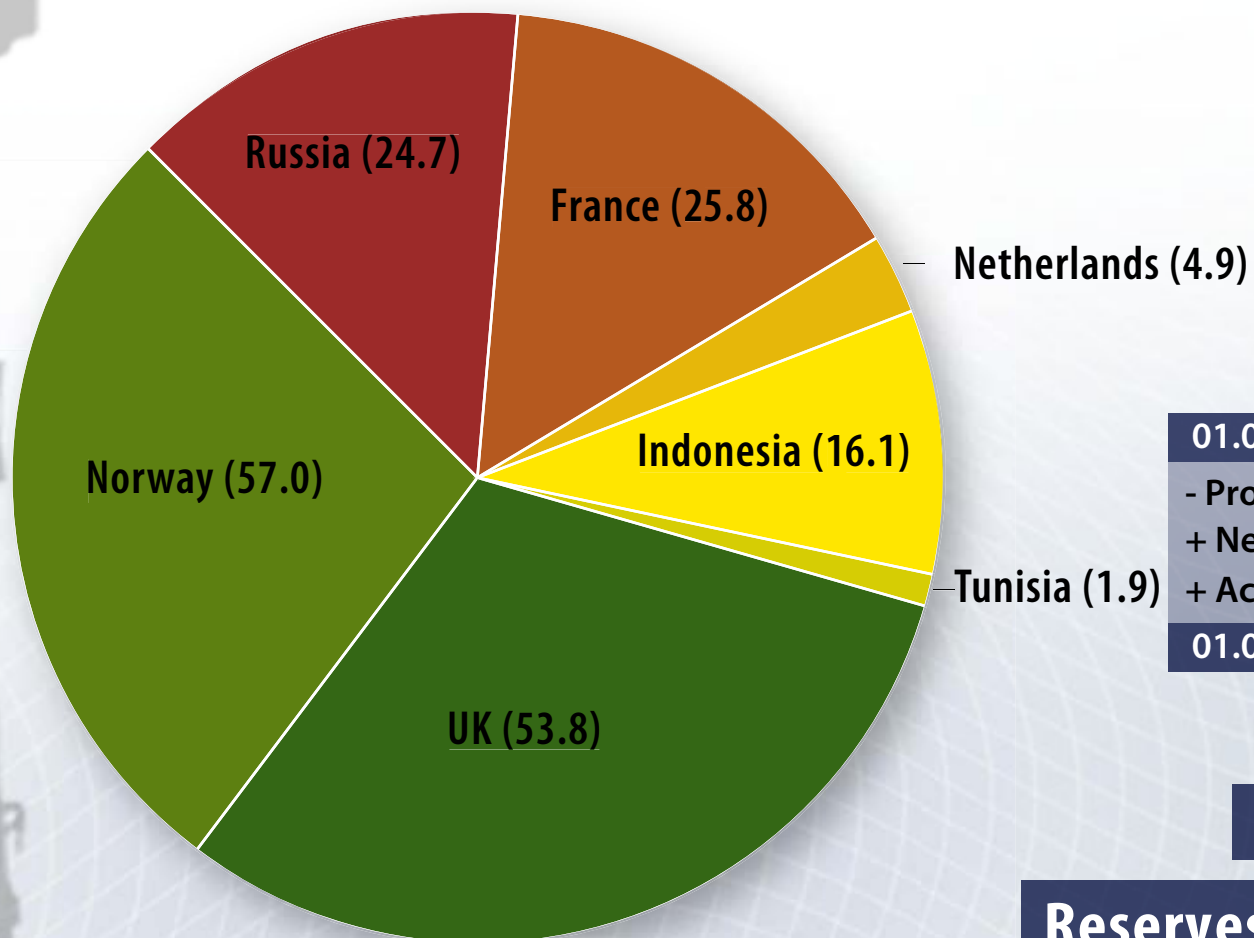
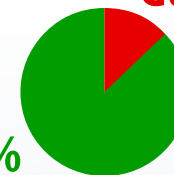
2008 Proven & Probable Reserves



Total 184.2 MMboe

Gas 14.7%

Oil 85.3%

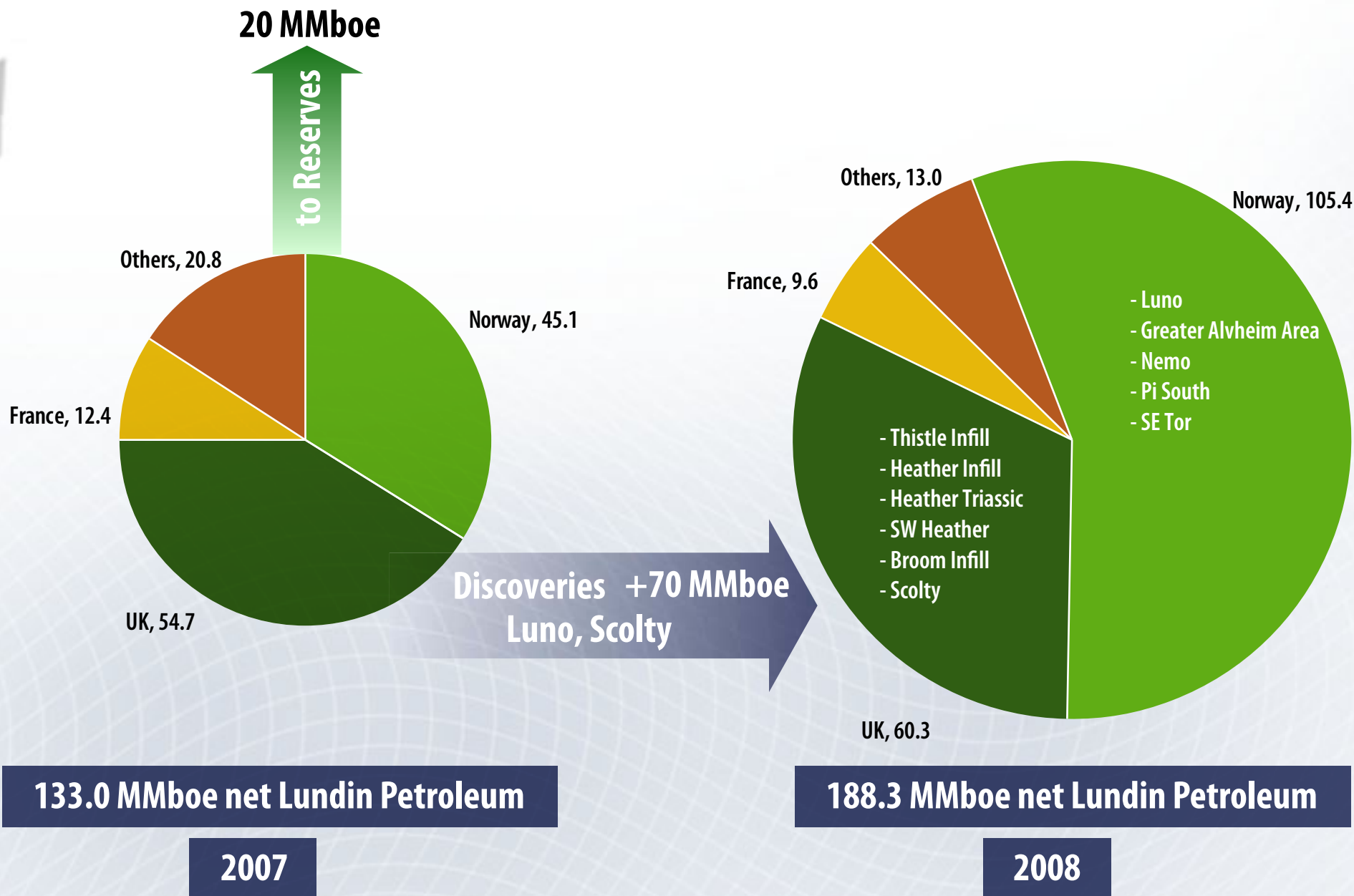


	mmboe
01.01.2007	176.4
- Produced (forecast)	-12.4
+ New reserves	18.4
+ Acquisitions	1.8
01.01.2008	184.2

Increase in Reserves 12%

Reserves Replacement Ratio 148%

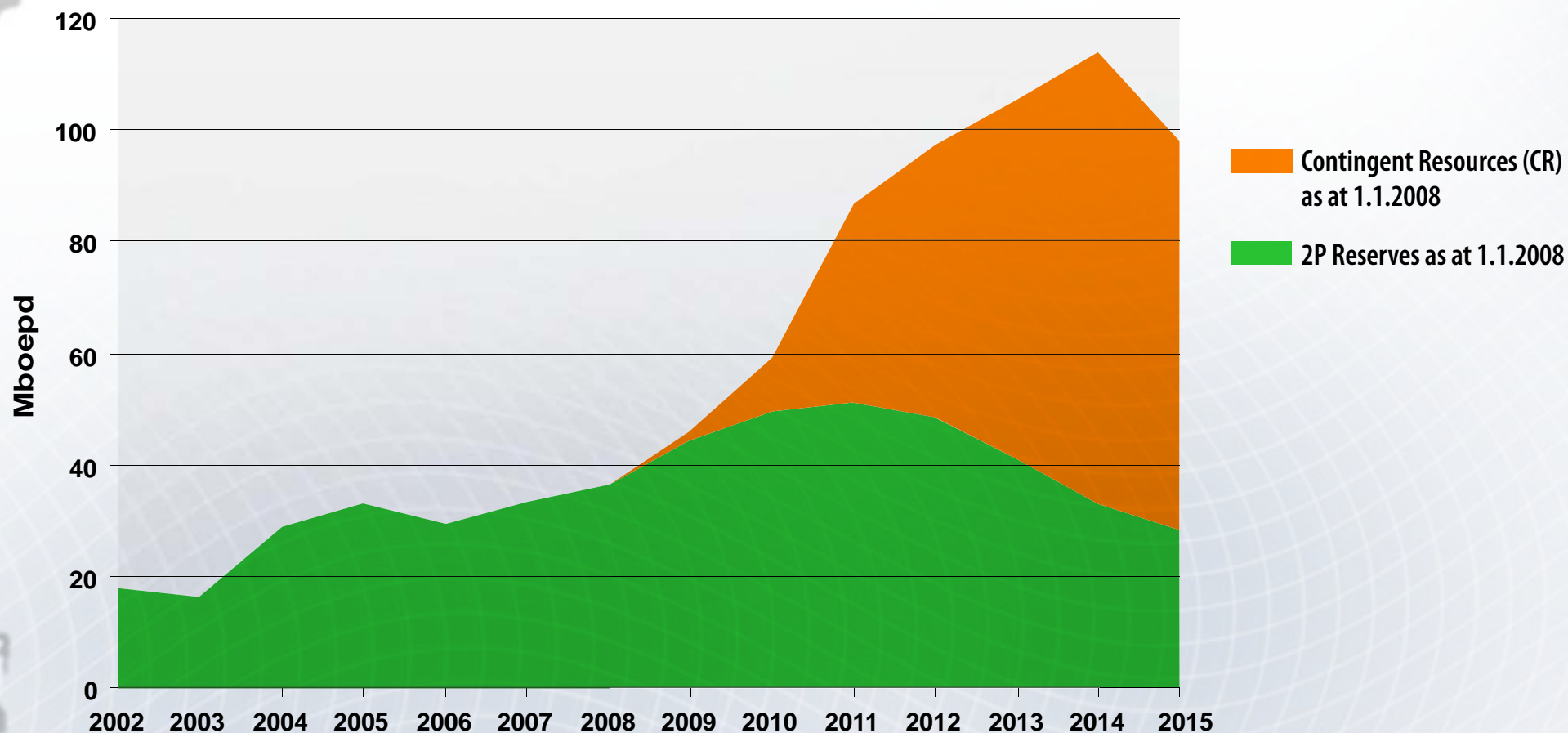
Contingent Resources - Existing Discoveries



Production Profile based upon 2008 Resource Position



➤ Existing resources have the potential to triple existing production



➤ excludes any future exploration success or acquisitions (excludes all 2008 discoveries)

➤ Nemo and Luno included in contingent resources

2008 Potential Reserves Additions



Norway	Gross Resource	Lundin Equity	Comments
➔ Luno	65 - 190 MMboe	50%	From CR*
➔ Nemo	20 - 30 MMboe	50%	From CR
➔ Pi	19 - 32 MMboe	40%	From CR & exploration
United Kingdom			
➔ Thistle	10 - 20 MMboe	99%	From CR
➔ Peik	10 - 16 MMboe	41%	2P upgrade
France			
➔ Rhetian fields	4 - 8 MMboe	100%	From CR

Net to Lundin Petroleum: 68 - 157 MMboe additional potential

* CR - Contingent Resources

Alvheim First Oil - 8 June 2008



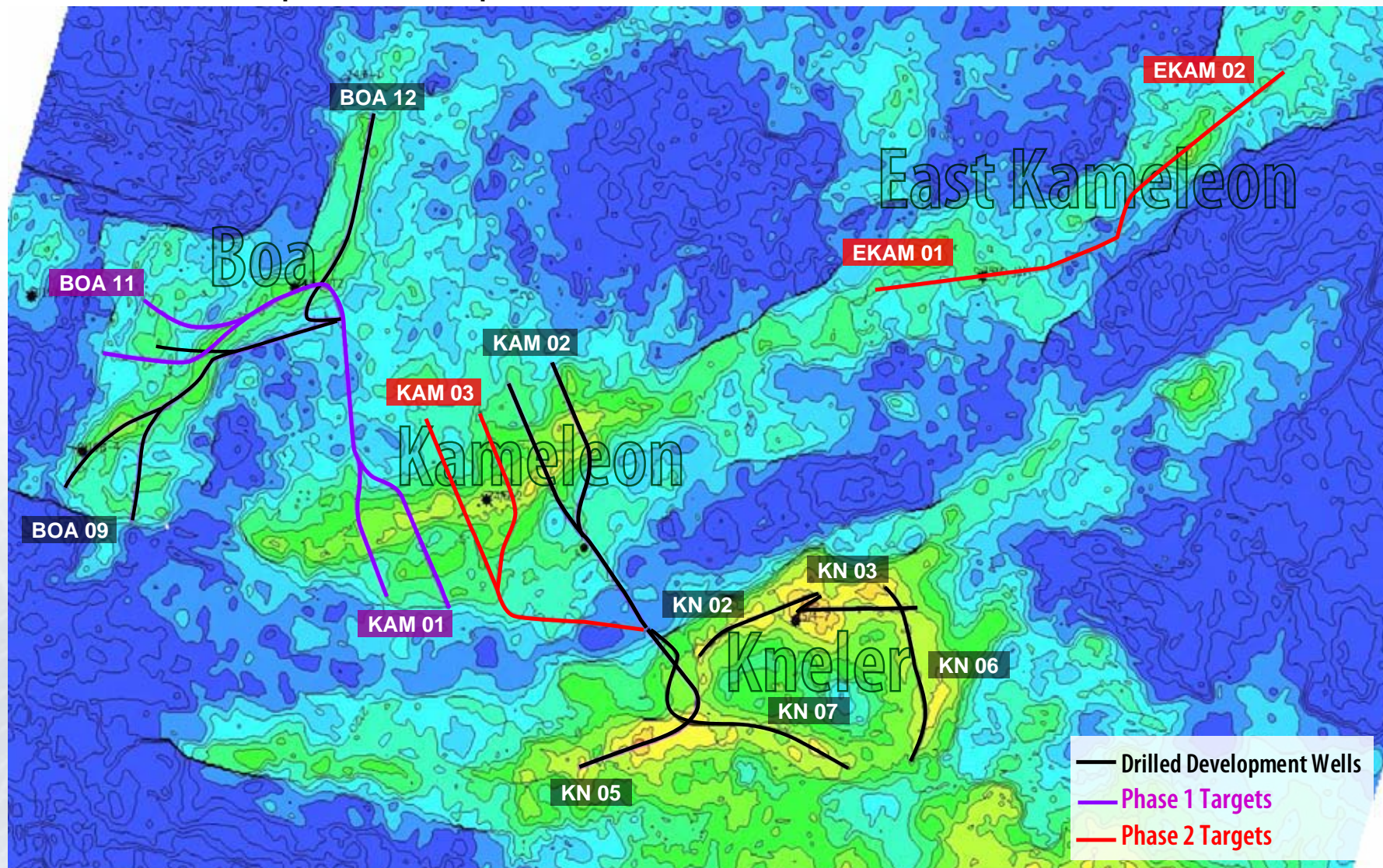
- **Alvheim - working interest 15%**
- **5 wells on production**
- **Gas compression commenced July 2008**
- **Development drilling - 8 production wells completed**
- **Plateau production expected in 5-6 months time >90,000 gross**
- **Average production since first oil is >57,000 boepd gross (1 August 2008)**
- **Reserves 215 MMboe gross**



2008 Projects - Norway Alvheim



- 72 km out of 102 km planned development wells completed
- 20 km out of 30 km planned horizontal section completed
- 8 Phase 1 development wells completed



Peik

Lundin

➔ Lundin Petroleum interest: Norway 50%, UK 33.3% (operator)

➔ UK: Bow Valley 66.7%

➔ Norway: Marathon 50% (Centrica)

➔ Discovered in 1985

➔ Cross Border field: 53% UK-47% Norway

➔ HPHT gas condensate

➔ 1 well on either side of the border tested

➔ 2P gross reserves 27 MMboe

➔ Based on Total's technical work

➔ 2 well subsea development tied back to host platform

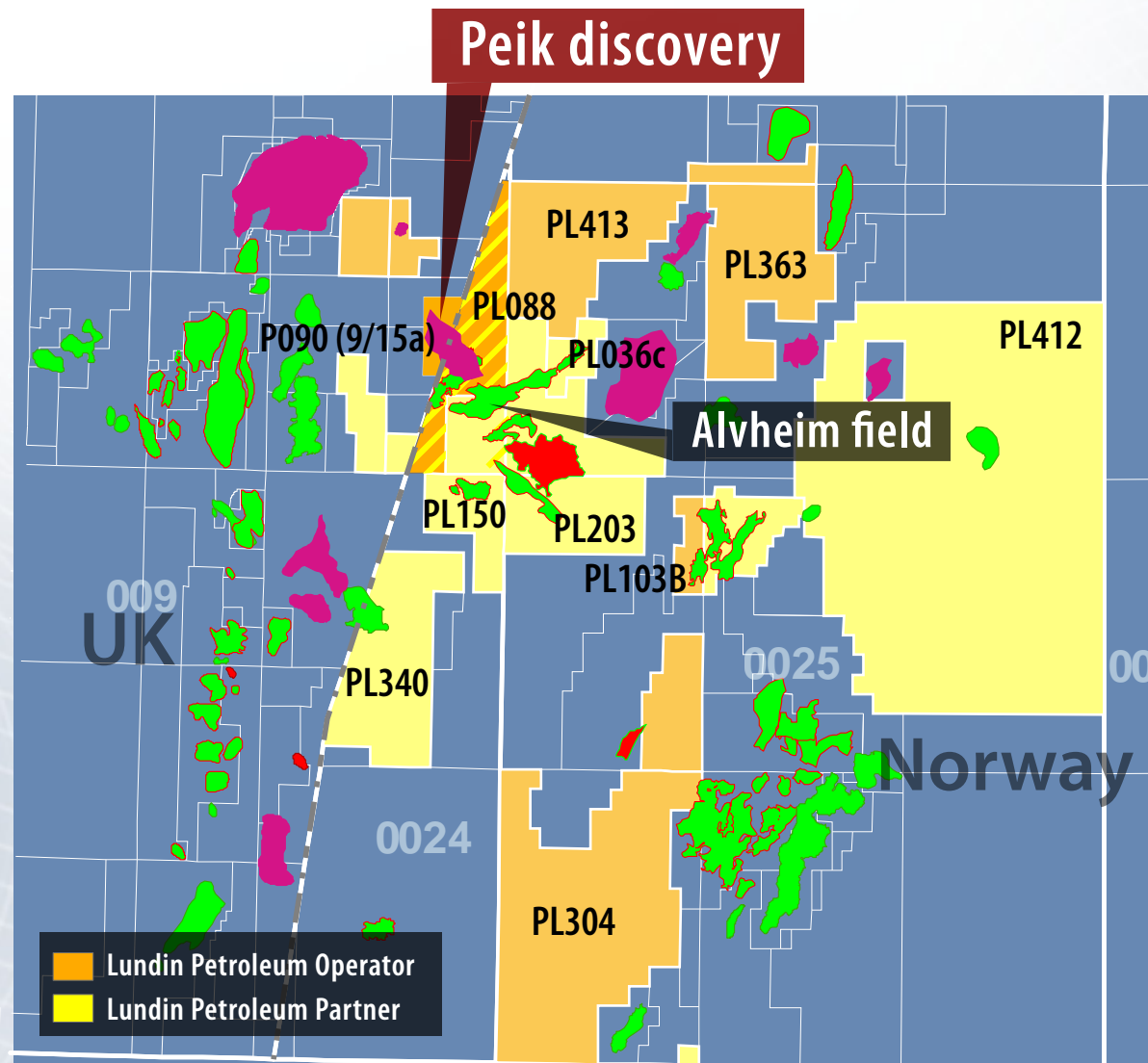
➔ Working towards PDO in 2009

➔ No need for further appraisal

➔ Potential for increasing 2P reserves to approx. 40 MMboe

➔ 3 well development

➔ Host platform selection ongoing



Norway - Exploration / Appraisal Success



PL 148

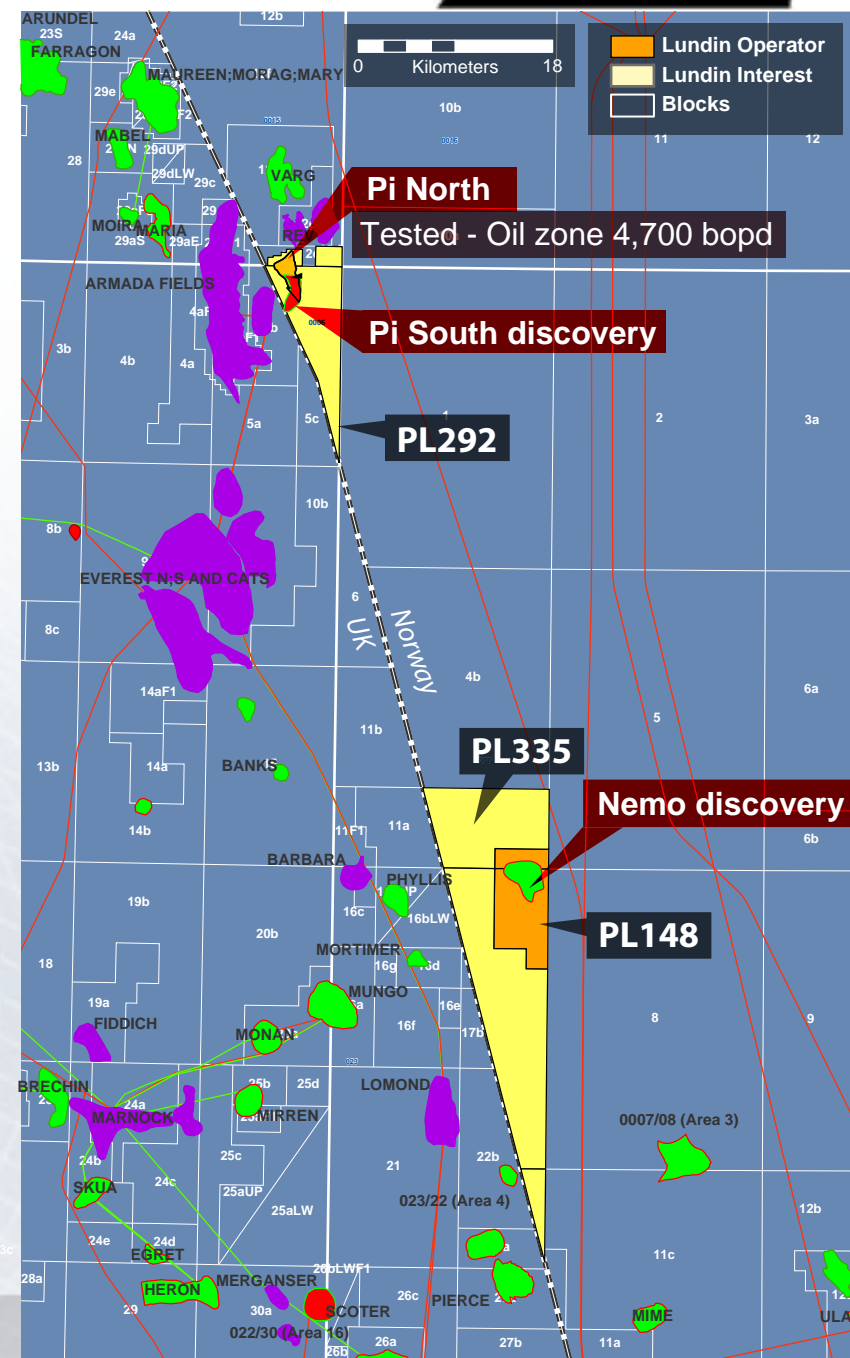
- ➔ Lundin Petroleum interest: 50% (operator)
 - ➔ Noreco 20 %, Talisman 30%
- ➔ PDO targeted in 2009
- ➔ Contingent Gross Resources

Field	MMBOE
Nemo	20-30

PL 292

- ➔ Lundin Petroleum interest: 40%
 - ➔ BG 60% (Operator)
- ➔ PDO targeted in 2009
- ➔ Contingent Gross Resources

Field	MMBOE
Pi (combined North & South)	19 - 32

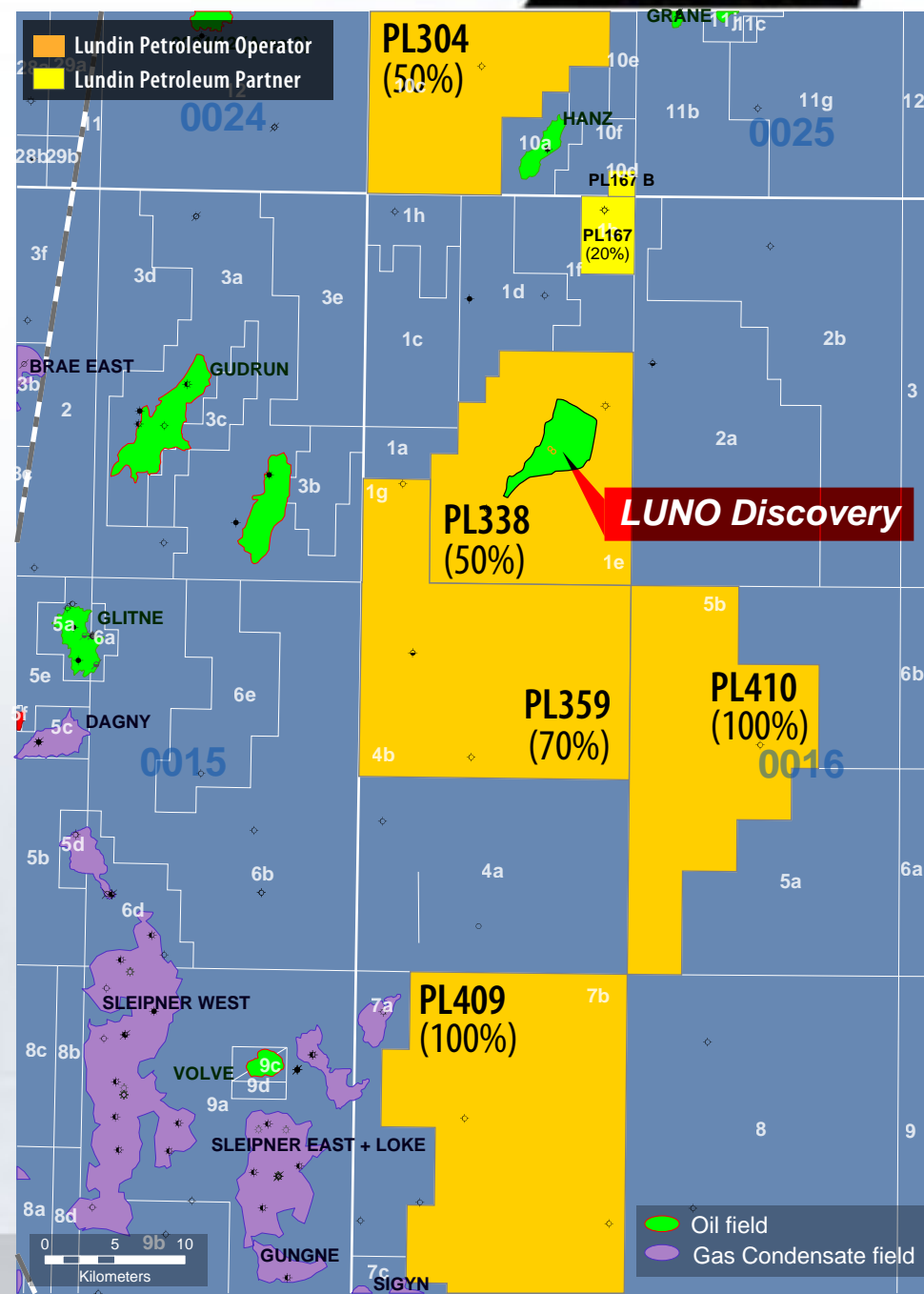


Luno Discovery - PL338

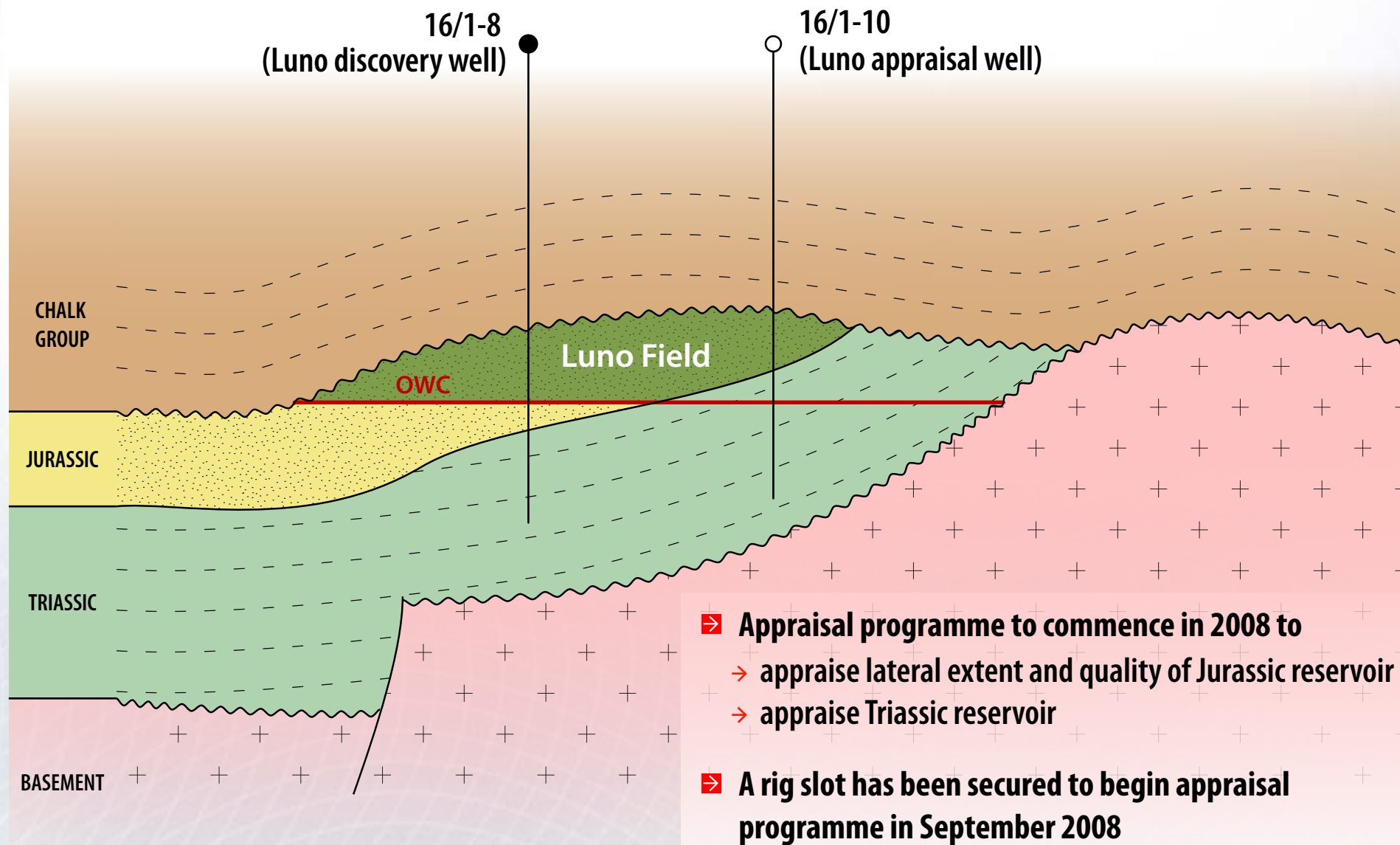


- **Discovered in 2007**
- **Lundin Petroleum interest: 50% (Operator)**
 - ➔ **Revus 30%, RWE 20%**
- **Discovery 16/1-8**
 - ➔ **Largest discovery in Norwegian North Sea in the last decade**
 - ➔ **Light oil in Jurassic reservoir**
 - ➔ **Upside in Triassic**
 - ➔ **New play concept proven**
 - ➔ **Significant working interest in adjoining acreage**
- **Contingent Gross Resources**

Discovery	MMBOE
Luno Jurassic	65 - 190
Luno Triassic upside	?



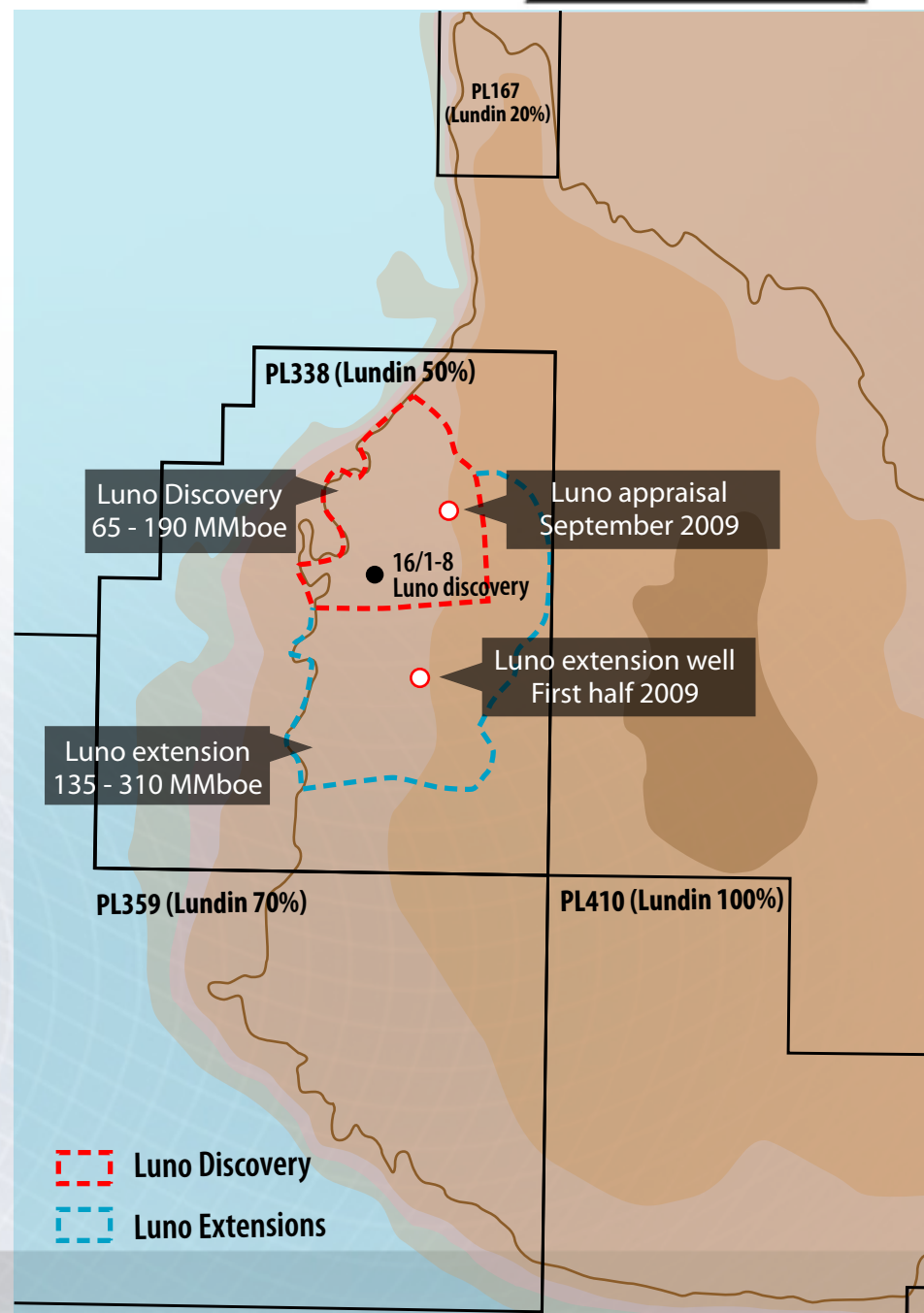
Schematic Illustration of Luno Discovery



Major New Upside from Luno Extensions



- **Luno extensions (sub-basins)**
 - ➔ Exploration well to be drilled in first half 2009
- **Prospective resources in extensions**
 - ➔ 135 - 310 MMboe
- **Total Resource Potential in Luno and Luno Extensions 200-500 MMboe**



Further Exploration Potential in Greater Luno Area



➤ Seismic

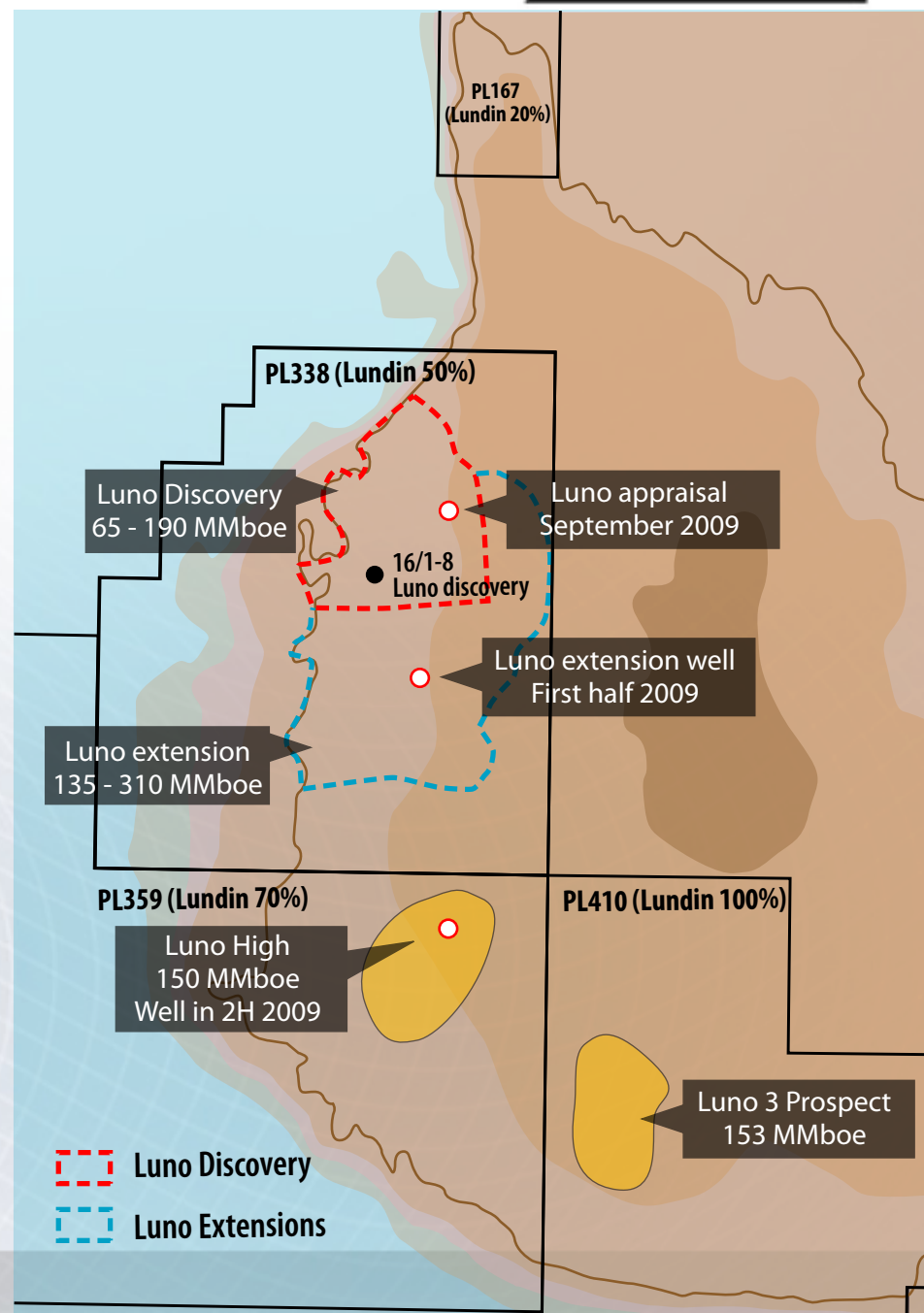
- ➔ 3D sea bottom seismic acquired in August 2008
- ➔ Additional 3D seismic to be acquired in 2009

➤ PL 359 (70%)

- ➔ Exploration well to spud in 2009
 - Well is targeting Luno High in the north east corner of the licence
 - Site survey planned in September 2008

➤ PL 410 (100%)

- ➔ Exploration well, potential drilling in 2009



Rig Capacity



Songa Dee

- Semi submersible
- 1.5 year contract from Q1 09 (including option)



Transocean Winner

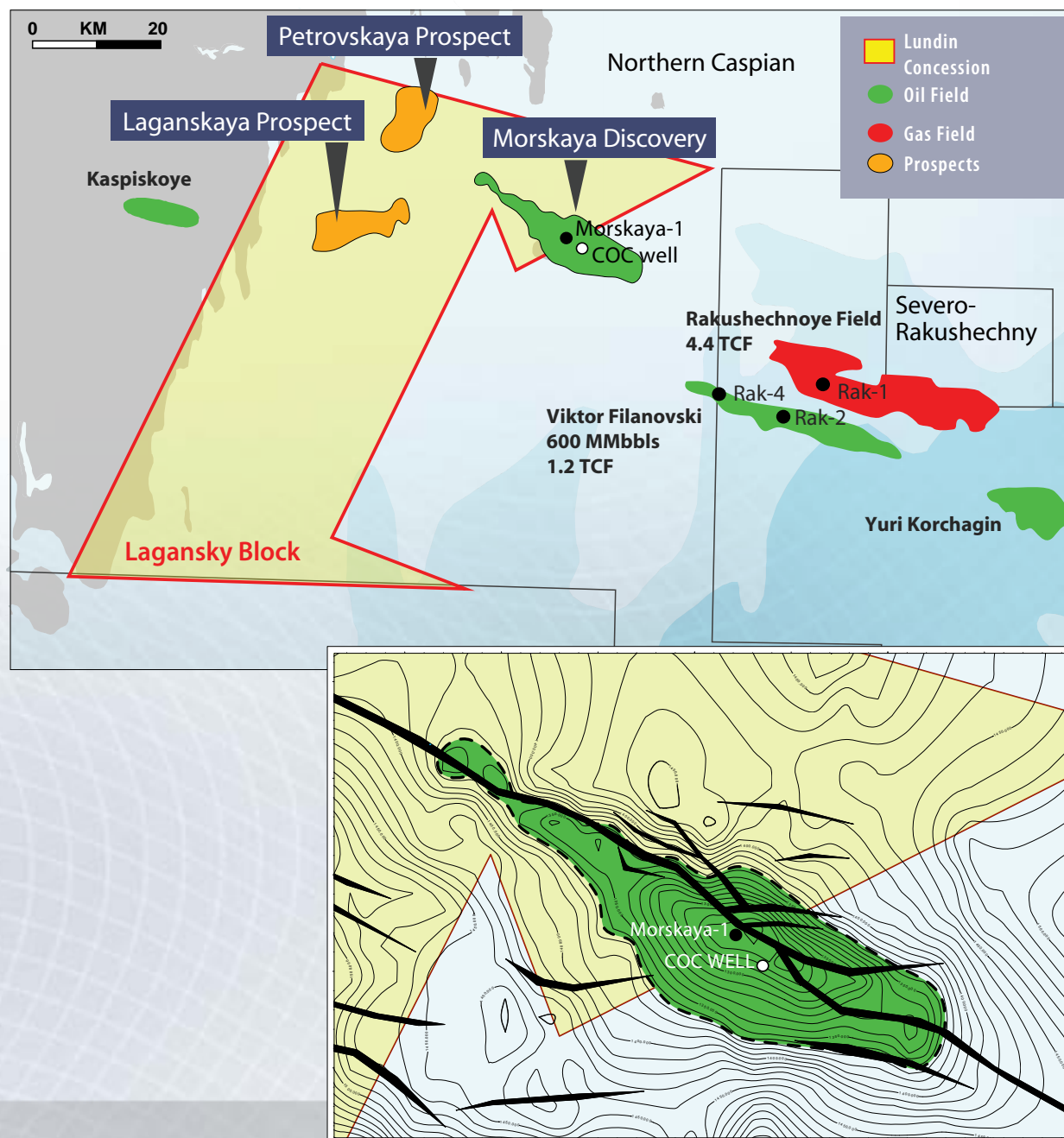
- Semi submersible
- 1 year rig share contract from 2H 2009

Russia - Morskaya Discovery

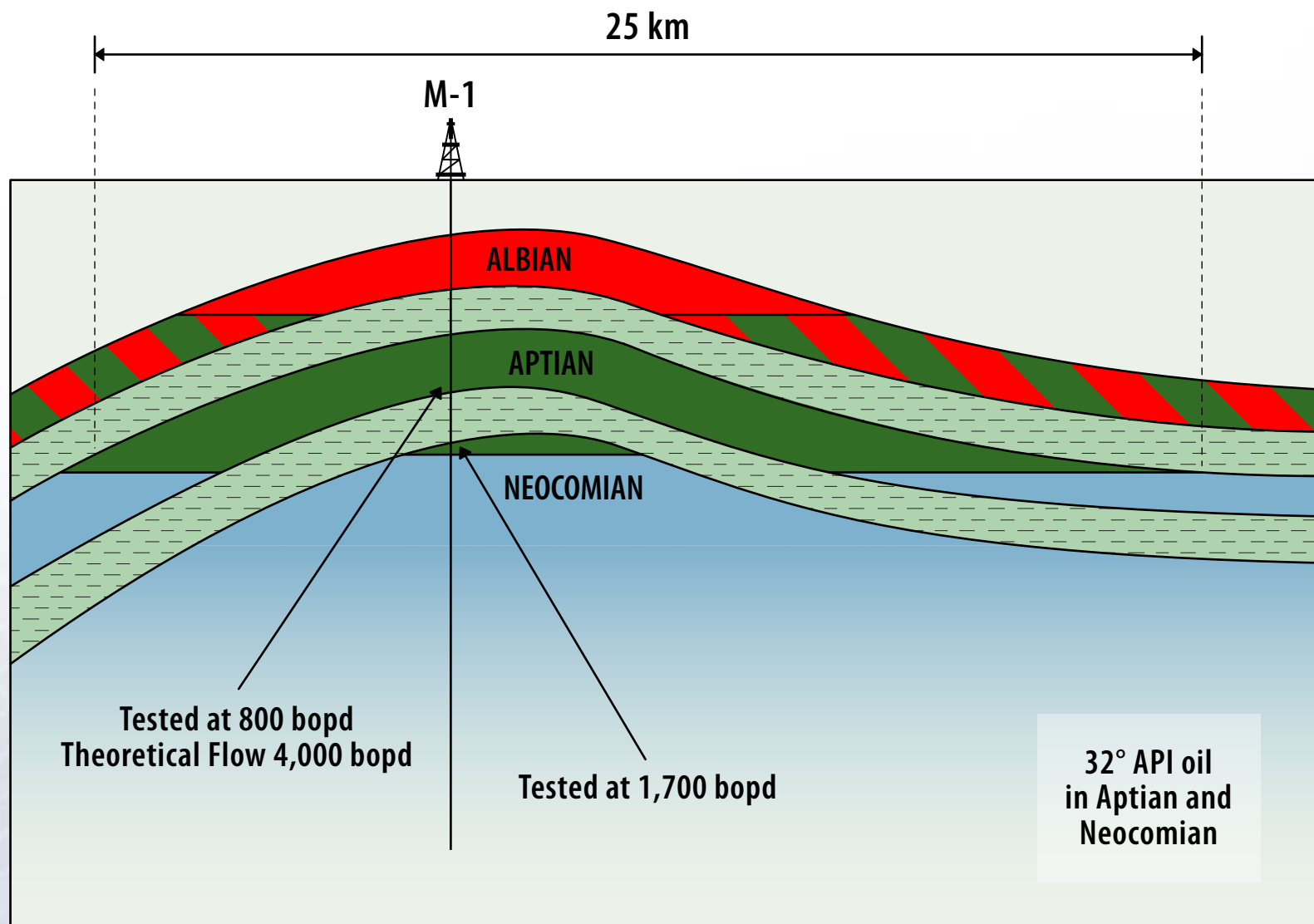


➔ Morskaya-1 discovery

- ➔ Large structure with areal extent of 130 km²
- ➔ Tested two horizons with combined flow rate of 2,500 bopd, restricted by choke size
- ➔ Estimated flow rates for horizontal development wells of 4,000 (Aptian) to 8,000 bopd (Neocomian)
- ➔ Registration of reserves ongoing



Russia - Morskaya discovery



Russia - Lagansky Block

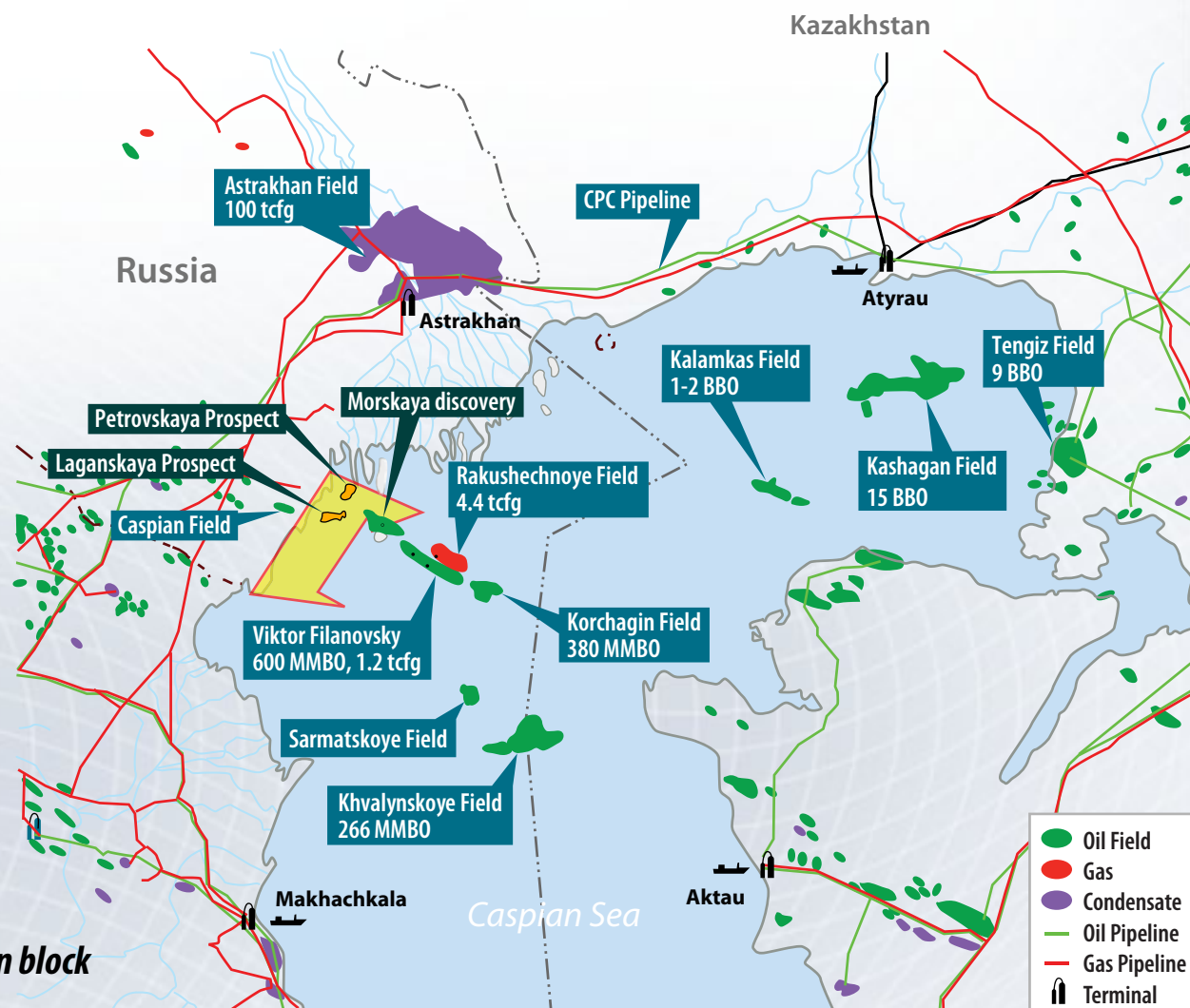


- ➔ **Gazprom option to acquire 50% interest - leaves LUPE with 50%**
- ➔ **3 remaining wells to be drilled**
 - ➔ 1 well to be drilled in 2008
 - ➔ 2 wells to be drilled in 2009

➔ Prospective Resources

Prospect	*MMBOE	COS%
Laganskaya	106	26
Petrovskaya	300	34

**Gross Unrisked Prospective Resources on block*



Russia - MRET Holiday



- Assumed Urals price of \$100/bbl
- Assumed domestic sales price of \$48/bbl

	No MRET Holiday		with MRET Holiday for first 73 MMbbls	
	Export (\$/bbl)	Domestic (\$/bbl)	Export (\$/bbl)	Domestic (\$/bbl)
Revenue	100	48	100	48
Export duty	52.75	0	52.75	0
MRET	18.9	18.9	0	0
Pre cost revenue	28.35	29.1	47.25	48

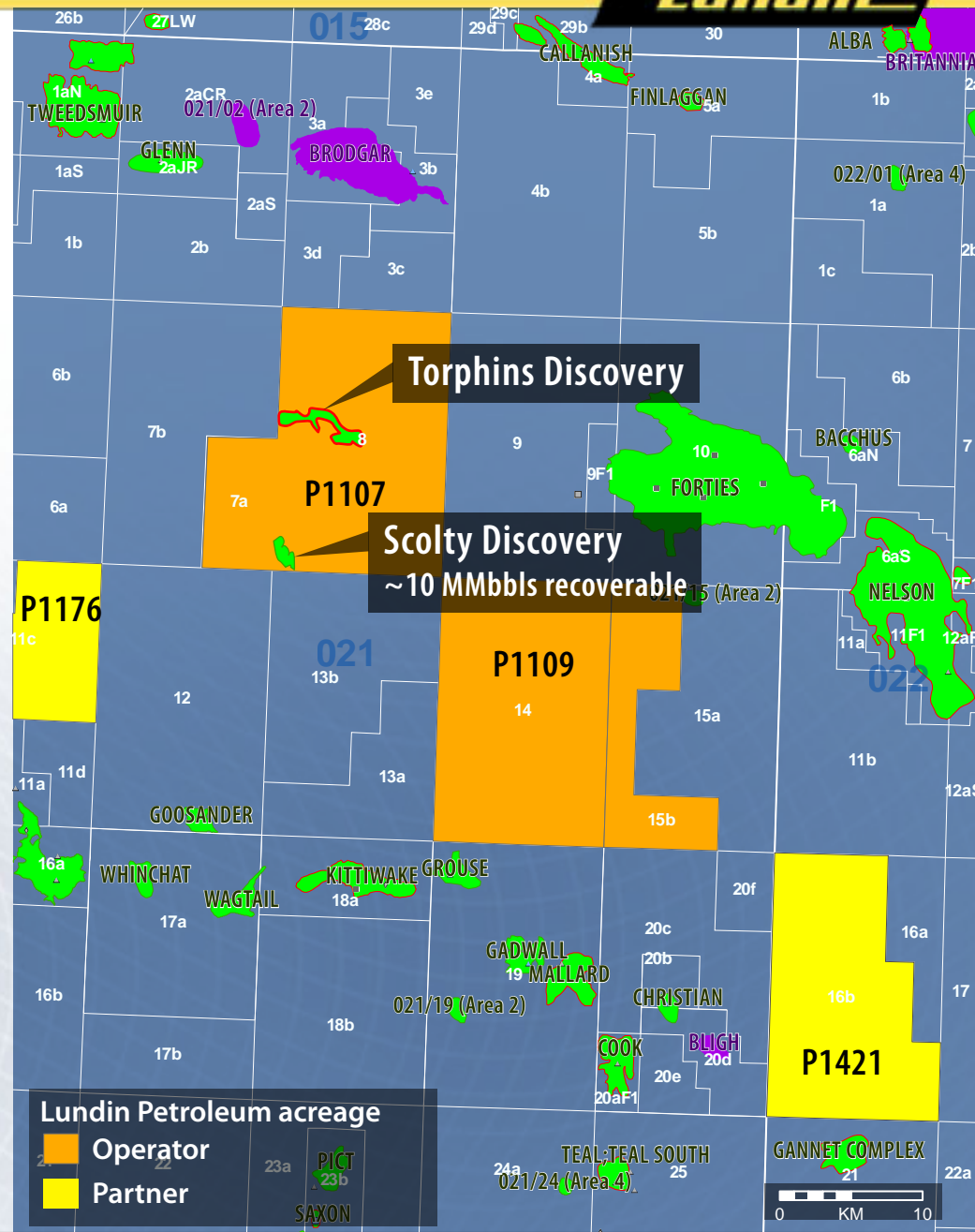
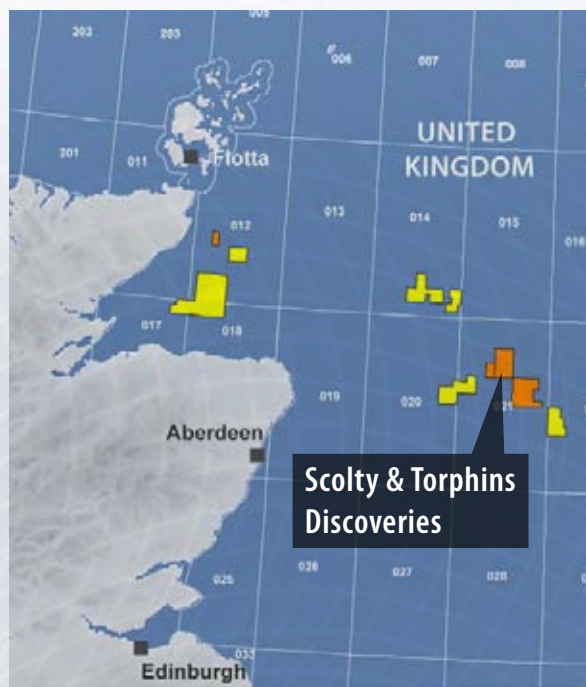
2007 UK Exploration Success - Scolty & Torphins



➔ **Lundin Petroleum interest: 40% (operator)**

➔ **Revus 50%**

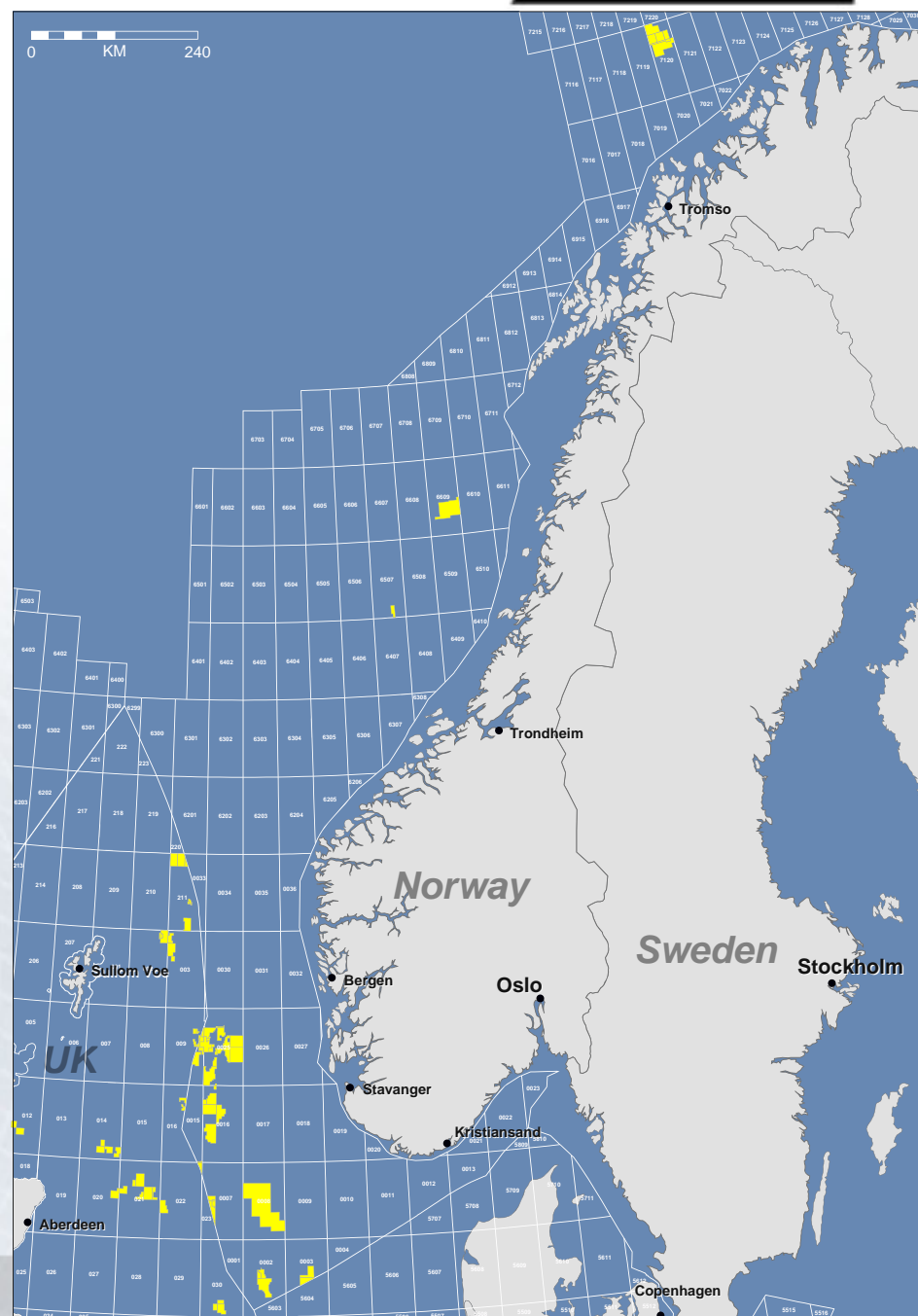
➔ **Challenger Minerals 10%**



Expanding North Sea Activity



- ➔ **54 Licences in Norway and UK**
 - ➔ Including 7 licence awards in the APA 2007 licensing round in Norway
- ➔ **40 prospects and 34 leads identified (excl APA 2007 licences)**
- ➔ **2.5 years of drilling capacity secured from 2009**
- ➔ **Drilling success year-to-date**
 - ➔ Ridgewood Exploration (✗)
 - ➔ Nemo Appraisal (✓)
 - ➔ Pi North Exploration (✓)
 - ➔ Torphins Exploration (✓)
 - ➔ Luno Appraisal (spud Q3 08)
 - ➔ SE Tor Appraisal (spud Nov 08)
 - ➔ Aegis Exploration (spud Dec 08)



Alvheim Area - Increased Exploration Activity



➤ Four Exploration well in 2008 / 2009

➤ PL 304 (50%)

➔ Aegis 104 MMBOE Drilling 4Q 2008

➤ PL 340 (15%)

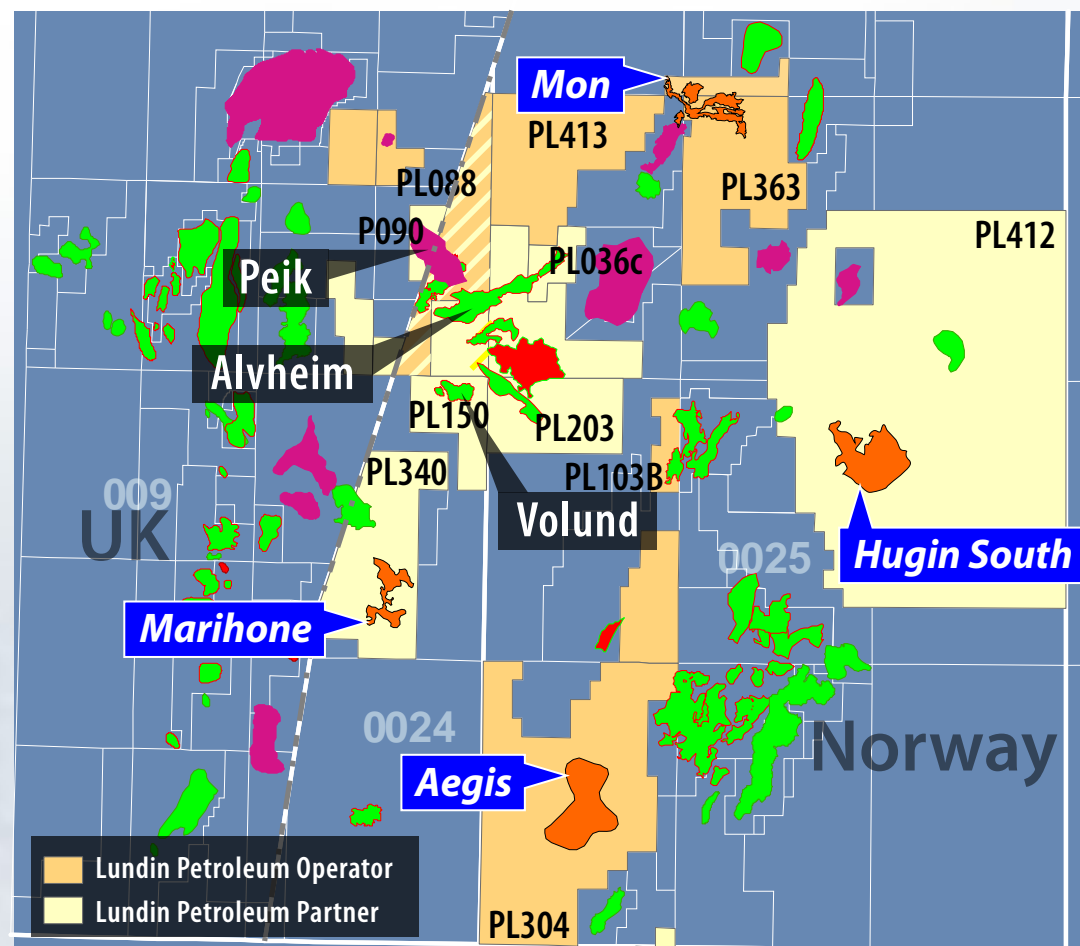
➔ Marihone 39 MMBOE Drilling 2H 2009

➤ PL 363 (60%)

➔ Mon 123 MMBOE Drilling 2H 2009

➤ PL 412 (30%)

➔ Hugin South 86 MMBOE Drilling 1H 2009



France, Paris Basin - Ferrières & Vaxy



Ferrières

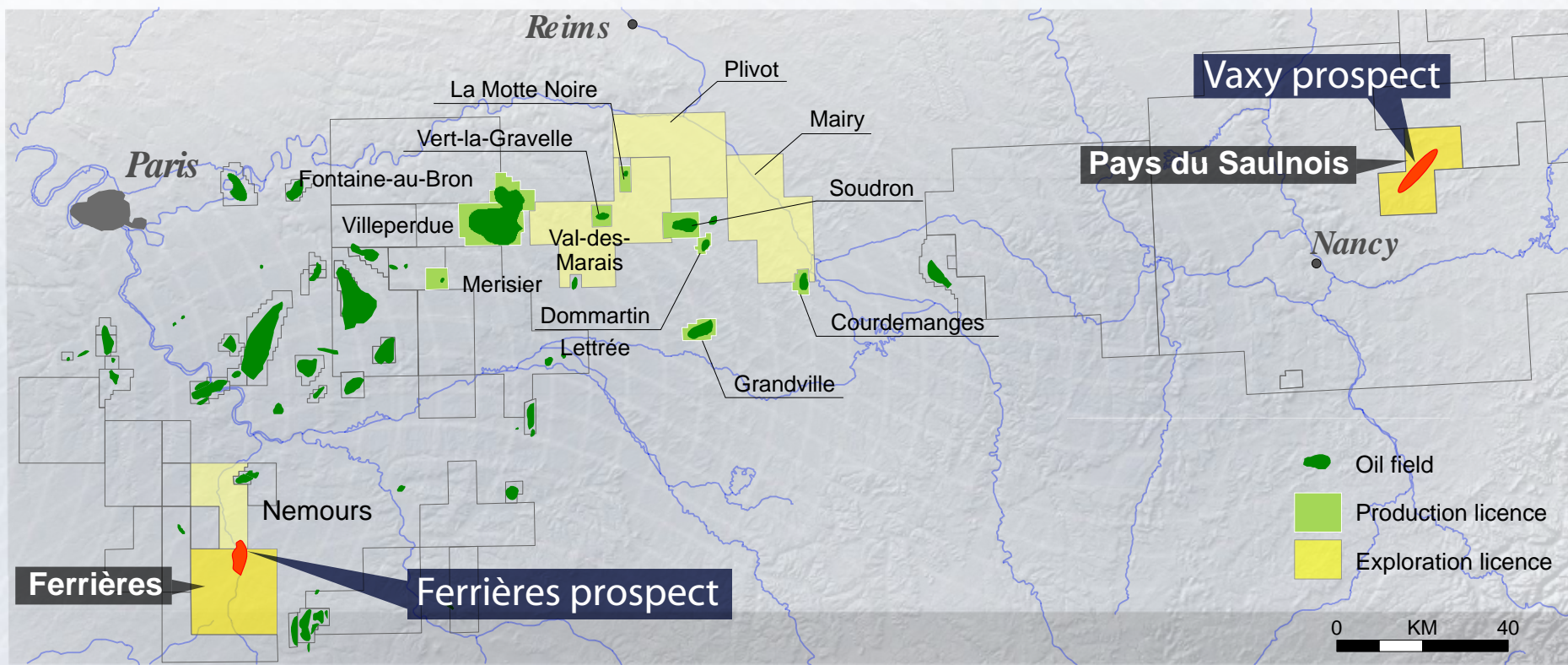
- **Lundin Petroleum interest: 65% (operator)**
Société Pétrolière de Production et d'Exploitation: 35%
- **1 exploration well in Q3 2008**
- **Prospective Unrisked Resources Gross**

Prospect	MMBOE
Ferrières	14

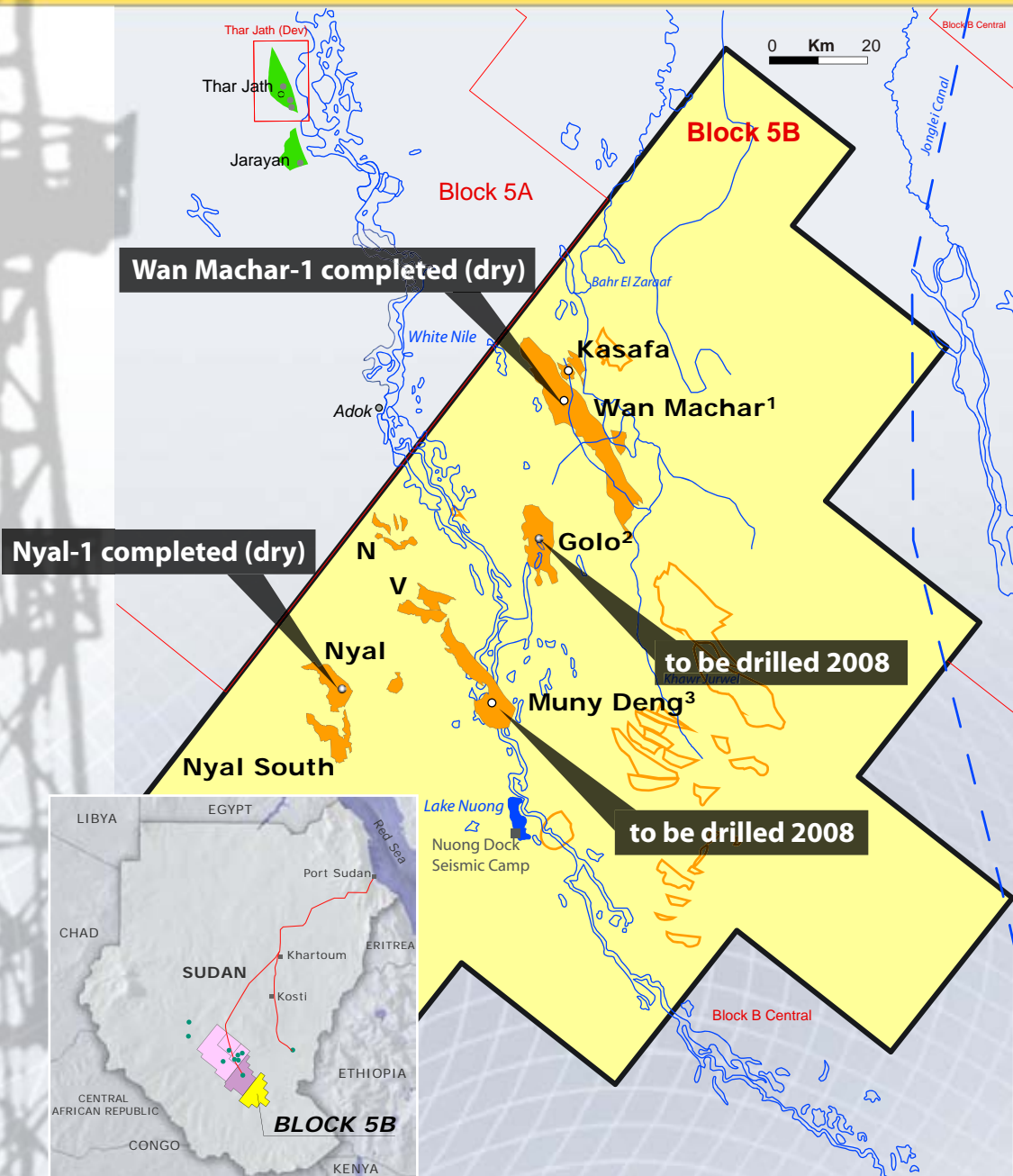
Pays de Saulnois

- **Lundin Petroleum interest: 50% (operator)**
Gaz de France : 50%
- **1 exploration well in Q3 2008**
- **Prospective Unrisked Resources Gross**

Prospect	MMBOE
Vaxy	89



Sudan - Block 5B



- ➔ Over 1,280 km of seismic acquired since 2006
- ➔ Four well exploration programme began in 1Q 2008
- ➔ Studies ongoing - questions in relation to source rock maturity and migration in the southern Muglad Basin

Current Partners 5B interest

Current Partners	5B interest	
Lundin Petroleum	24.5%	} Joint operators (WNPOC)
Petronas Carigali	39.1%	
Sudapet	13.7%	
ONGC Videsh Ltd	23.5%	

NilePet to take 10% interest in block

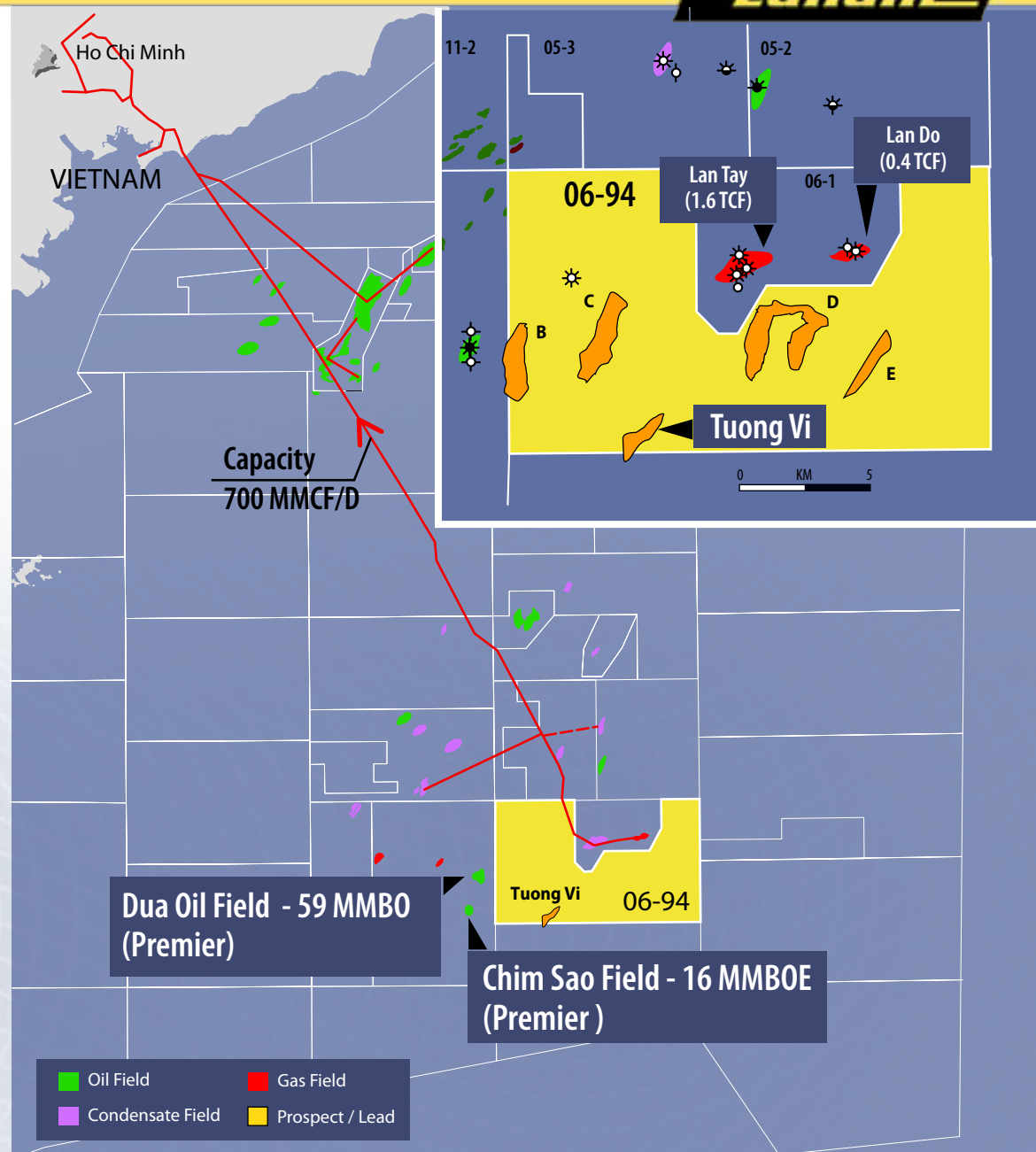
Vietnam - Block 06-94

- **Lundin Petroleum interest: 33.33%**
 - ➔ Pearl Energy: 33.33% (operator)
 - ➔ Serica: 33.33%
- **Block 06/94 located in southern Nam Con Son Basin**
 - ➔ BP's Lan Tay & Lan Do gas fields (2.0 TCF) located in block to the north
 - ➔ Premier's Dua & Chim Sao oil fields (75 MMBOE) is located in the adjacent block to the west
- **1750 km² 3D seismic acquired in block – processing and interpretation underway**
- **First exploration well of 3 well programme scheduled to commence early 2009 - Tuong Vi**

➤ Prospective Resources

Prospect	MMBOE*
Tuong Vi	159

*Gross Unrisked Prospective Resources



Kenya - Block 9

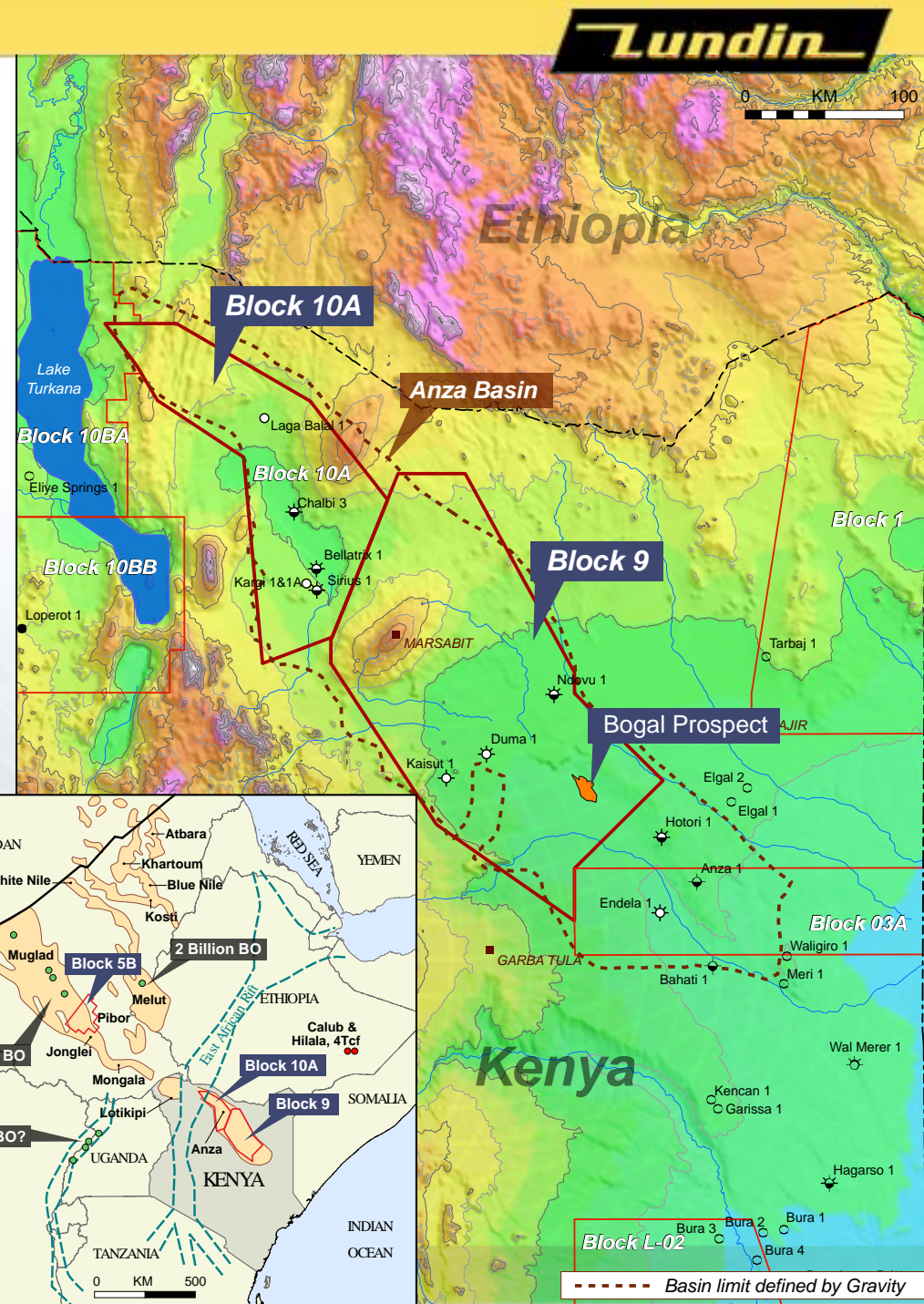
- ➔ **Lundin Petroleum interest: 30%**
 - ➔ CNOOC Africa 70% (operator)
- ➔ **Block 9 located in Anza Basin, an extension of the Cretaceous Muglad rift system**
- ➔ **1 exploration well, Bogal-1 to be drilled in Q1 2009**
 - ➔ Proven petroleum system
 - ➔ New infill seismic acquired in 2008
 - ➔ Large well defined fault closed 3 way dip structure
 - ➔ Main target Cretaceous sandstone

- ➔ **Other prospects and leads present on the block**

- ➔ **Gross Unrisked Prospective Resources**

Prospect	MMBOE*	COS%
Bogal	350	15

* Gross unrisked prospective resources



Exploration and Appraisal Activity 2008-2009



Country	Licence	Prospect	Gross Unrisked MMBOE	Net Interest	Operator	Likely Drilling Schedule 2008				Likely Drilling Schedule 2009			
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Norway	PL292	Pi North	19-32	40%	BG	Discovery							
	PL338	Luno appraisal	-	50%	Lundin								
	PL006c	SE Tor	20-25	75%	Lundin								
	PL304	Aegis	104	50%	Lundin								
	PL338	Luno extension	-	50%	Lundin								
	PL412	Hugin South	86	30%	Noreco								
	PL363	Mon	123	60%	Lundin								
	PL340	Marihone A/B	39	15%	Marathon								
	PL359	Luno High	-	70%	Lundin								
UK	P1107	Torphins	28	40%	Lundin								
Russia	Lagansky	Morskaya	-	70%	Lundin								
	Lagansky	Langaskaya	106	70%	Lundin								
	Lagansky	Petrovskaya	300	70%	Lundin								
	Lagansky	Morskaya appraisal		70%	Lundin								
Sudan	Block 5B	Wan Machar	1542	24.5%	WNPOC								
	Block 5B	Muny Deng	159	24.5%	WNPOC								
	Block 5B	Golo	541	24.5%	WNPOC								
	Block 5B	Nyal	176	24.5%	WNPOC								
France	Ferrieres	Ferrieres	14	65%	Lundin								
	Pays de Saulnois	Vaxy	89	50%	Lundin								
Indonesia	Salawati Island/Basin		*34	--	PetroChina								
Vietnam	Block 06/94	Tuong Vi	159	33.3%	Pearl								
Congo	Marine XI	Viodo appraisal	-	18.75%	Soco								
	Marine XI	Sendji	-	18.75%	Soco								
Kenya	Block 9	Bogal	350	30%	CNOC								



Drilled

* Net Unrisked MMBOE

South East Asia



- **Cambodia** - 1 exploration licence, Block E
 - ➔ Interpretation of 2D seismic
- **Vietnam** - 1 exploration licence, Block 06/94
 - ➔ Exploration drilling to commence in Q1 2009
- **Malaysia** - 3 exploration licences
 - ➔ Existing discoveries
 - ➔ 8 well drilling programme by 2013
- **Indonesia** - 5 licences
 - ➔ 2P reserves: 16.1 MMboe
 - ➔ 1 new exploration licence - Rangkas
 - ➔ Lematang first gas in 2009
 - ➔ 2 Direct Joint Study Areas

Prospective Resources – 2008 Movement



Prospect	Pre-Drill Gross Estimate mmboe (unrisked)	Well Result	Post Drill Gross Resource Estimate mmboe	Resource Category in 2009
Norway - Pi North	9.1	Discovery	19 – 32 (incl 10.9 mmboe from Pi South discovery)	Contingent Resource and 2P
Russia - Morskaya	641	Discovery	Being assessed	Contingent Resource
UK - Torphins	30	Discovery	Being assessed	Contingent Resource
Sudan - Wan Machar	1542	Dry	0	Eliminated from Prospective Resources
Sudan - Nyal-1	176	Dry	0	Eliminated from Prospective Resources

➤ Likely addition to Prospective Resources in 2009

- ➔ Norway – APA2007 licence awards and further Luno exploration upside
- ➔ Kenya – Block 9
- ➔ Congo – Marine XI
- ➔ Malaysia – PM308A, PM308B and SB303

Reserves Upside Potential

