

Financial Presentation - First Six Months 2010



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First Six Months 2010 Highlights



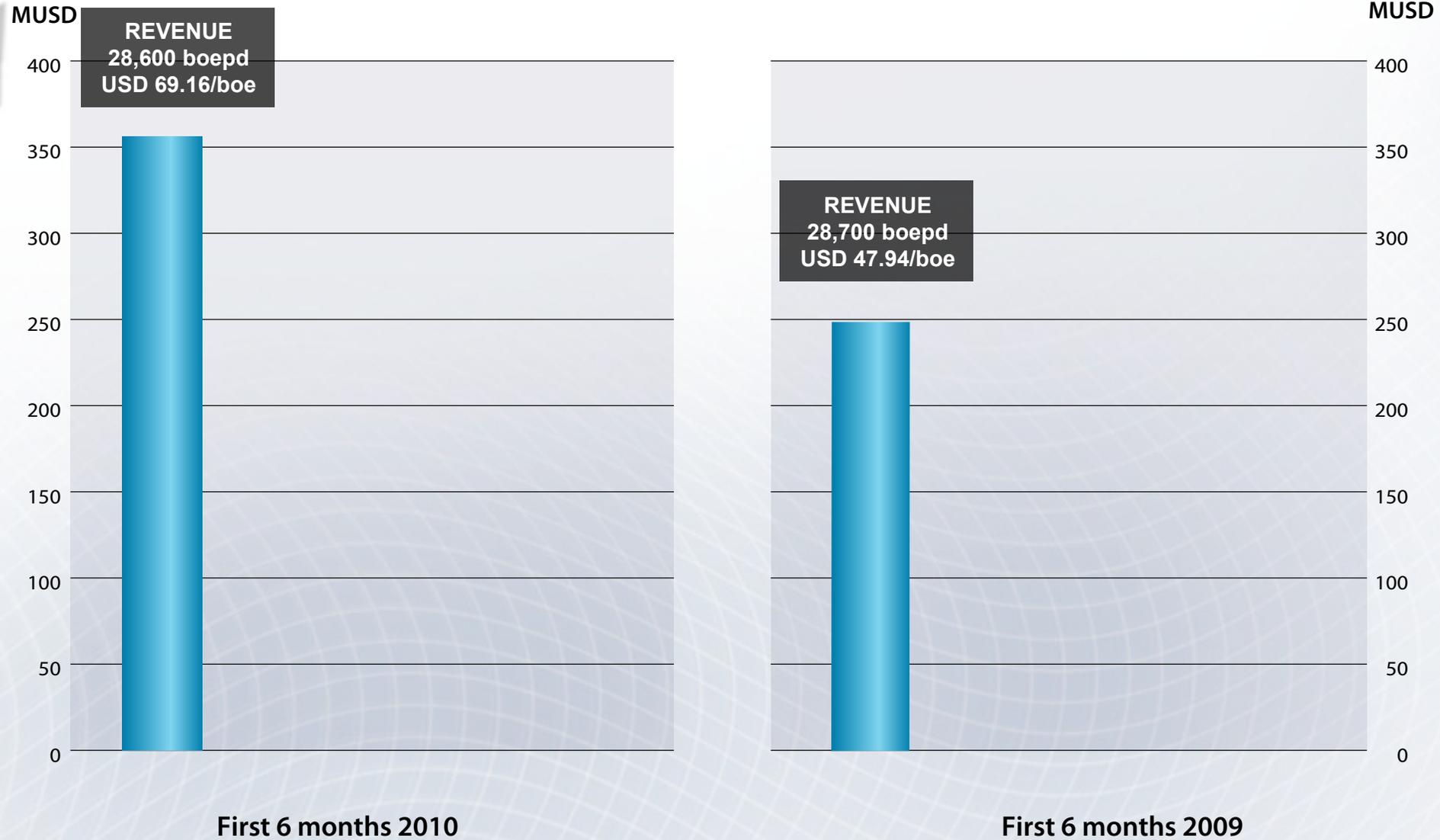
	First 6 months 2010	Second quarter 2010
➤ Production (boepd)	33,100	30,200
➤ Oil price achieved (USD/boe)	70.22	69.96
➤ Cost of operations (USD/boe)	12.17	8.48
➤ Profit after tax (MUSD)	390.1	365.6

⇒ Continued strong cashflow generation = MUSD 281.5

Financial Results - First Six Months 2010



CONTINUING OPERATIONS



Financial Results - First Six Months 2010



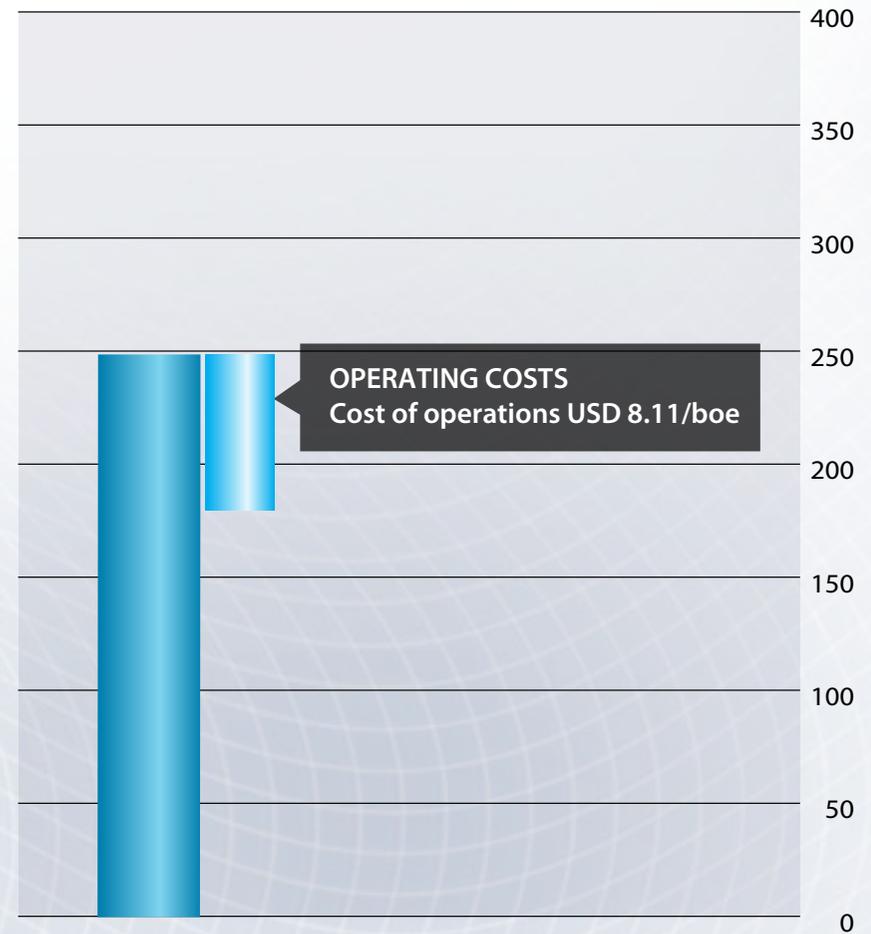
CONTINUING OPERATIONS

MUSD



First 6 months 2010

MUSD



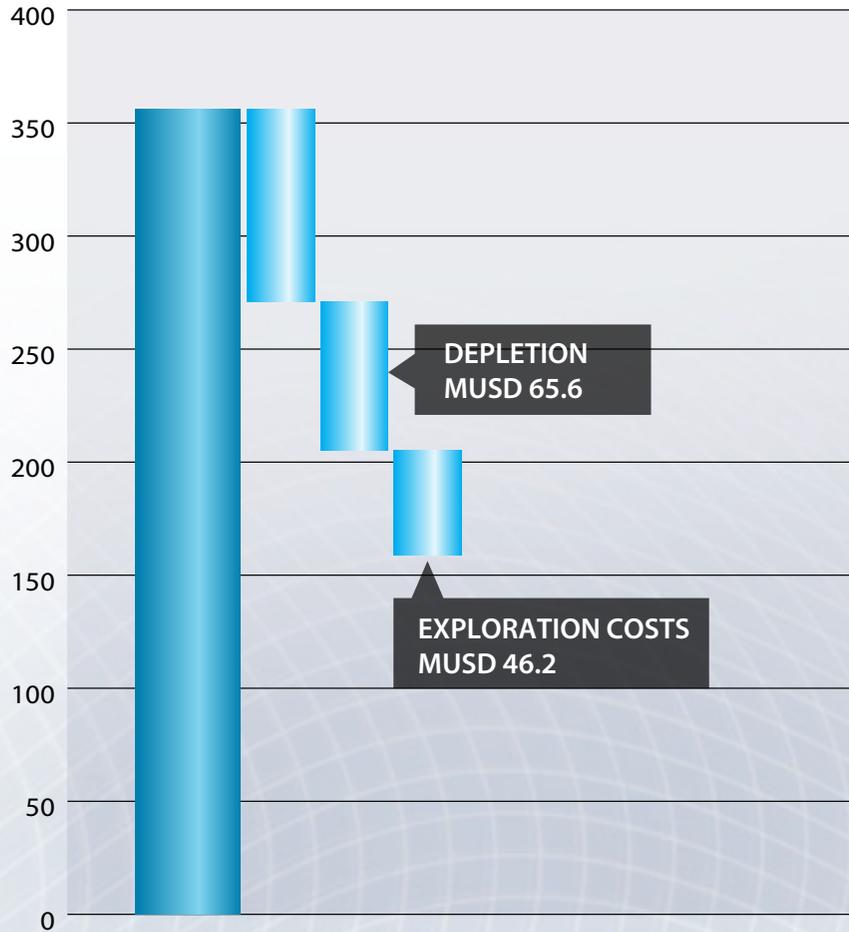
First 6 months 2009

Financial Results - First Six Months 2010



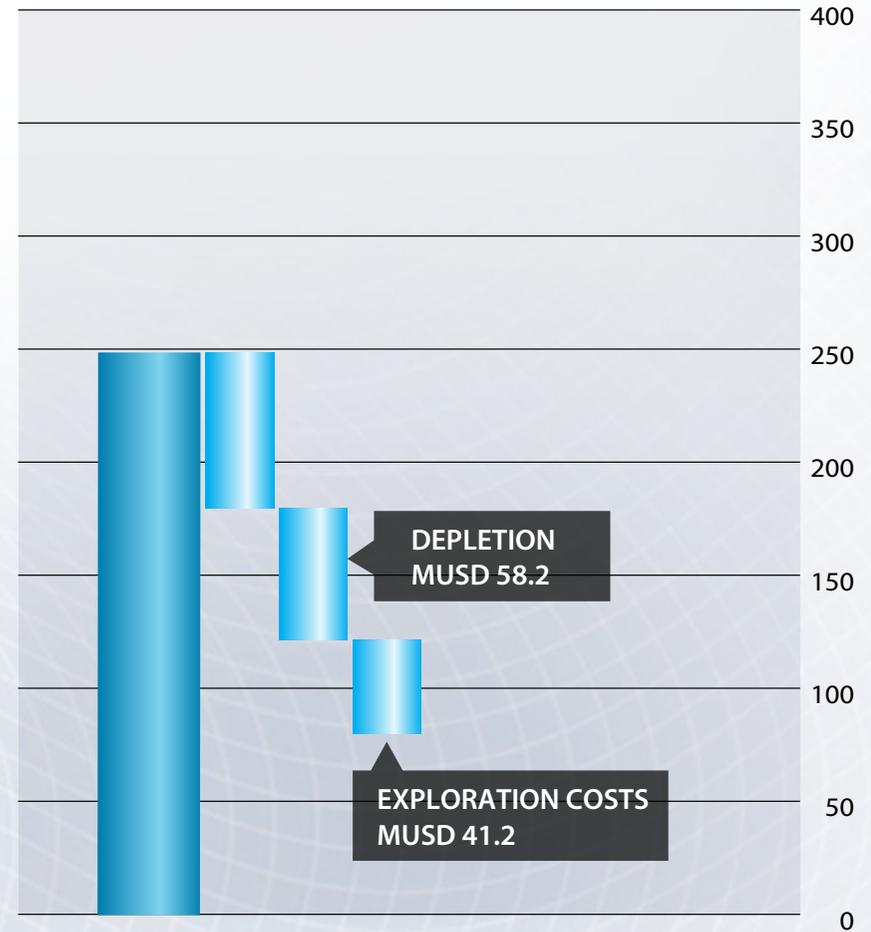
CONTINUING OPERATIONS

MUSD



First 6 months 2010

MUSD



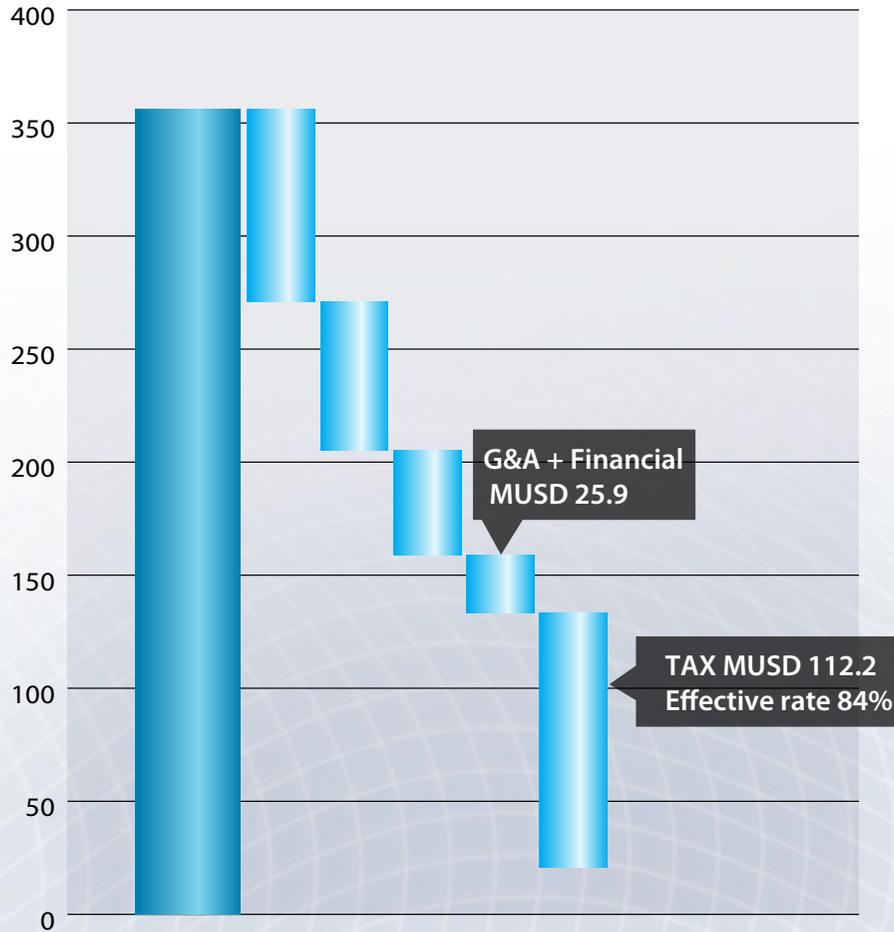
First 6 months 2009

Financial Results - First Six Months 2010



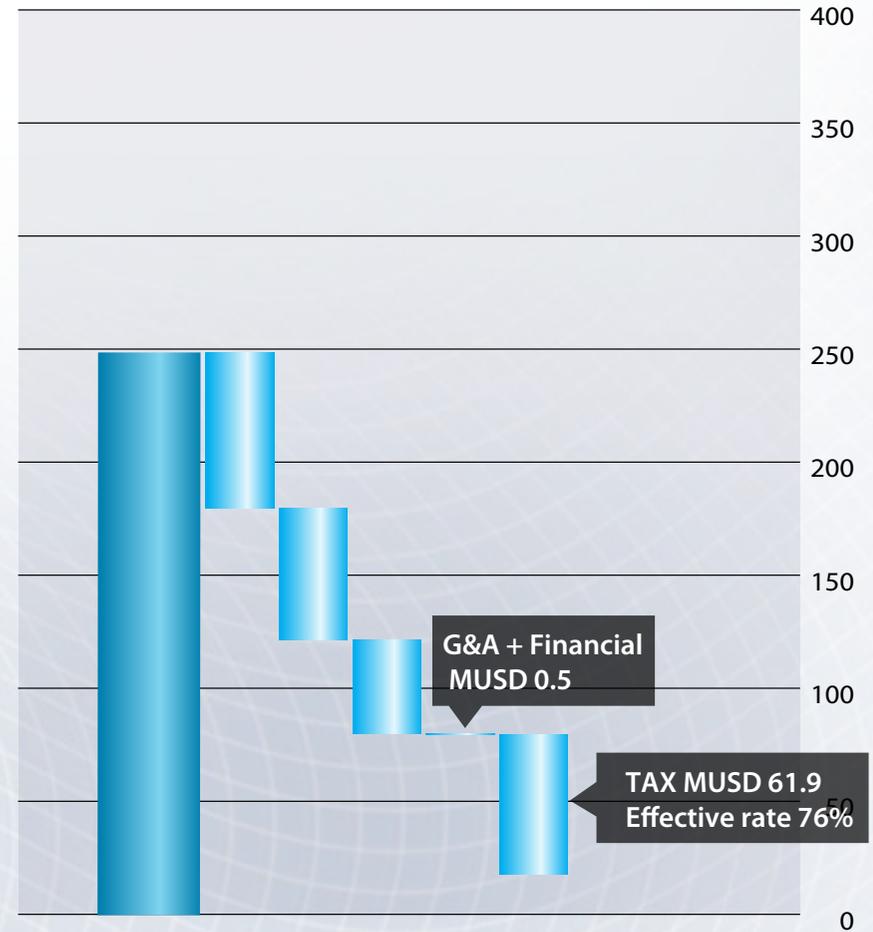
CONTINUING OPERATIONS

MUSD



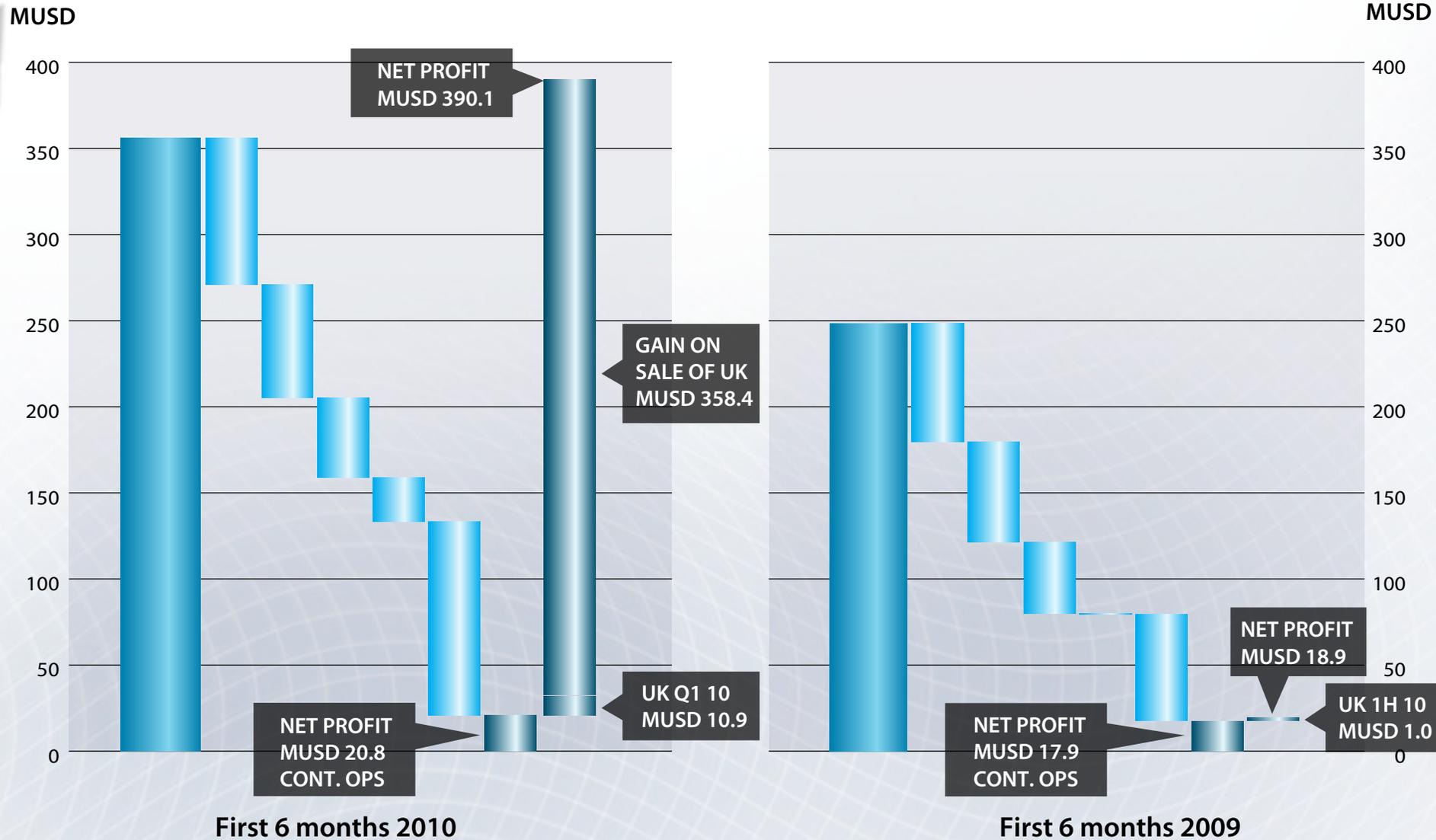
First 6 months 2010

MUSD

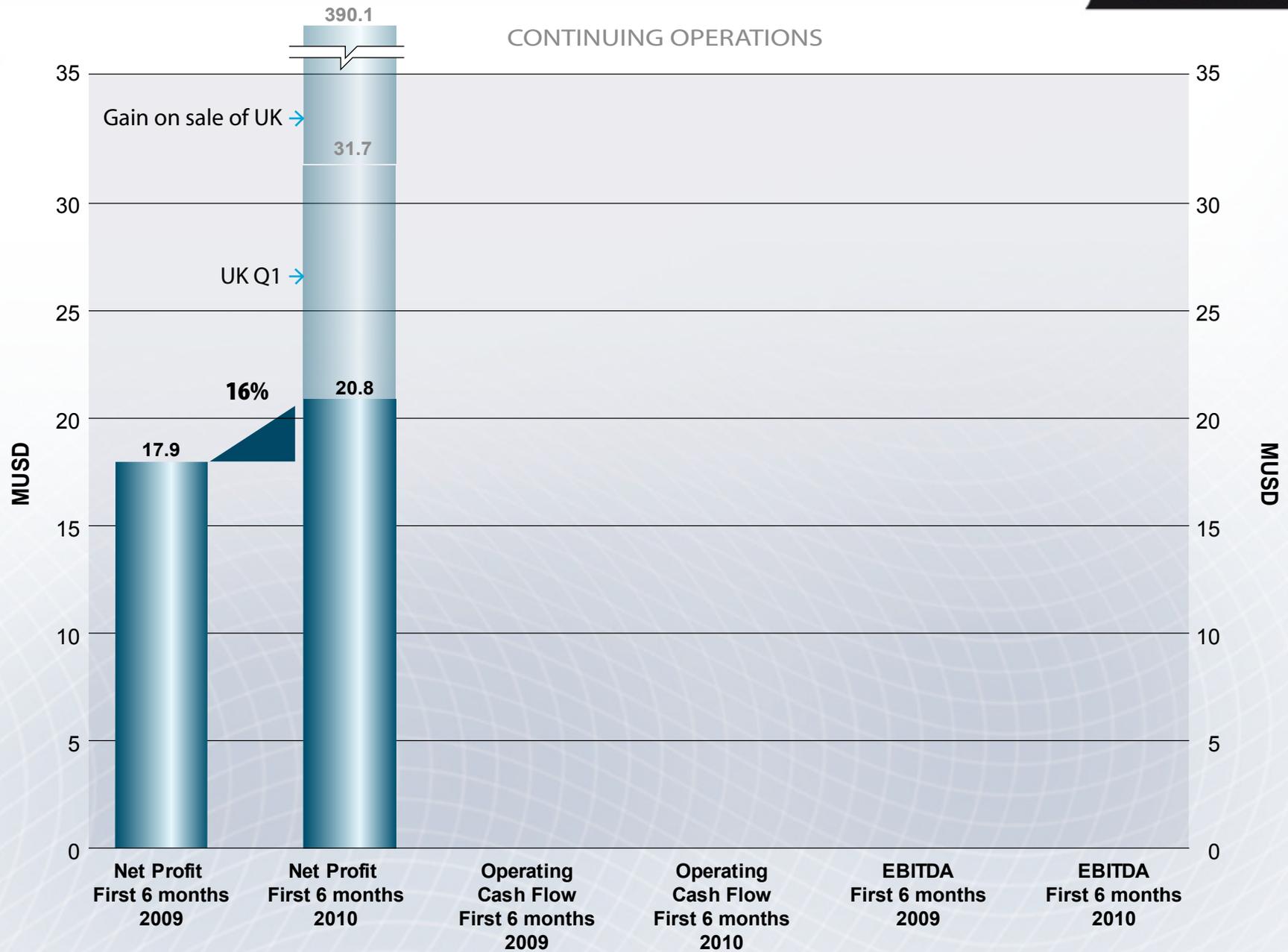


First 6 months 2009

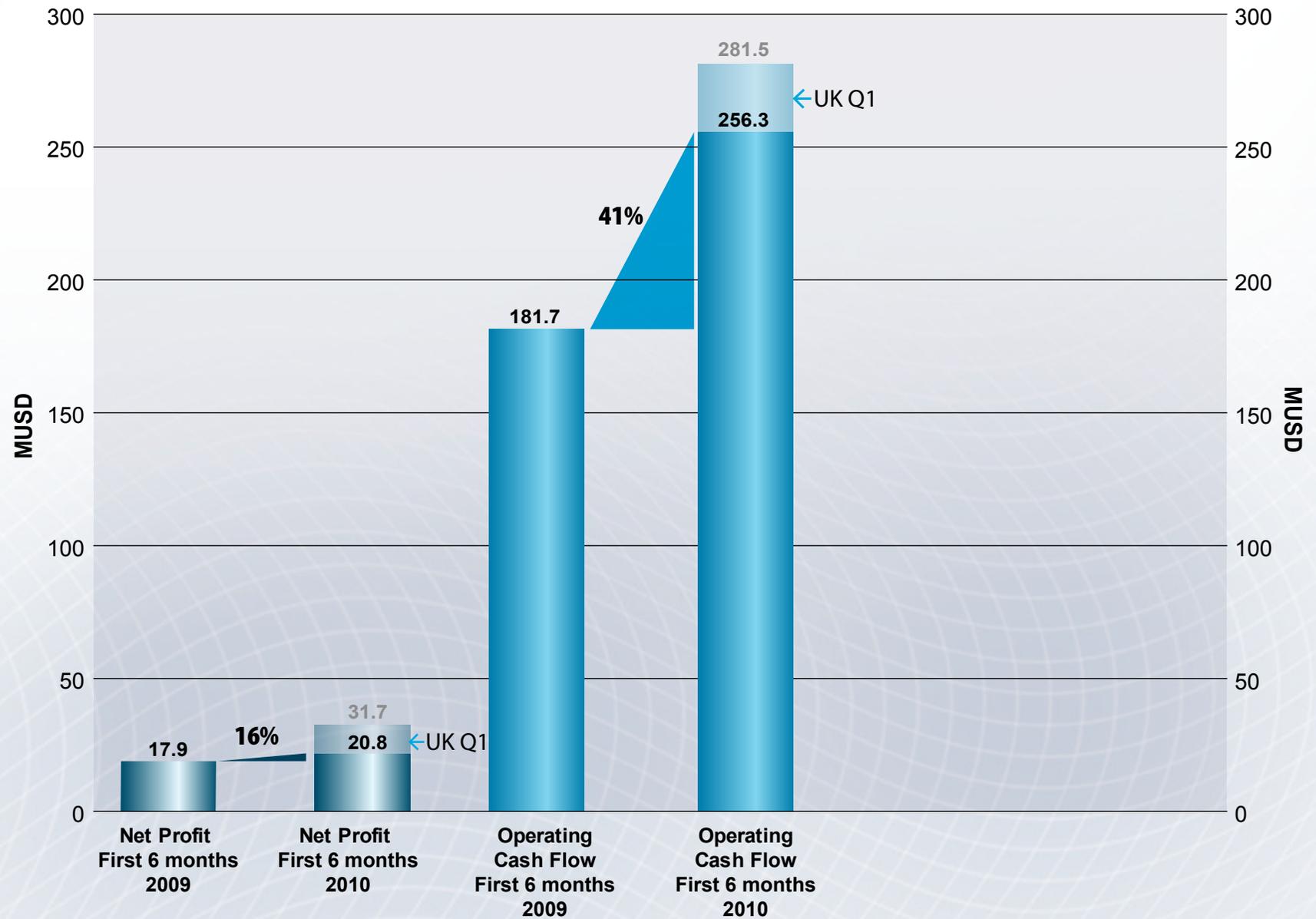
Financial Results - First Six Months 2010



Financial Results - First Six Months 2010



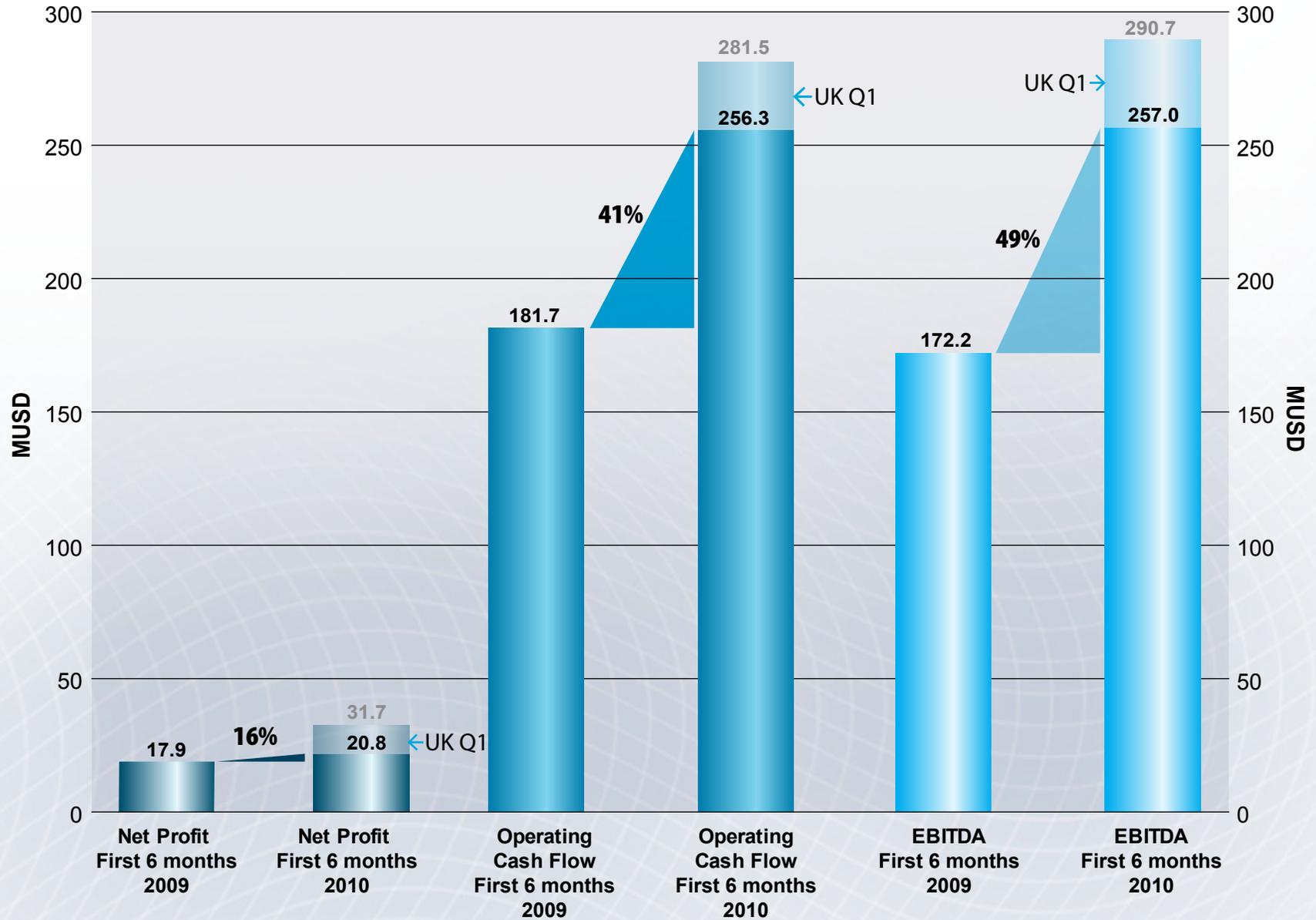
Financial Results - First Six Months 2010



Financial Results - First Six Months 2010



CONTINUING OPERATIONS



Netback - First Six Months 2010

[USD/boe]



CONTINUING OPERATIONS

	First 6 months 2010
<i>Average Brent oil price</i>	77.29
Revenue	68.81
Cost of operations	-8.53
Tariffs	-1.34
Royalty and direct taxes	-4.12
Changes in inventory/overlift	-2.29
Other	-0.23
Cash Margin	52.30
Cash taxes	-2.78
Operating Cashflow	49.52
General and administration costs	-2.66
EBITDA	49.64

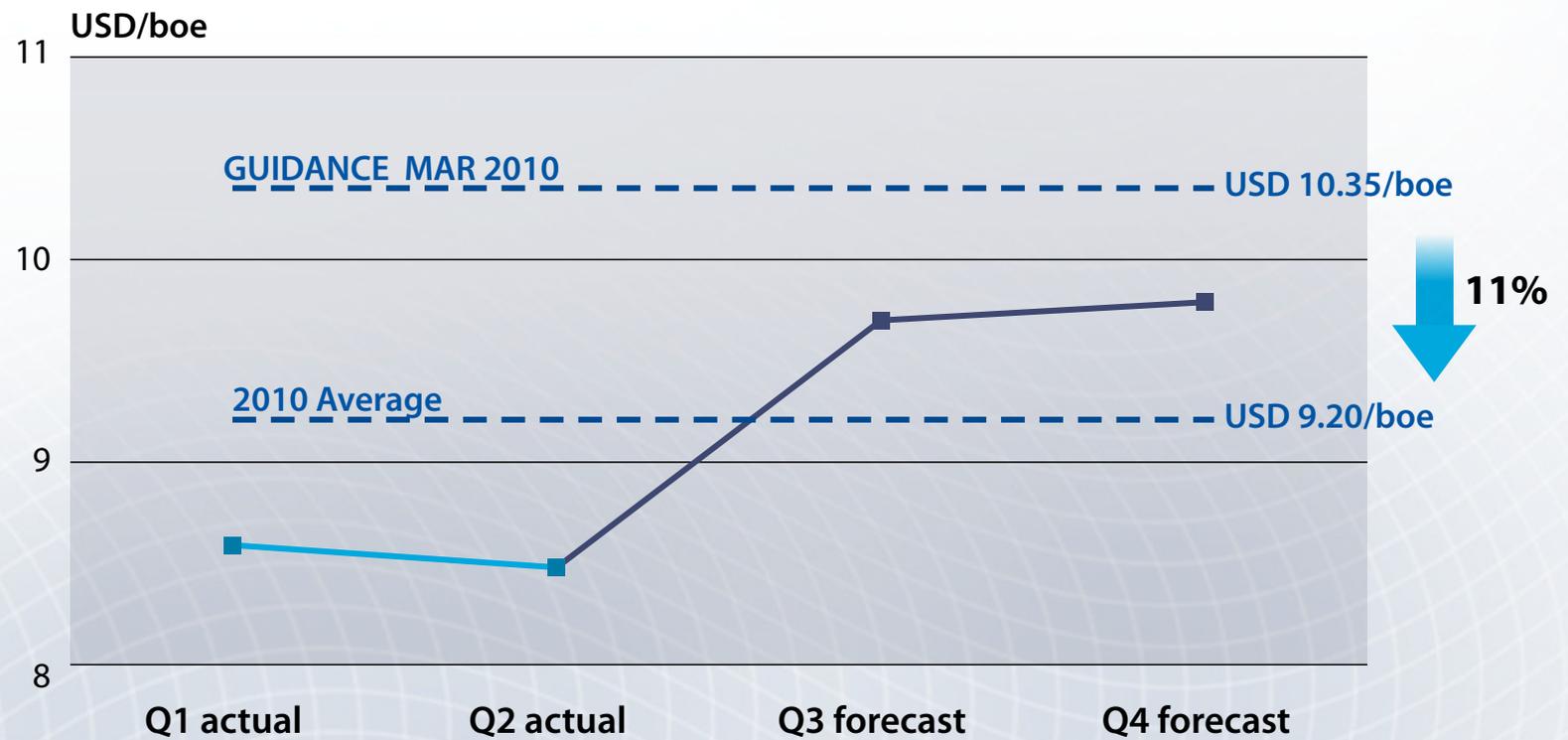
➤ Development capex	➔	101 MUSD
➤ Exploration capex	➔	64 MUSD

Cost of Operations 2010

[USD/boe]



CONTINUING OPERATIONS



Exploration Costs - First Six Months 2010

[MUSD]



	First 6 months 2010
Norway	30.6
Vietnam	15.0
Other	0.6
Exploration Costs	46.2
Attributable to Lundin Petroleum after tax	18.4

Tax - First Six Months 2010

[USD/boe]



CONTINUING OPERATIONS

	First 6 months 2010	Effective tax rate*
Current tax charge	2.78	11%
Deferred tax charge	18.90	73%
	21.68	84%

* as a percentage of pre-tax result excluding the gain on sale of UK

Tax - First Six Months 2010



[USD/boe]

Illustrative example of portfolio effect on effective tax rate

	Profit before tax	Tax	Effective tax rate
NORWAY	135	(100)	74%
VIETNAM	(15)	4	25.5%
	120	(96)	80%

2H 2010 Forecast Netback @ 70 USD/bbl Brent Forward



[USD/boe]

	2H 2010 Forecast
Revenue	61.30
Cost of operations	-9.75
Tariffs	-1.55
Royalty and direct taxes	-3.35
Changes in inventory/overlift	1.20
Other	-0.30
Cash Margin	47.55
Cash taxes	-2.65
Operating Cashflow	44.90
G&A costs	-3.20
EBITDA	44.35

- Development capex → 95 MUSD
- Exploration capex → 190 MUSD

Liquidity (MUSD)



→ at 30 June 2010

Debt Outstanding	548 ⁽¹⁾
Cash Balances	59 ⁽²⁾
Net Debt Position	489

⁽¹⁾ *excludes MUSD 49 non-recourse long term debt of Etrion Corp.*

⁽²⁾ *excludes approx. MUSD 31 held by Etrion Corp.*

Total Credit Facility	850
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Borrowing base recalculated at 1 July ~ 850 MUSD

=> Liquidity not impacted by UK spin-off

To Lundin Petroleum

- Value of distribution → 656 MUSD
- UK carrying value at distribution date → 298 MUSD
- Gain on disposal → 358 MUSD

To Lundin Petroleum shareholders

- Distribution → 1.3474 EnQuest shares for 1 Lundin Petroleum share
- Value of distribution → SEK 15.16
- Dividend yield → 23%

Key Highlights - First Six Months 2010



➤ **UK spin-off through EnQuest**

- 55% of EnQuest shares received by Lundin Petroleum distributed to shareholders
- Current value of EnQuest shares distributed to Lundin Petroleum shareholders MUSD 770
- Booked profit MUSD 358

➤ **Strong Production**

- Production for the first six months: 33,100 boepd
- Q2 2010 production increased by 13% compared to Q1 2010 (excluding UK)
- Increased 2010 production guidance to 31-34,000 boepd

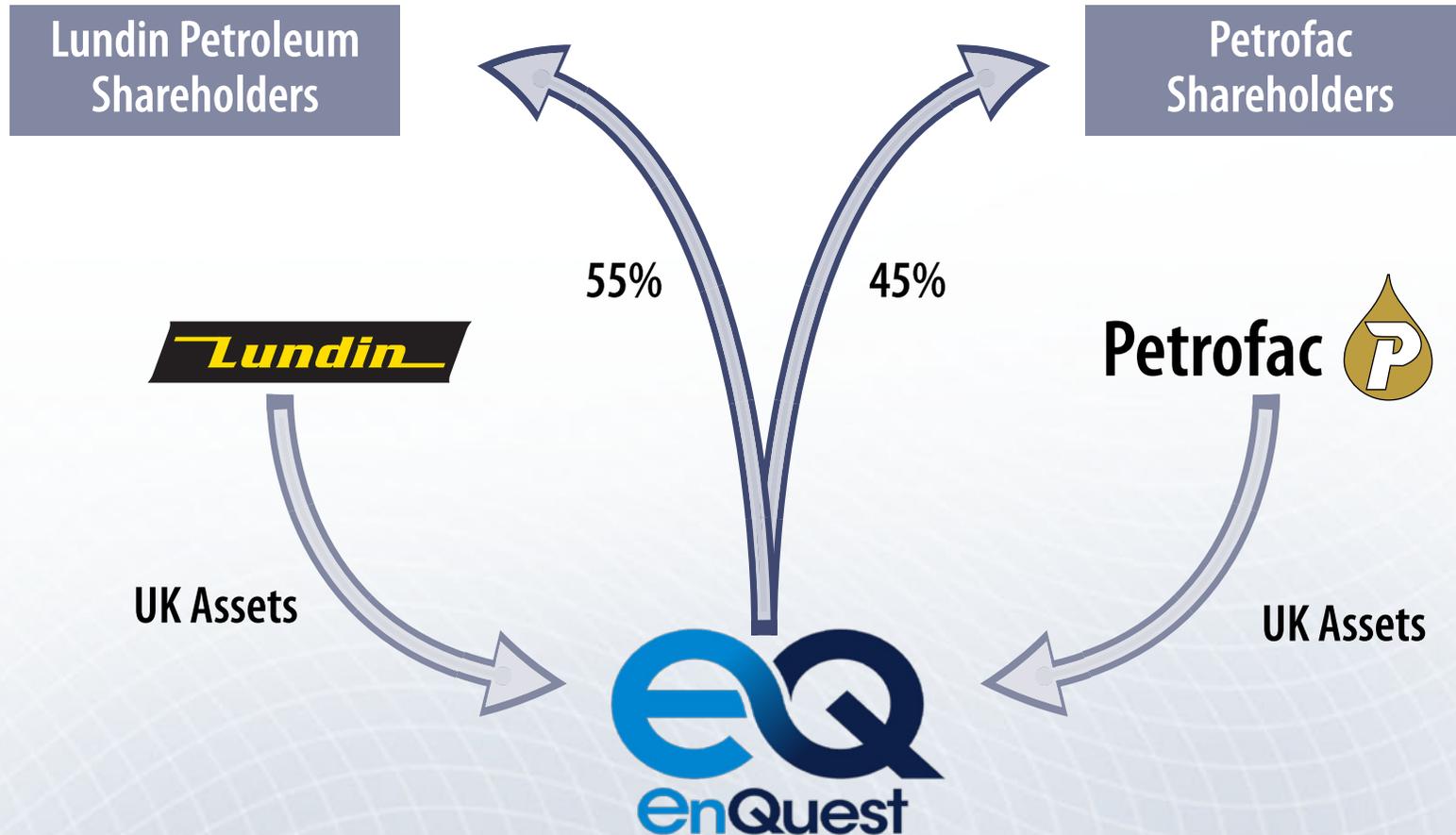
➤ **Norwegian development projects continue to progress**

- Norwegian development projects to double production over the next 5 years
- Development plan for Gaupe (formerly Pi) approved - first oil in late 2011 at net 5,000boepd
- Successful Luno appraisal well. Likely material reserves increase. Development concept selection by year end 2010

➤ **Active exploration programme commenced**

- 8 exploration wells in second half 2010 targeting over 200 MMboe net

Value Creation - Spin-off of UK Assets

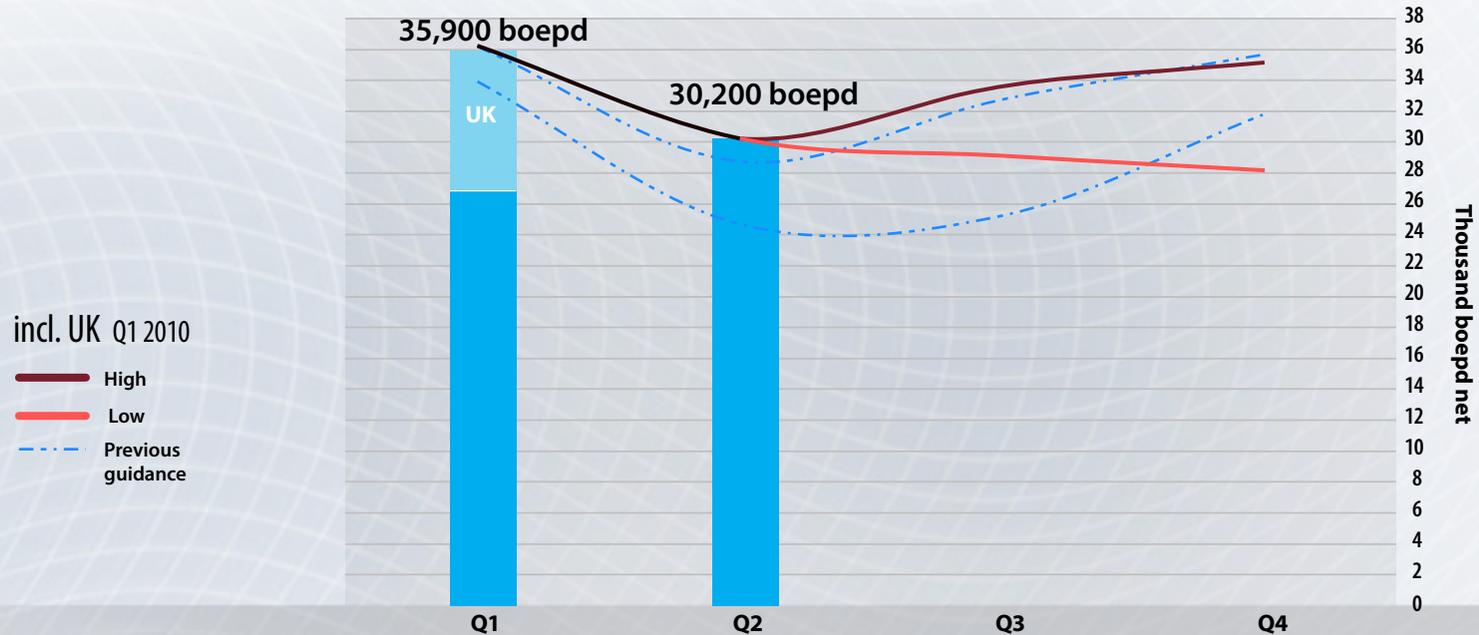
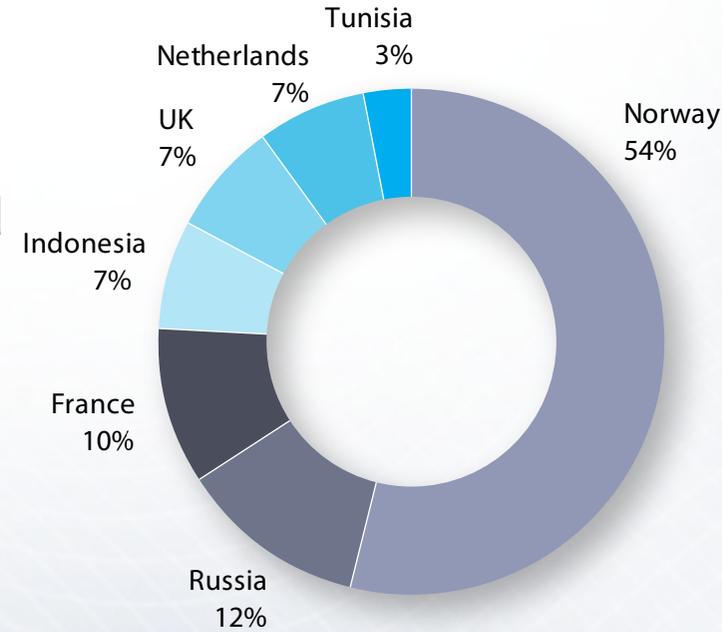



- EnQuest shares listed on main board of London Stock Exchange and secondary listing on NASDAQ OMX Stockholm in April 2010
- Assets transferred to EnQuest free of debt
- Current value of EnQuest shares distributed to Lupe shareholders ~ SEK 18

Improved 2010 Production Guidance



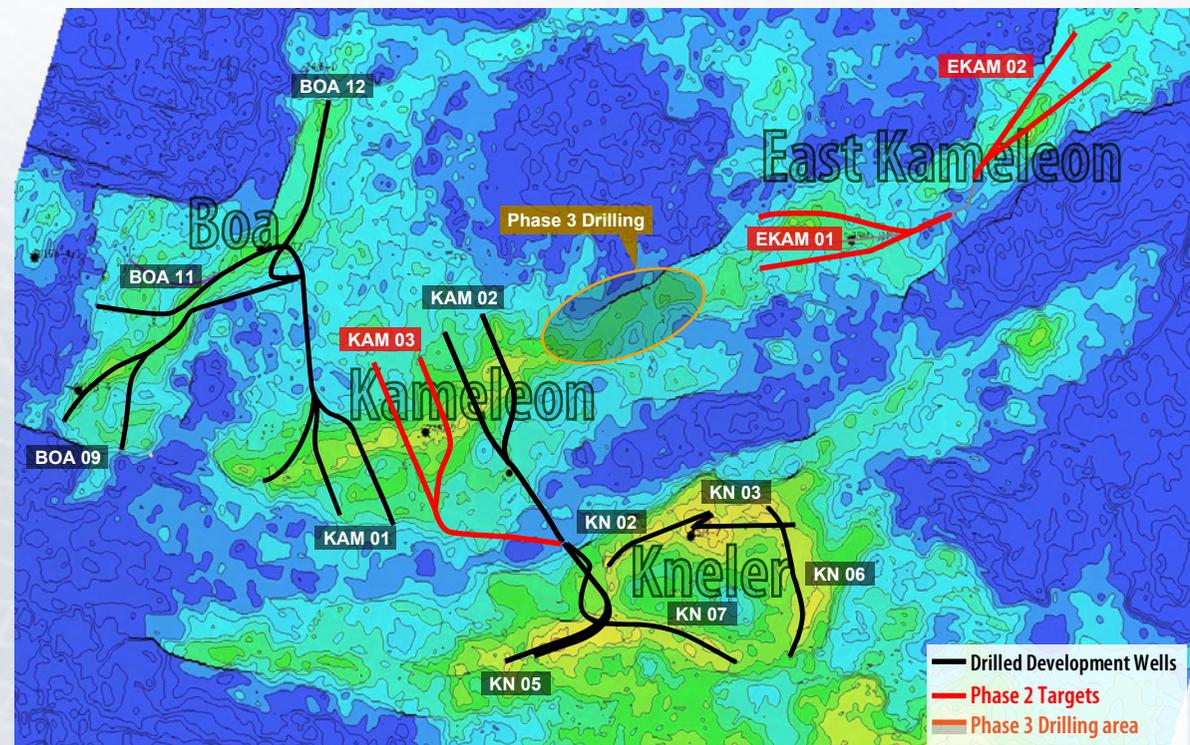
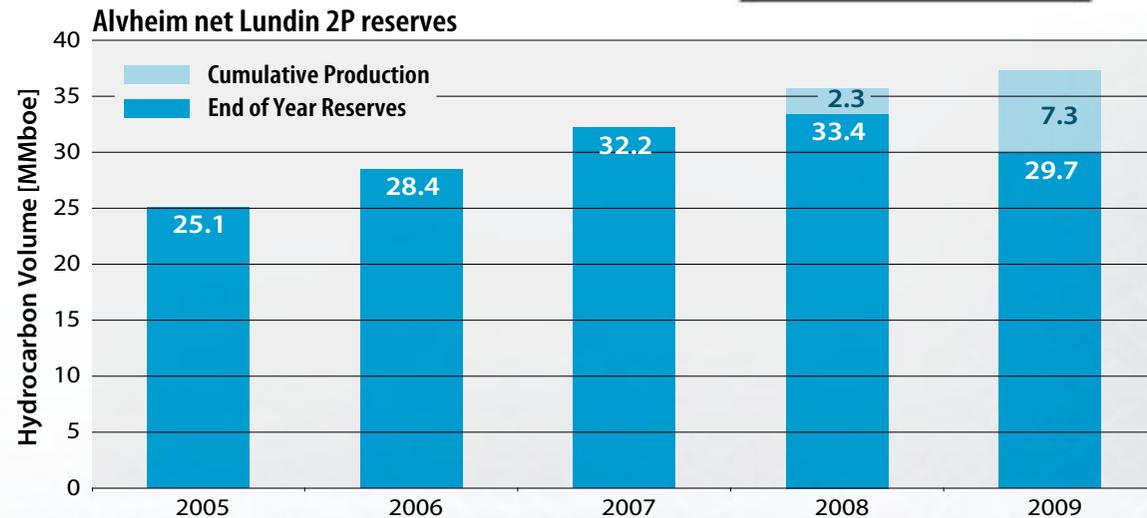
- Strong production in Q2 of 30,200 boepd driven by the Alvheim & Volund fields
- Increased 2010 production guidance to 31-34,000 boepd (previously 29-33,000 boepd)
- Norway
 - ➔ Volund onstream in April 2010 - Q2 production at 12,100 boepd gross
- United Kingdom
 - ➔ UK included for Q1 2010 only



Norway Production - Alvheim Field



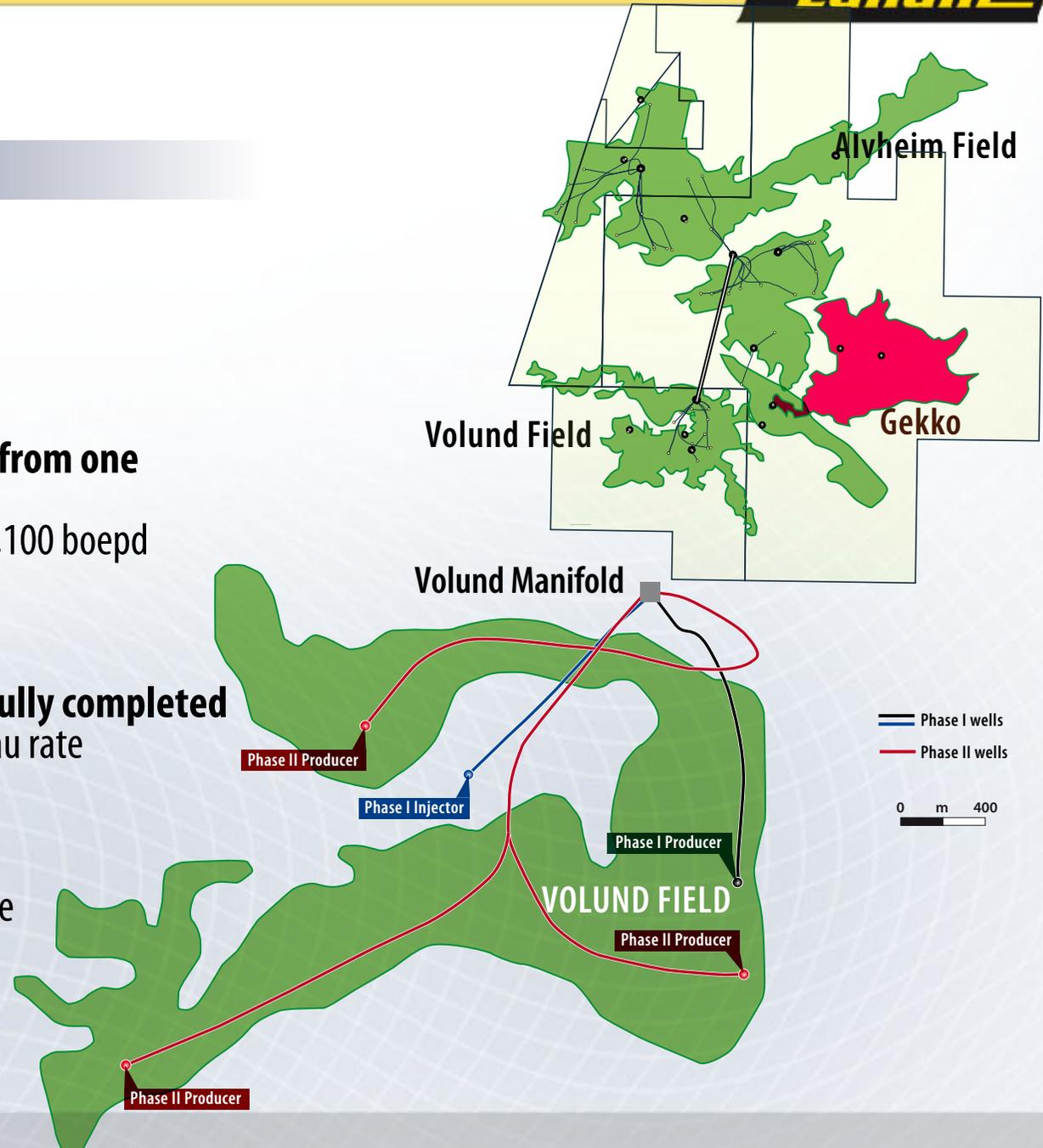
- **Lundin Petroleum 15%**
Marathon 65%
ConocoPhillips 20%
- **Production first six months 2010 at 14,000 boepd net - above forecast**
- **Reserves increased in 2009 by ~ 5% as a result of excellent reservoir performance**
- **Operating costs below USD 4/boe for 2010**
- **Drilling Phase 2**
 - ➔ The 3rd Kameleon well and two branch producers at East Kameleon
 - ➔ Drilling commenced in June
 - will increase production capacity
- **Drilling Phase 3**
 - ➔ Potential for additional infill wells



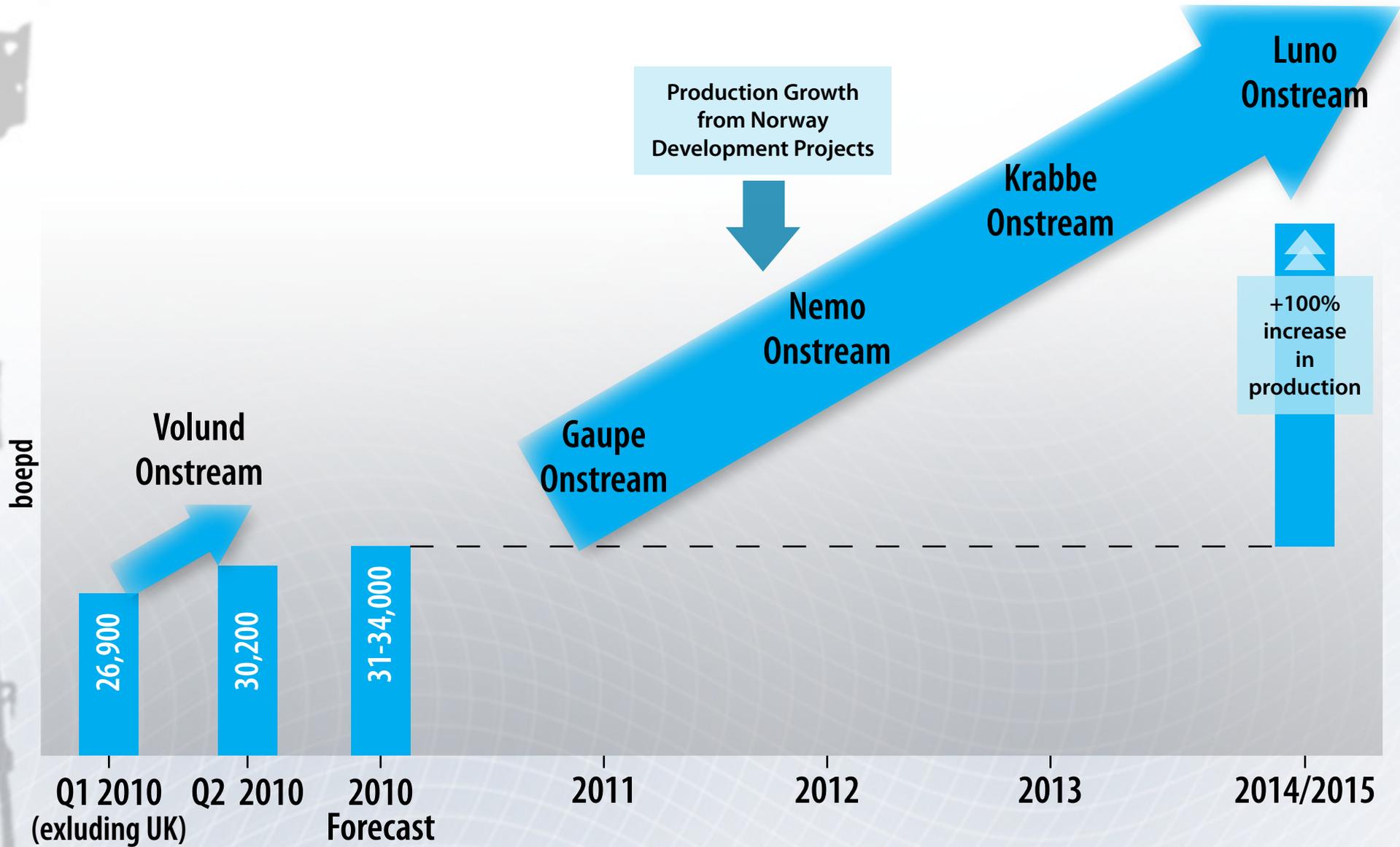
Norway Production - Volund Onstream

Volund Field

- **Lundin Petroleum 35%**
→ Marathon 65% (operator)
- **Gross reserves 49 MMboe**
- **Achieved first oil in April 2010 from one production well**
→ Q2 2010 gross production of 12,100 boepd
- **Subsea tie-back to Alvheim**
- **Phase 2 development successfully completed**
→ Production to increase to plateau rate of net 8,700 boepd shortly
- **Opex Cost**
→ Forecast at plateau ~ 8 USD/boe



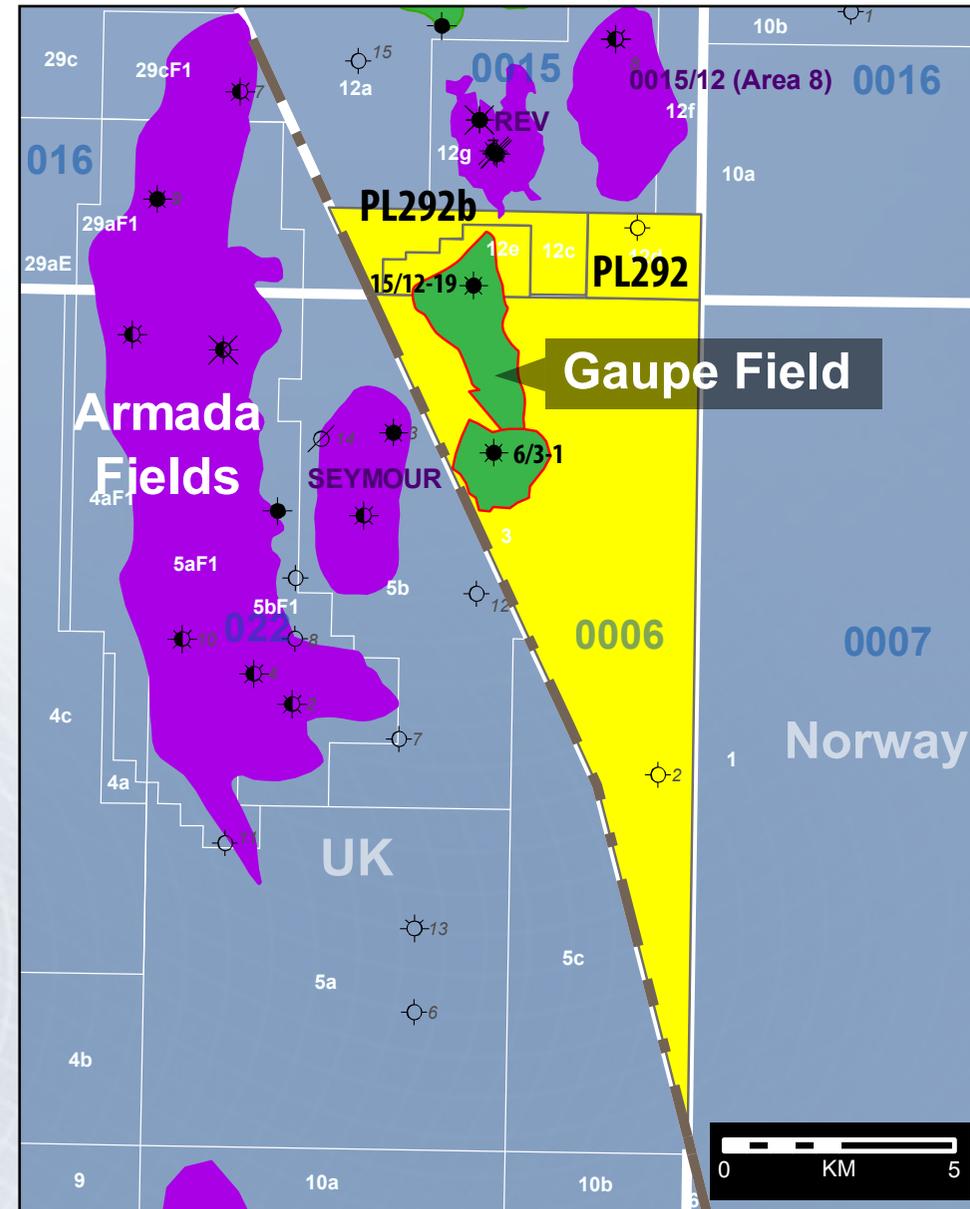
Production Growth



Subsea Tieback Development - PL292 Gaupe (Pi)



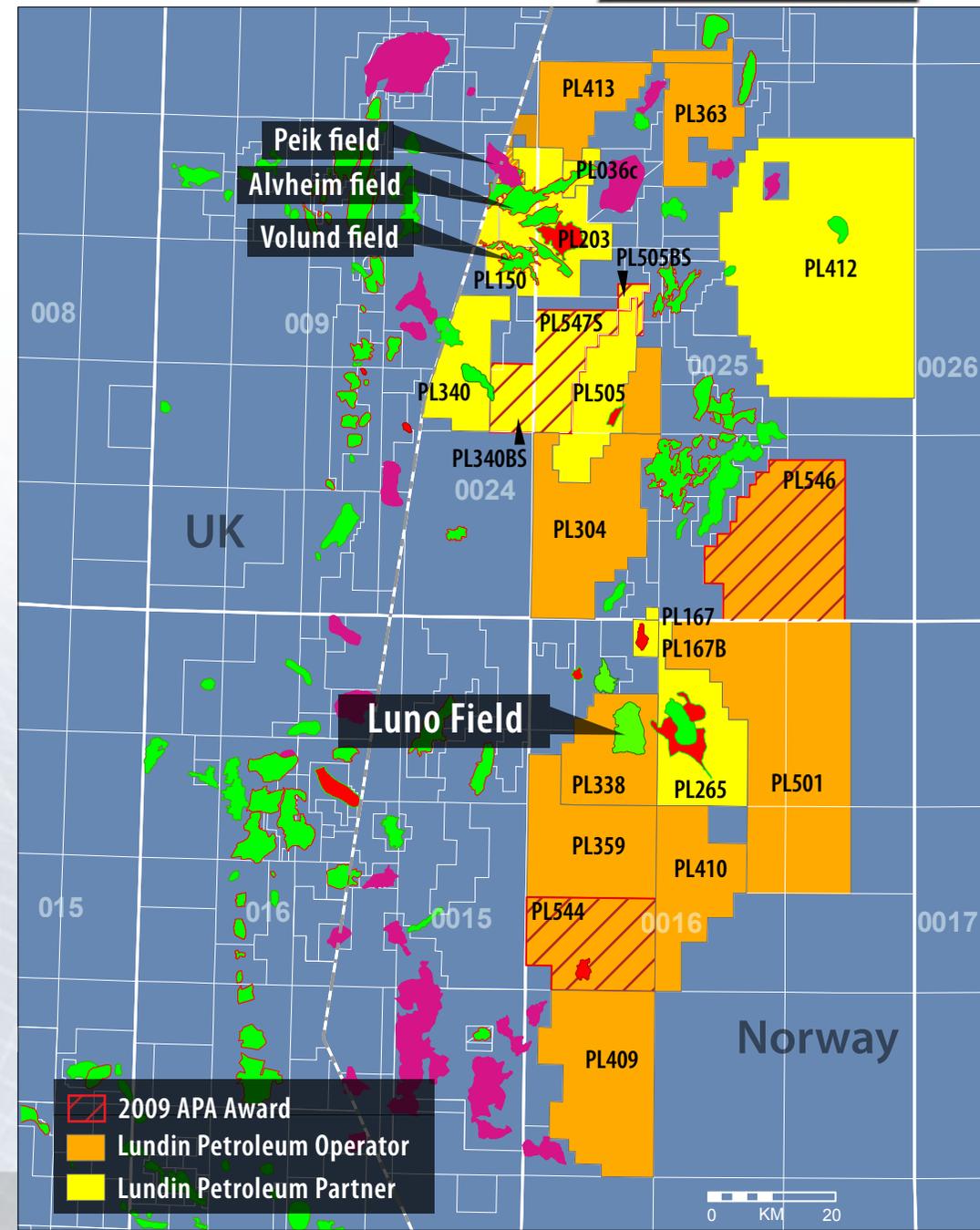
- ➔ PL292 is located in Blocks 6/3 and 15/12
- ➔ Lundin Petroleum 40%
BG Norge 60% (operator)
- ➔ 2P gross reserves of 28 MMboe
- ➔ PDO approved in June 2010
- ➔ First production forecast late 2011
- ➔ Plateau production ~ 5,000 boepd net
- ➔ Subsea tie-back to Armada (BG operated) in UK



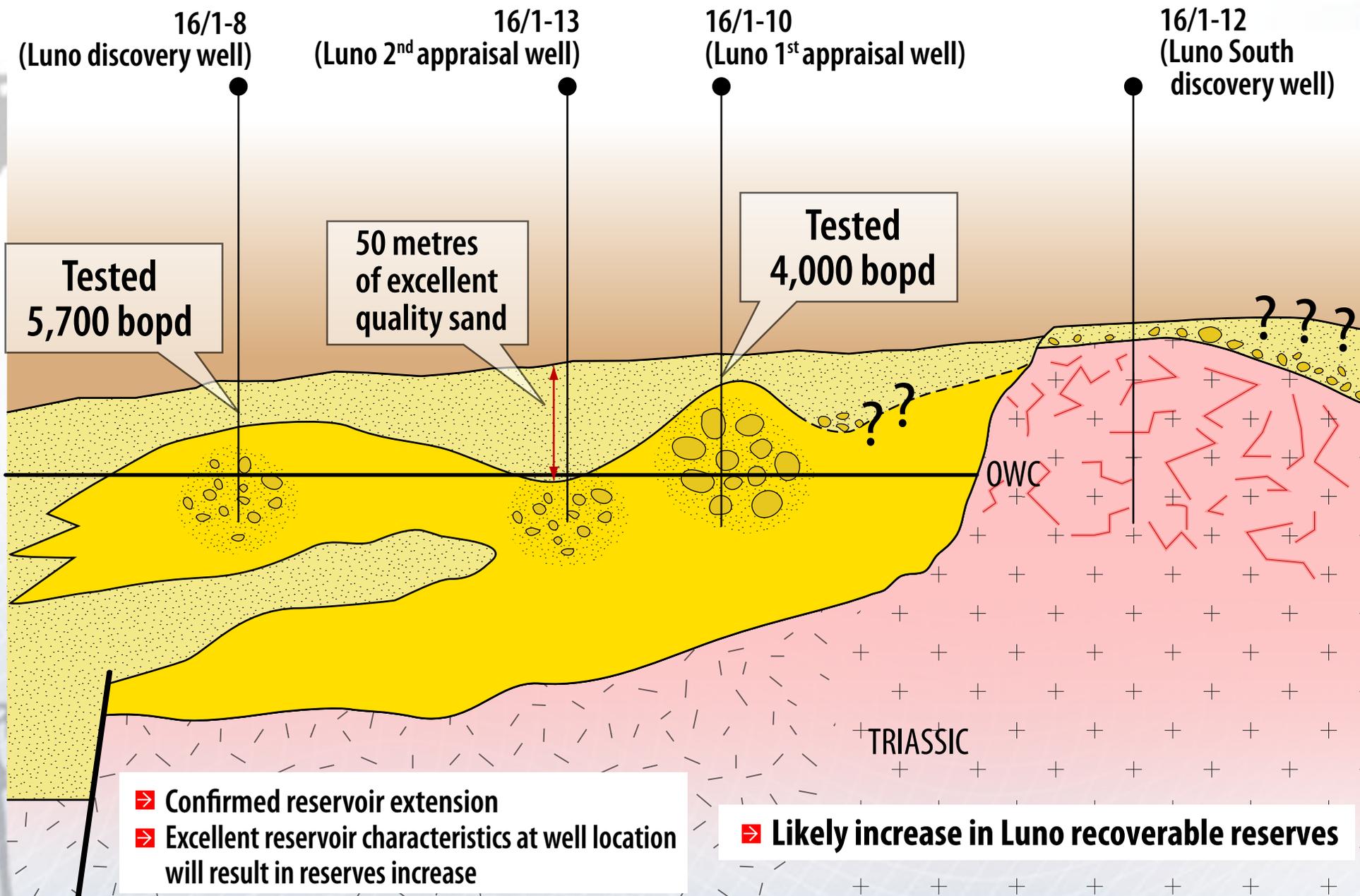
Greater Luno Area - Luno Field Development



- **Lundin Petroleum interest: 50% (operator)**
 - Wintershall 30%, RWE 20%
- **Discovered in 2007**
- **First appraisal well in 2009**
- **2P reserves of 95 MMboe gross certified**
- **Second appraisal well completed early 2010**
- **Good progress with development planning**
 - Subsurface work substantially complete
 - Concept selection in late 2010
 - Submission of PDO in 2011



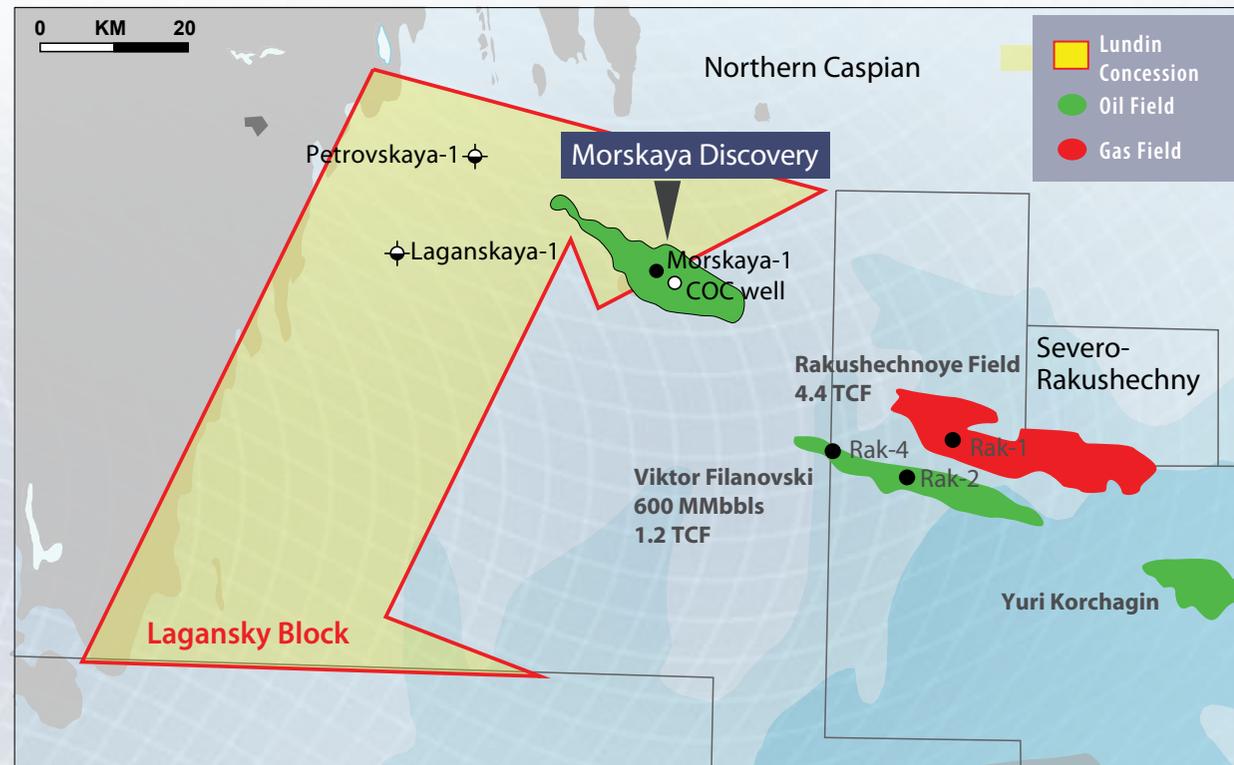
Greater Luno Area - Successful Second Appraisal Well



Russia - Lagansky - Morskaya Discovery

Lundin

- **Lundin Petroleum interest: 70% (Operator)**
→ Gunvor 30%
- **Morskaya major discovery in 2008**
- **Gunvor acquired 30 percent in 2009**
→ Fully Paying Partner
- **Deemed strategic assets due to offshore location requires 50% ownership by state owned company.**



Exploration - 2010 Drilling

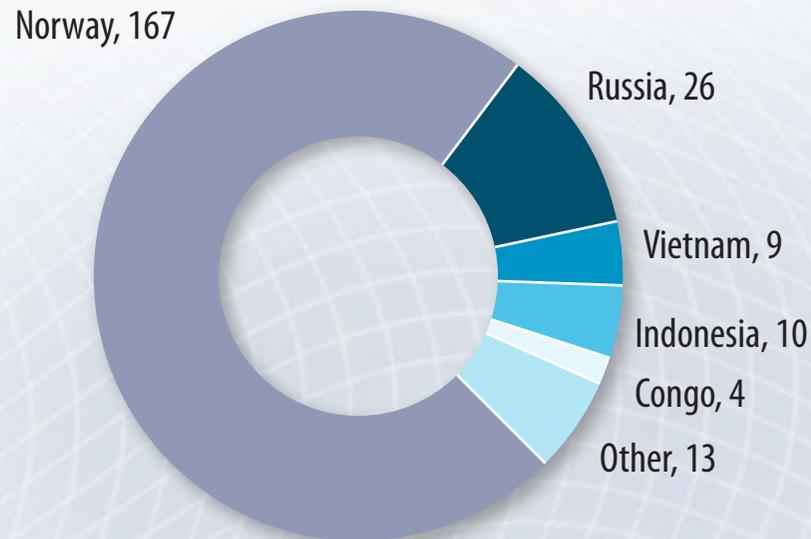


➤ Second half 2010 exploration drilling

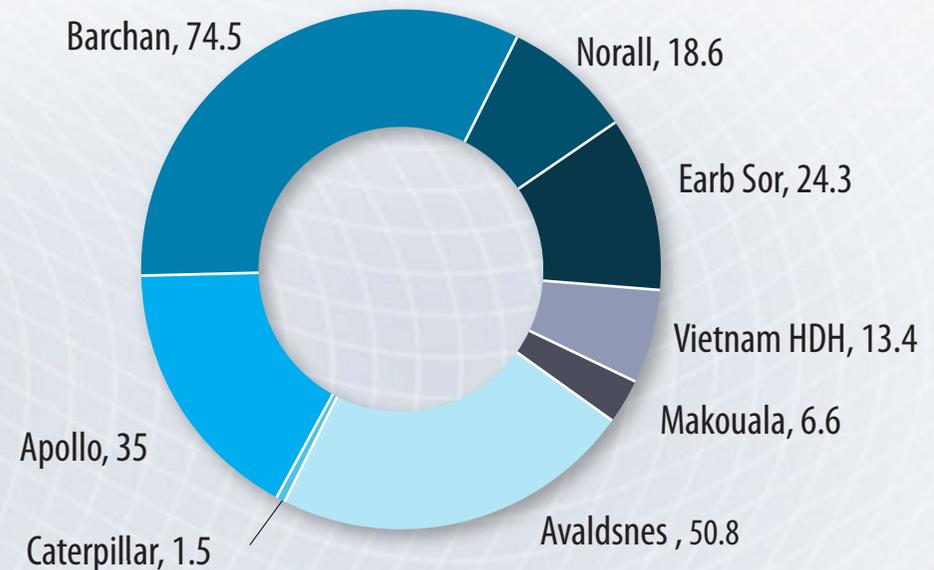
➔ 8 exploration wells

**Second half 2010 drilling
is targeting 200-250 MMboe**

2H 2010 Forecast Exploration Expenditure 230 MUSD



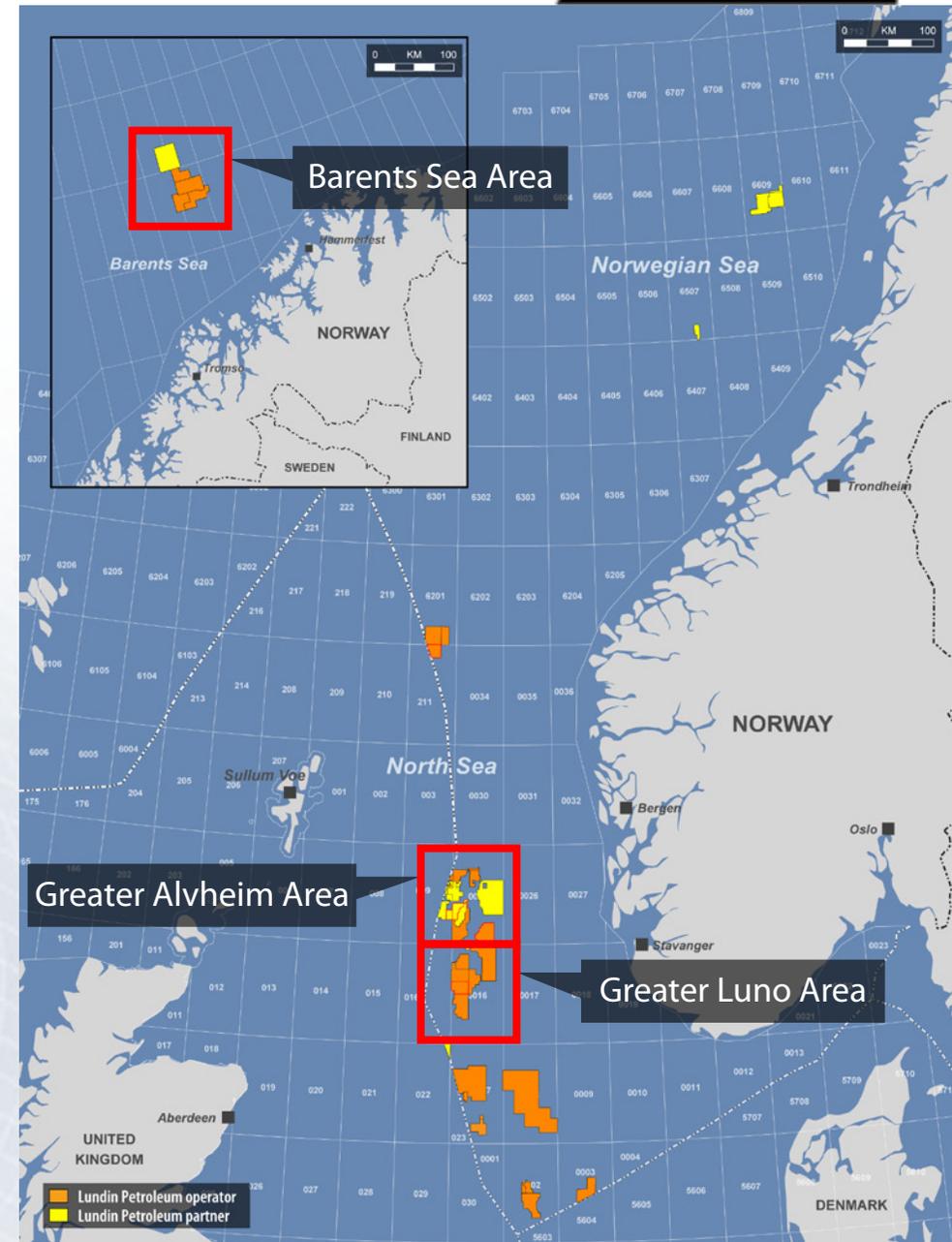
2H 2010 exploration targets: 225 MMboe net unrisks



Norway - 3 Key Growth Areas



- ➔ Greater Luno Area
- ➔ Greater Alvheim Area
- ➔ Barents Sea Area



Greater Luno Area - Further Exploration Potential



PL 501 (40%)

- Avaldsnes exploration well currently drilling
- Prospective resources 127 MMboe gross unrisks

PL 338 (50%)

- Apollo exploration well in 2010
- Prospectives resources 20-130 MMboe gross recoverables

PL 409 (70%)

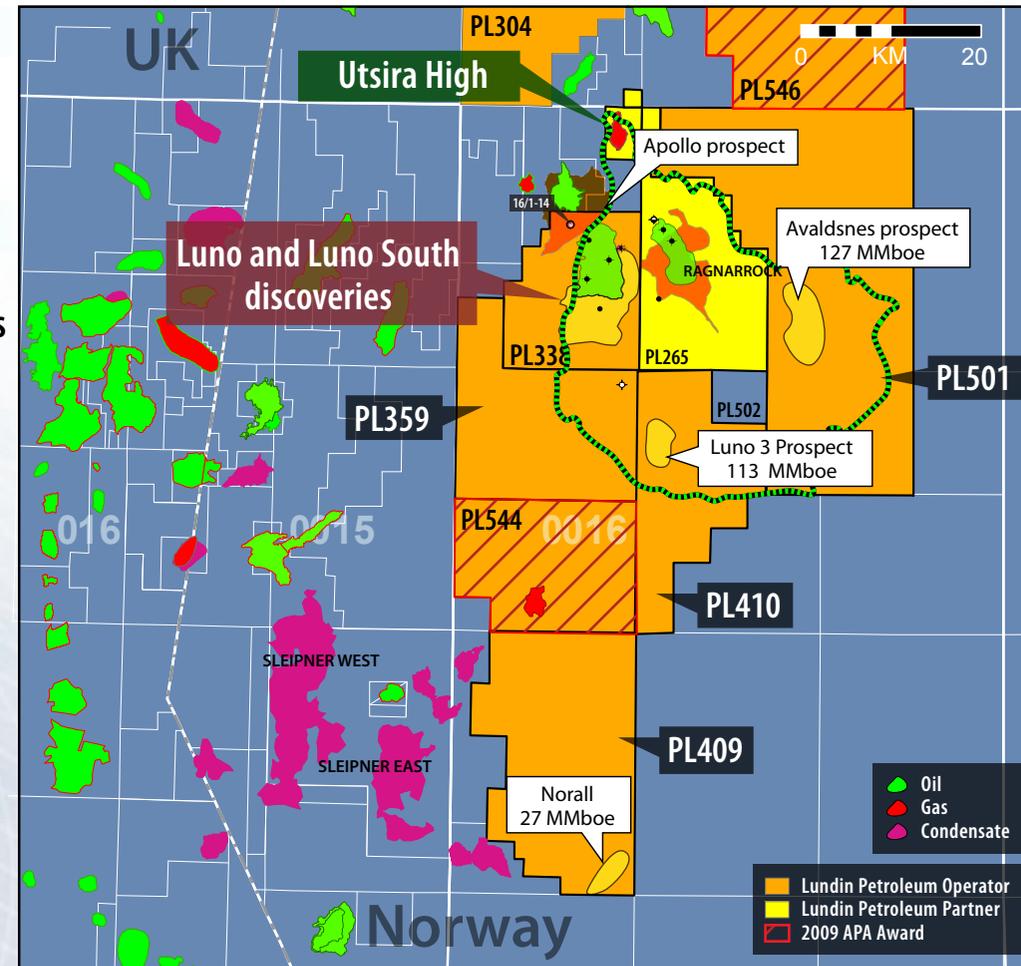
- Norall exploration well in 2010
- Prospective resources 27 MMboe gross unrisks

PL 265 (10%)

- Acquired from Talisman in December 2009

PL544 (70%)

- 2009 APA Award

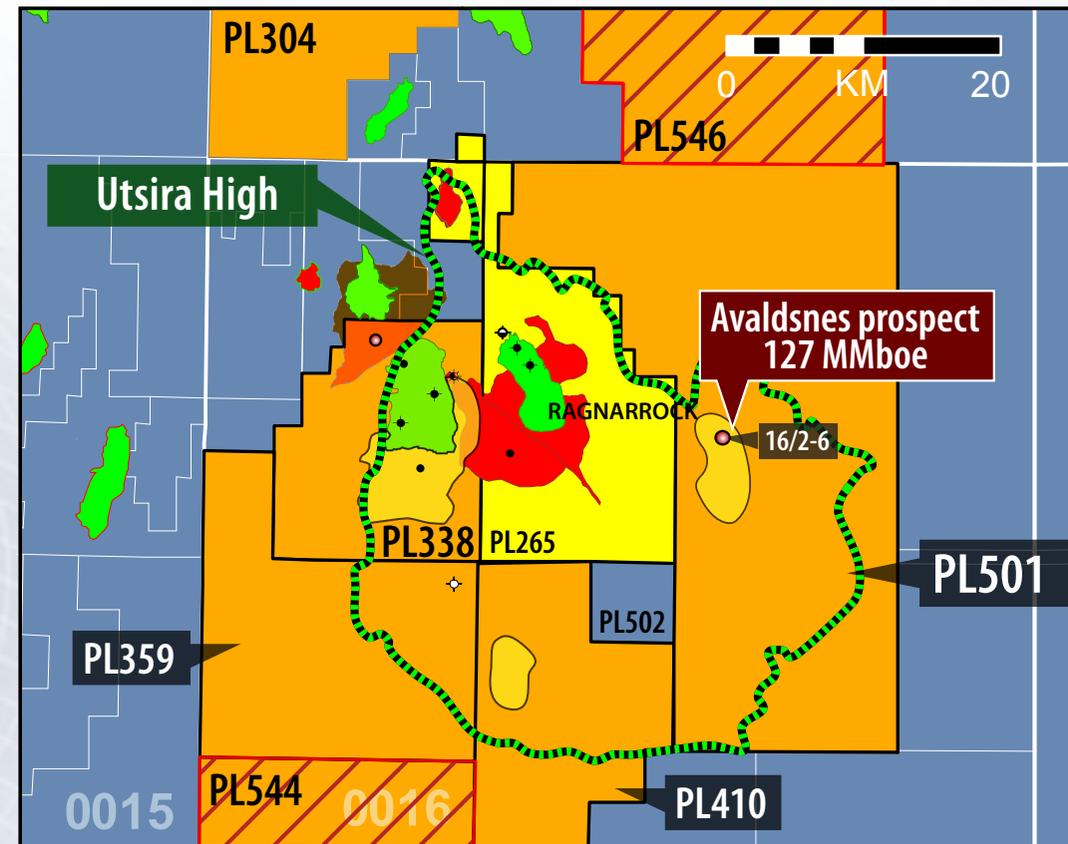


Total Net Unrisks Resource Potential in Luno Area
2010: 80-135 MMboe net
(excluding Luno and Luno South discoveries)

Greater Luno Area - Avaldsnes Prospect Summary



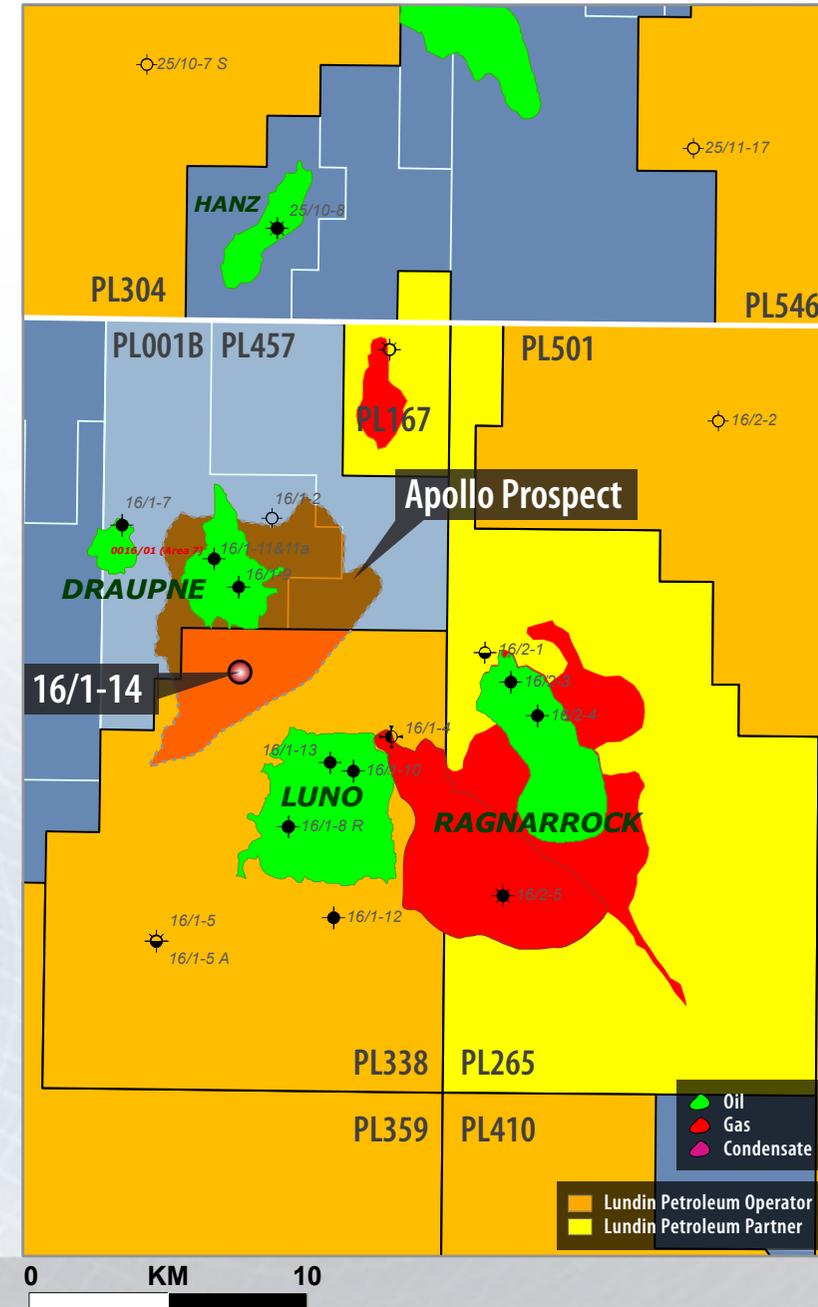
- **PL 501 - Lundin Petroleum operator - 40%**
 - ➔ Avaldsnes exploration well currently drilling
 - ➔ Prospective resources 127 MMboe gross unrisks



Greater Luno Area - Apollo Prospect Summary



- ➔ Apollo prospect to be drilled in Q3 2010
- ➔ Potential Extension of Draupne discovery into PL338
- ➔ Further exploration upside based upon 3D seismic interpretation and geological model
- ➔ Prospect size 20-130 MMboe gross in PL338



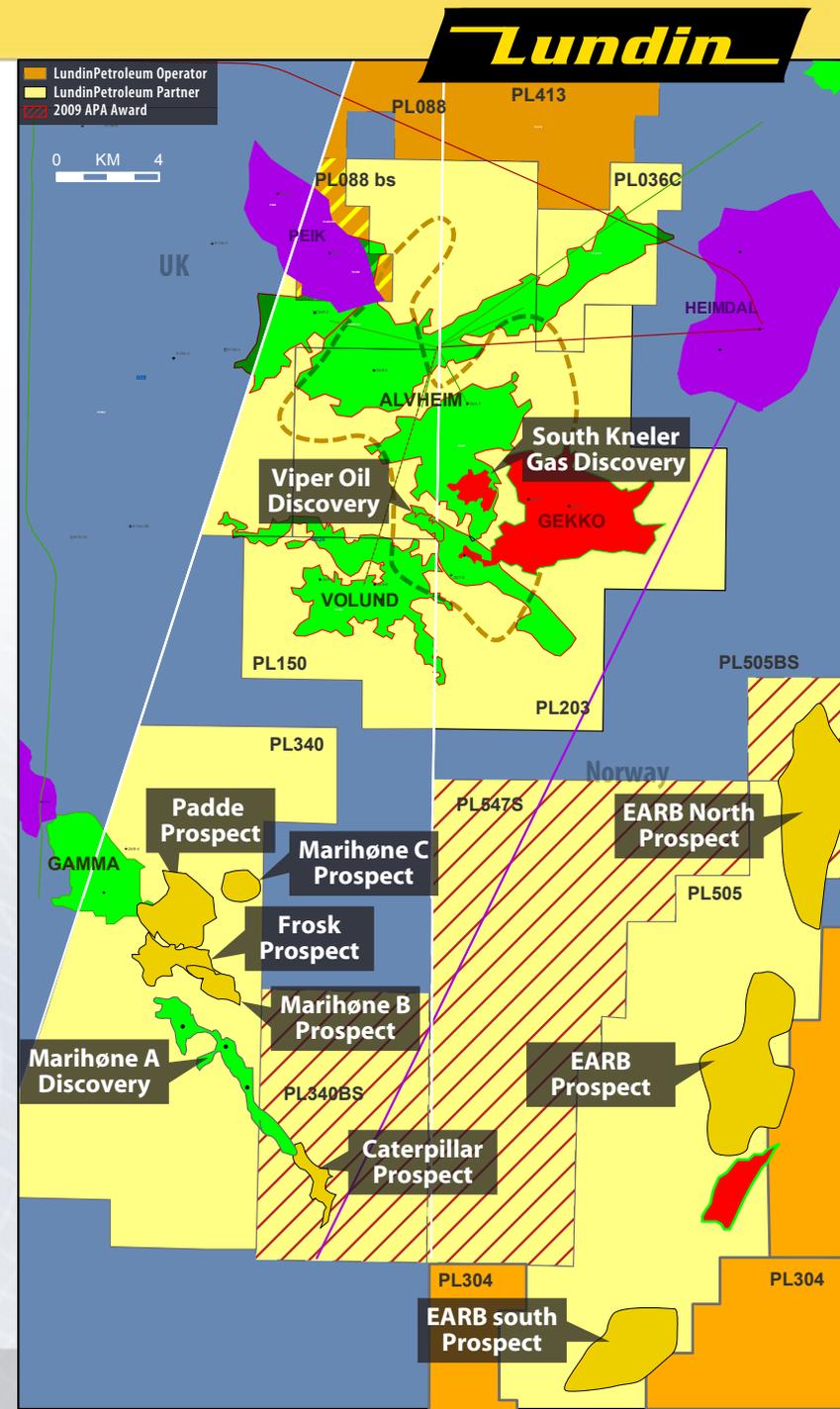
Exploration - Greater Alvheim Area

2009 Discoveries

- **PL340 (15%)**
 - ➔ Marihøne light oil discovery 20-30 MMboe
 - ➔ Delineated with two sidetracks
 - ➔ Tieback to Alvheim FPSO
- **PL203 (15%)**
 - ➔ Viper oil discovery 5-10 MMboe
 - ➔ Tieback to Alvheim FPSO
 - ➔ South Kneler gas discovery

2010 Further Exploration

- **PL340/PL340 bs (15%)**
 - ➔ Caterpillar prospect to be drilled in 2010
 - ➔ Total unrisks gross resource potential for various prospects ~80 MMboe
- **PL505 (30%)**
 - ➔ EARB South prospect to be drilled in 2010
 - ➔ Total unrisks gross resource potential ~81 MMboe



Barents Sea - Drilling in 2011

Numerous multi-stacked prospects matured in the portfolio

➔ PL438

- ➔ Lundin Petroleum 25% (operator)
- ➔ 3 prospects
- ➔ Skalle to be drilled in 2011, 250 MMboe gross + prospect size
- ➔ Rig secured

➔ PL490

- ➔ Lundin Petroleum 30% (operator)
- ➔ Juksa and Snurrevad prospects
- ➔ likely drilling in 2012
- ➔ 200 MMboe + prospect size

➔ PL492

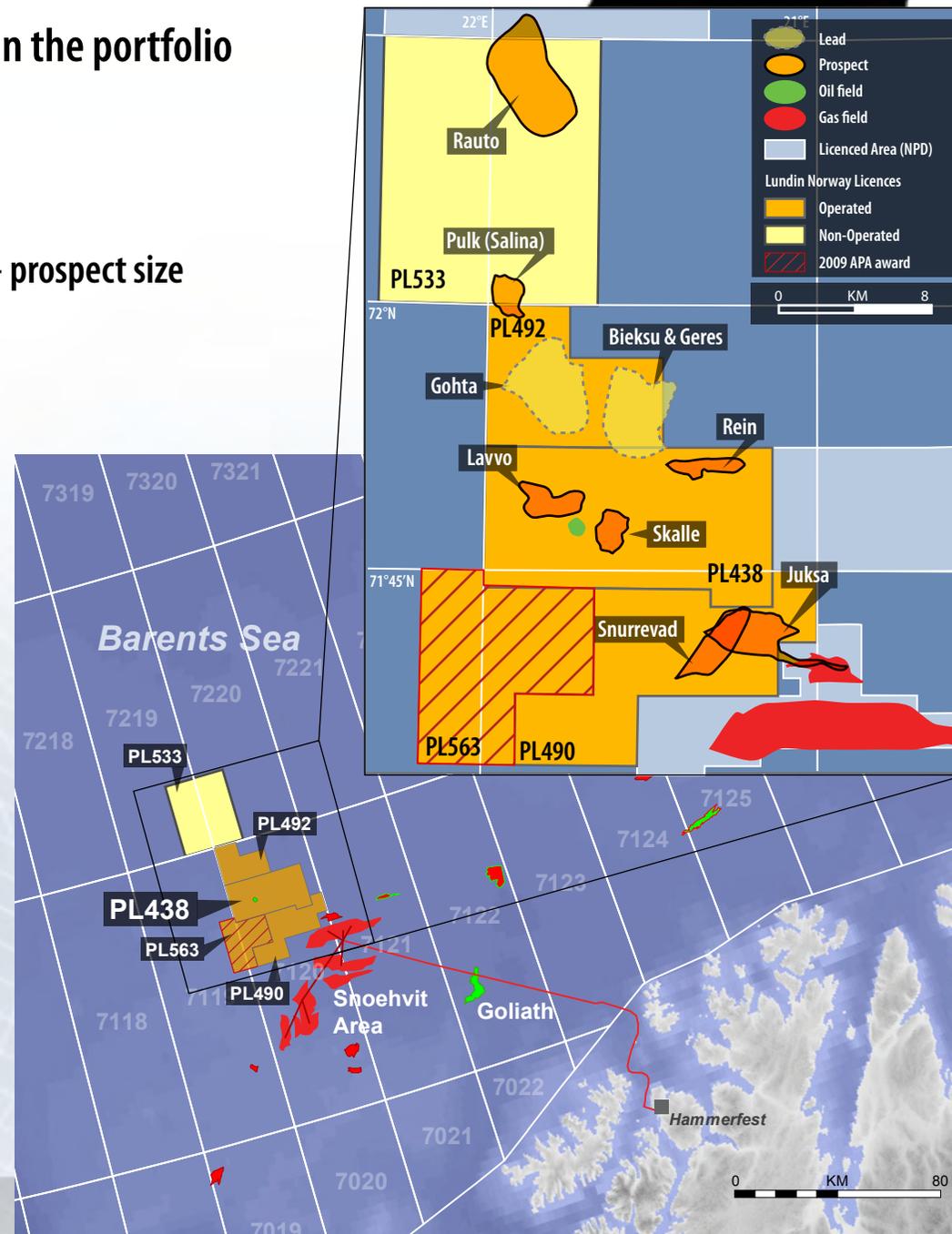
- ➔ Lundin Petroleum 30% (operator)
- ➔ 3 multistacked leads (Bieksu, Geres & Gohta)

➔ PL533

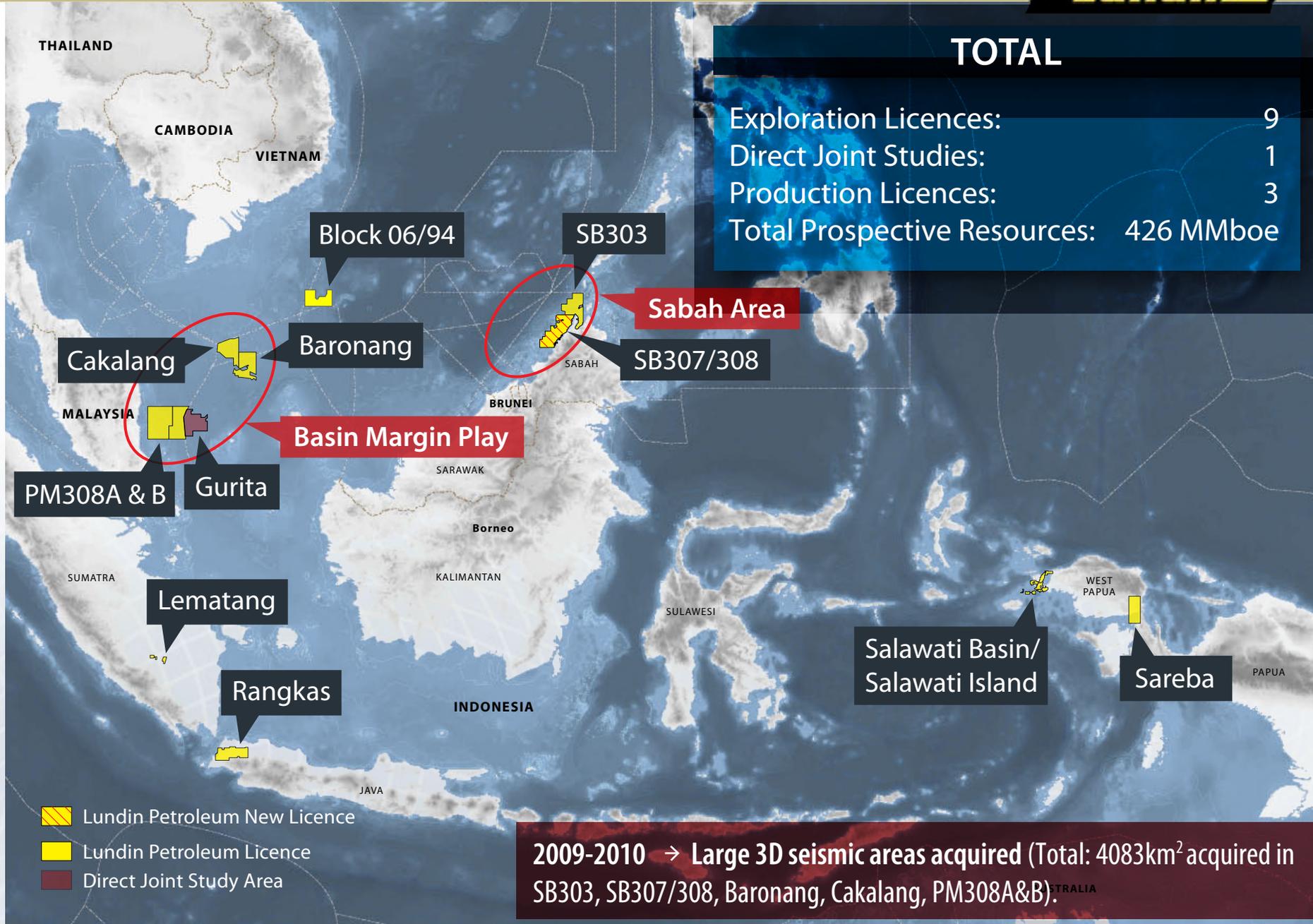
- ➔ Lundin Petroleum 20%
- ➔ Rauto & Pulk prospects
- ➔ Pulk prospect multi hundred million barrels
- ➔ likely to be drilled in 2011/2012

➔ PL563

- ➔ Lundin Petroleum 40% (operator)
- ➔ 3D Seismic to be acquired in 2010



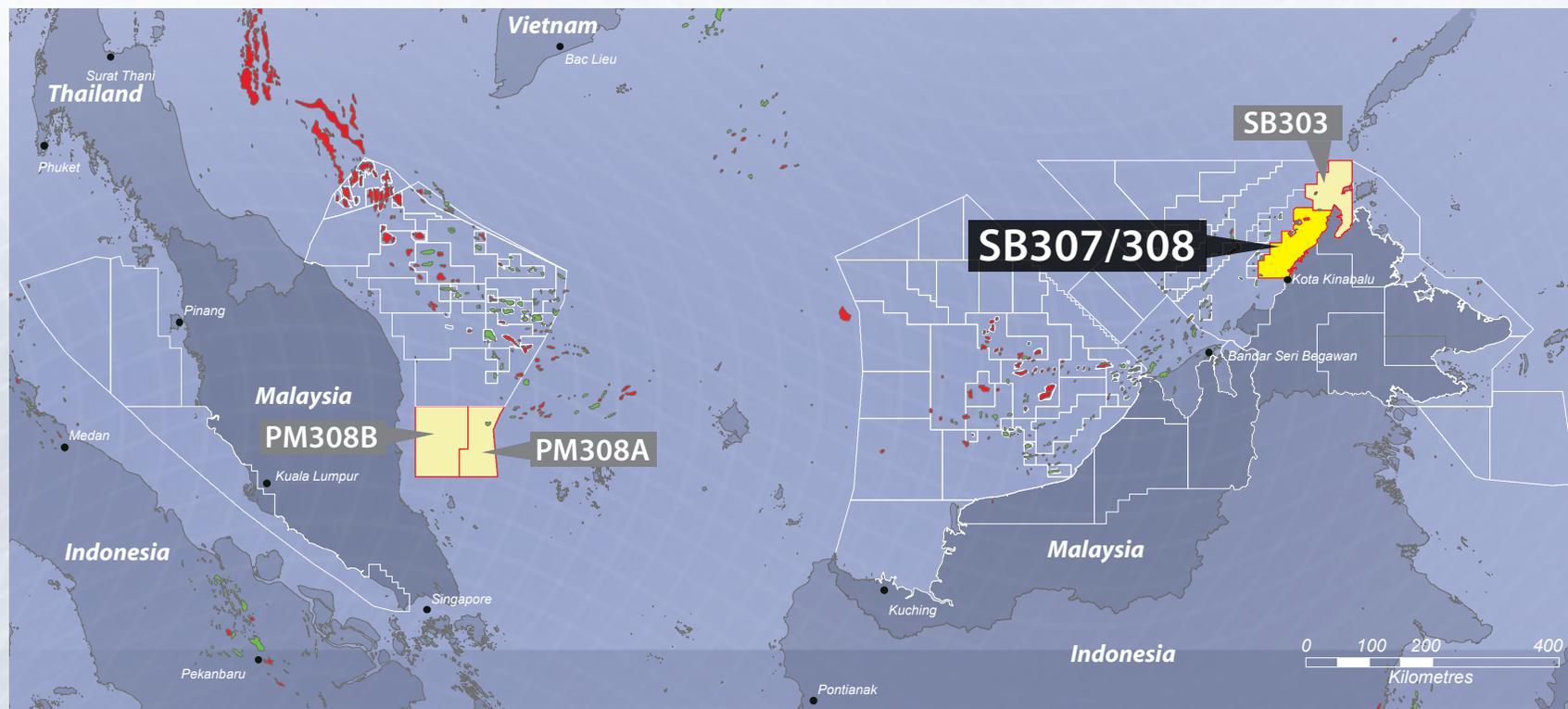
Exploration - South East Asia - Building a New Core Area



Malaysia - New PSC's SB307&308



- Lundin Petroleum 42.5% (operator), Nio Petroleum 42.5% & Petronas Carigali 15%
- PSC signed in May 2010
- PSC covers blocks SB307/308 totaling 6,200 km²
- Adjacent to existing block SB303 (Lundin 75%, Operator)
- 3D Seismic acquisition programme already completed
- The blocks contain one oil discovery called Tiga Papan



SE Asia - Drilling Activity



➤ 15 exploration wells to be drilled over next 3/4 years

Blocks	2010				2011				2012				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Vietnam Block 06/94		2 wells														
Malaysia Blocks PM308A/B/SB303 SB307&308		3D				5 wells				4 wells						
Indonesia Rangkas PSC		2D								1 well						
Indonesia Baronang PSC Cakalang PSC		3D 2D								2 wells						
Joint Study Area																
Indonesia Gurita PSC					3D								1 well			

Seismic Programme 2D 3D
 Drilling

Targeted Prospective Resources – 2010 Drilling Schedule



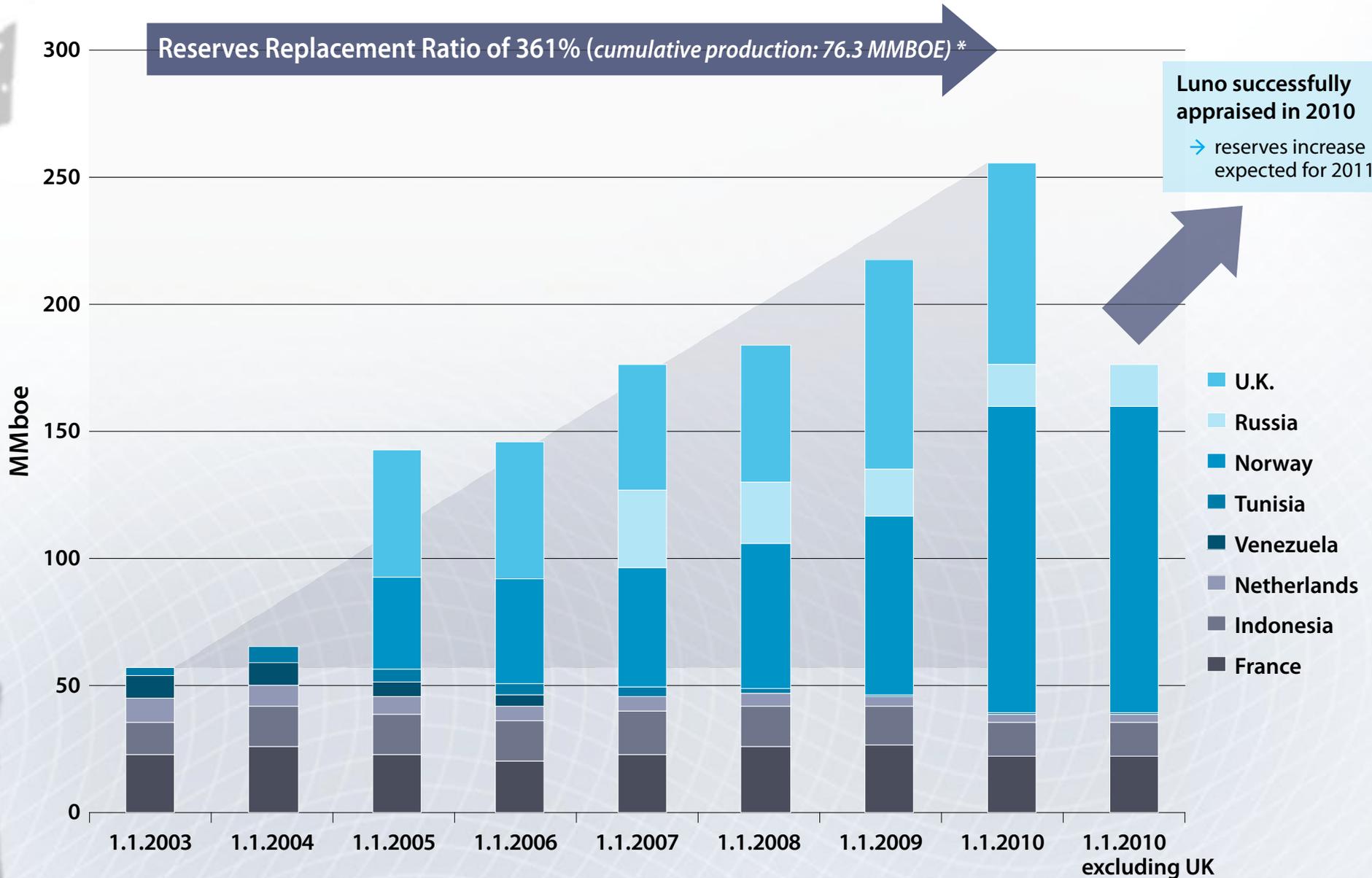
Country	Licence - Prospect	Operator	LUPE%	NURPR ⁽¹⁾	CoS%	NRPR ⁽²⁾	Q1	Q2	Q3	Q4
1 Norway	PL476 - Frusalen	Det norske	30.00	-	-	-	■ P&A dry			
2 Norway	PL359 - Luno High	Lundin	40.00	-	-	-	■ P&A - non commercial			
3 Norway	PL501 - Avaldsnes	Lundin	40.00	50.8	36	18.3			■	
4 Norway	PL338 - Apollo	Lundin	50.00	10-65	25-50	5-16			■	
5 Norway	PL400 - Barchan	Lundin	50.00	74.5	18	13.4				■
6 Norway	PL409 - Norall	Lundin	70.00	18.6	36	6.7			■	
7 Norway	PL340 - Caterpillar	Marathon	15.00	1.5	50	0.8				■
8 Norway	PL505 - Earb Sor	Marathon	30.00	24.3	18	4.4				■
9 Vietnam	Block 06/94 - Hoa Hong	Pearl	33.33	-	-	-	■ P&A dry			
10 Vietnam	Block 06/94 - HDH	Pearl	33.33	13.4	15	2.0			■	
11 Congo (Brazzaville)	Block Marine XIV - Makouala	SOCO	21.55	6.6	34	2.2				■
				200-255			53-64			

⁽¹⁾ Net Unrisked Prospective Resources (MMboe)

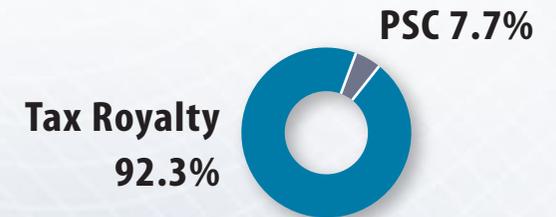
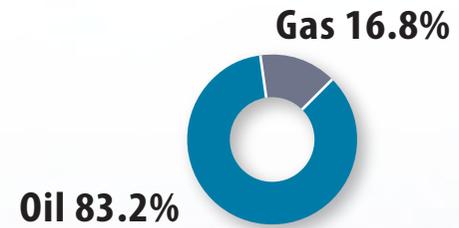
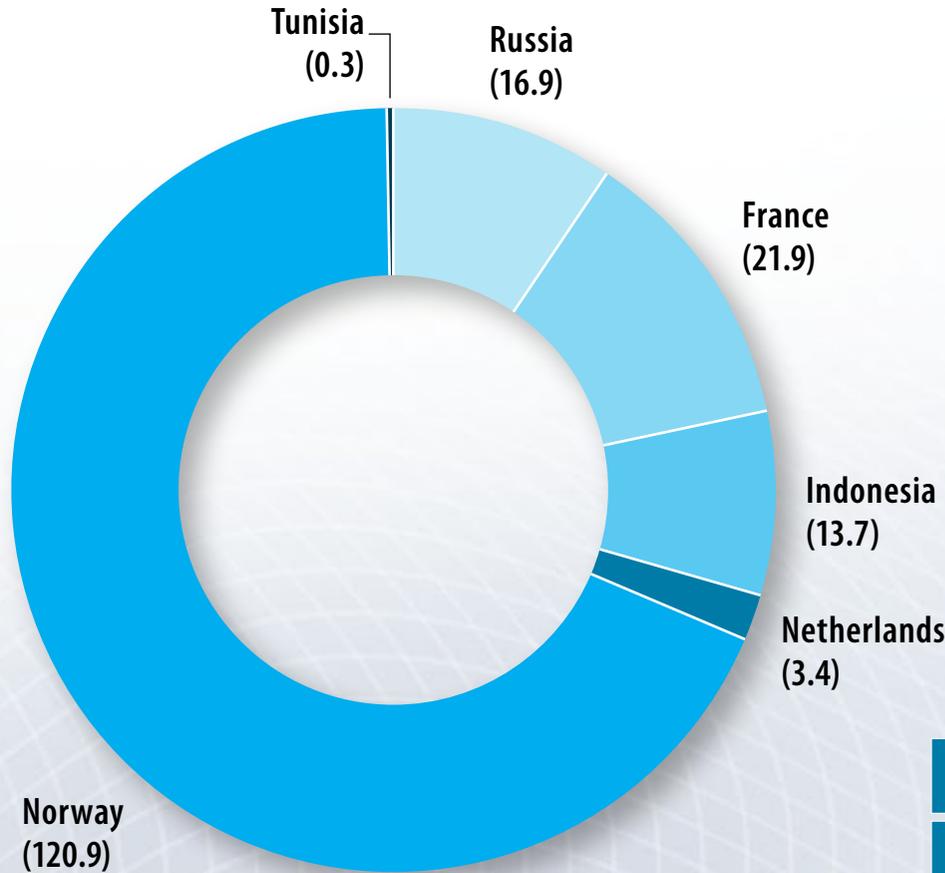
⁽²⁾ Net Risked Prospective Resources (MMboe)

■ operated ■ non operated

Reserves Growth



2010 Proven & Probable Reserves



2009 Reserves Replacement Ratio 398%

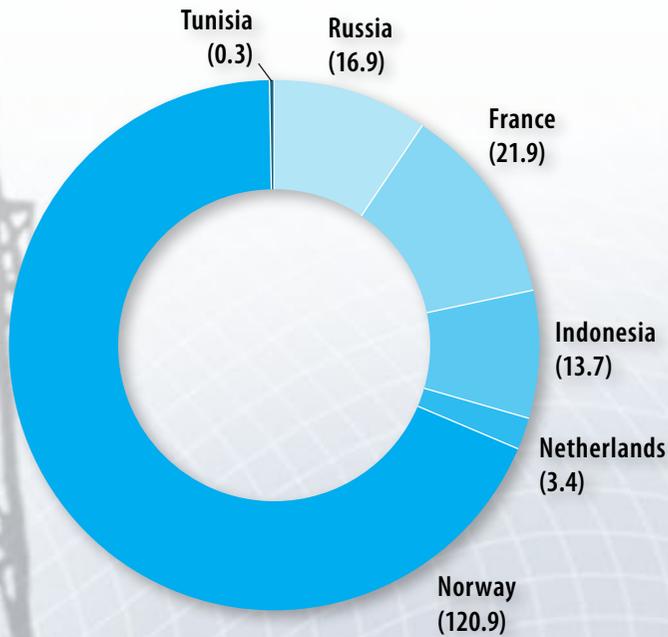
2009 Increase in Reserves 26%

Total 2P Reserves 177 MMboe

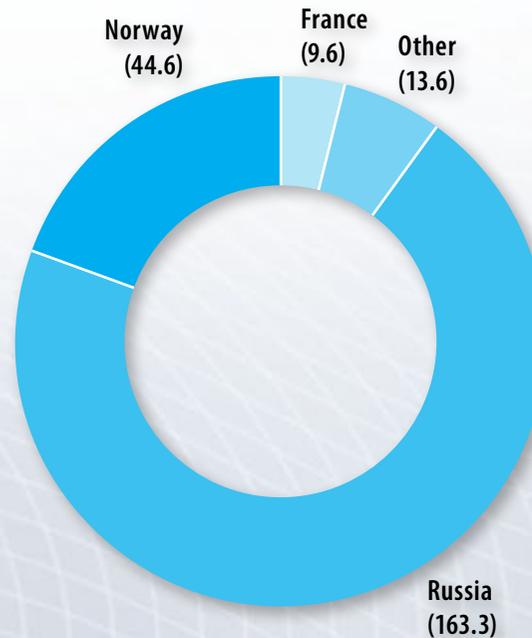
Resource Base



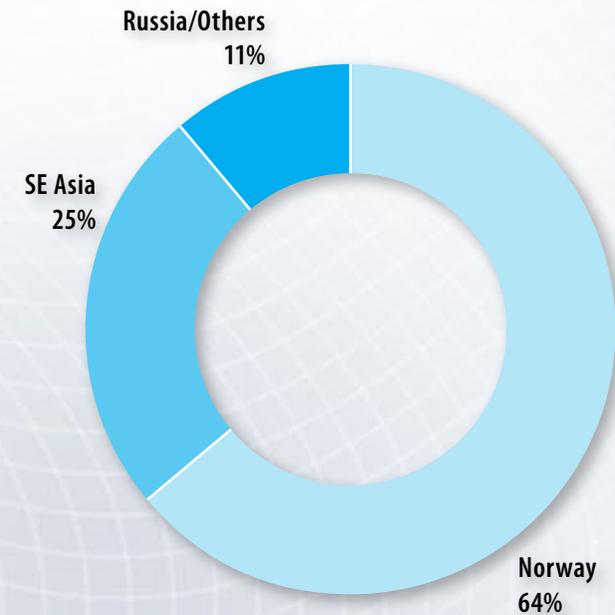
➤ Continued focus on organic driven growth
Norway, SE Asia & Russia



➔ 2P Reserves
177 MMboe



➔ Contingent Resources
231 MMboe



➔ Unrisked Prospective Resources
1,656 MMboe

- **Continued strong operating cashflow generation with USD 136 million in Q2 2010**
- **Increased full year 2010 production guidance to 31 – 34,000 boepd due to above forecast production from Alvheim and Volund fields offshore Norway**
- **Commenced 8 well exploration programme with focus on Norway targeting in excess of 200 MMboe net resources**

Lundin Petroleum

