

Financial Presentation

First Nine Months 2016

Alex Schneider, President & CEO
Mike Nicholson, CFO
2 November 2016



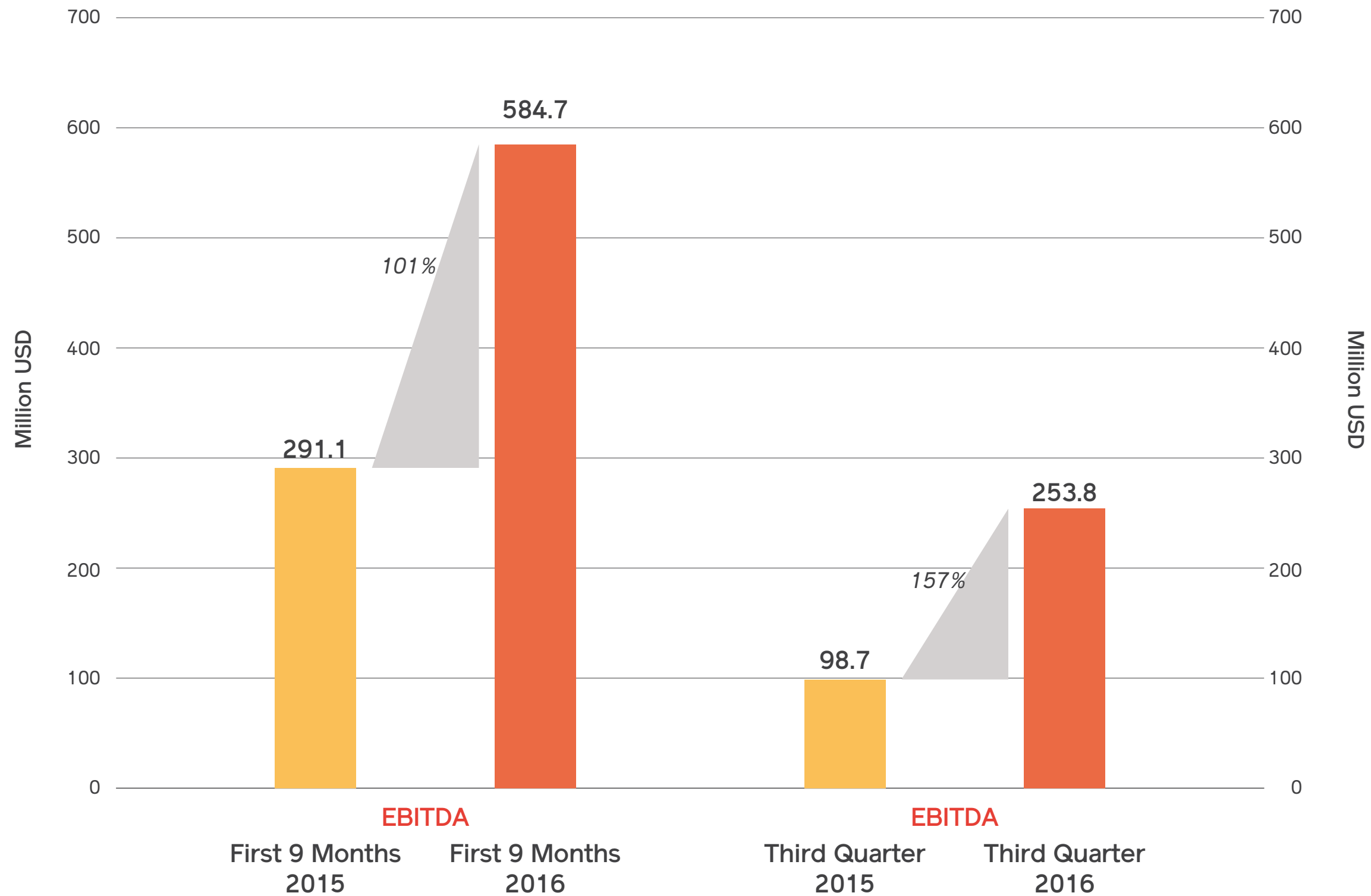
First Nine Months 2016

Financial Highlights

	Third Quarter 2016	First Nine Months 2016
Production (boepd)	80,400	68,900
Average Brent oil price (USD/boe)	45.86	41.88
Cost of operations (USD/boe)	5.55	6.61
Operating cash flow (MUSD)	281.9	667.8
EBITDA (MUSD)	253.8	584.7
Net result (MUSD) ⁽¹⁾	173.8	239.8

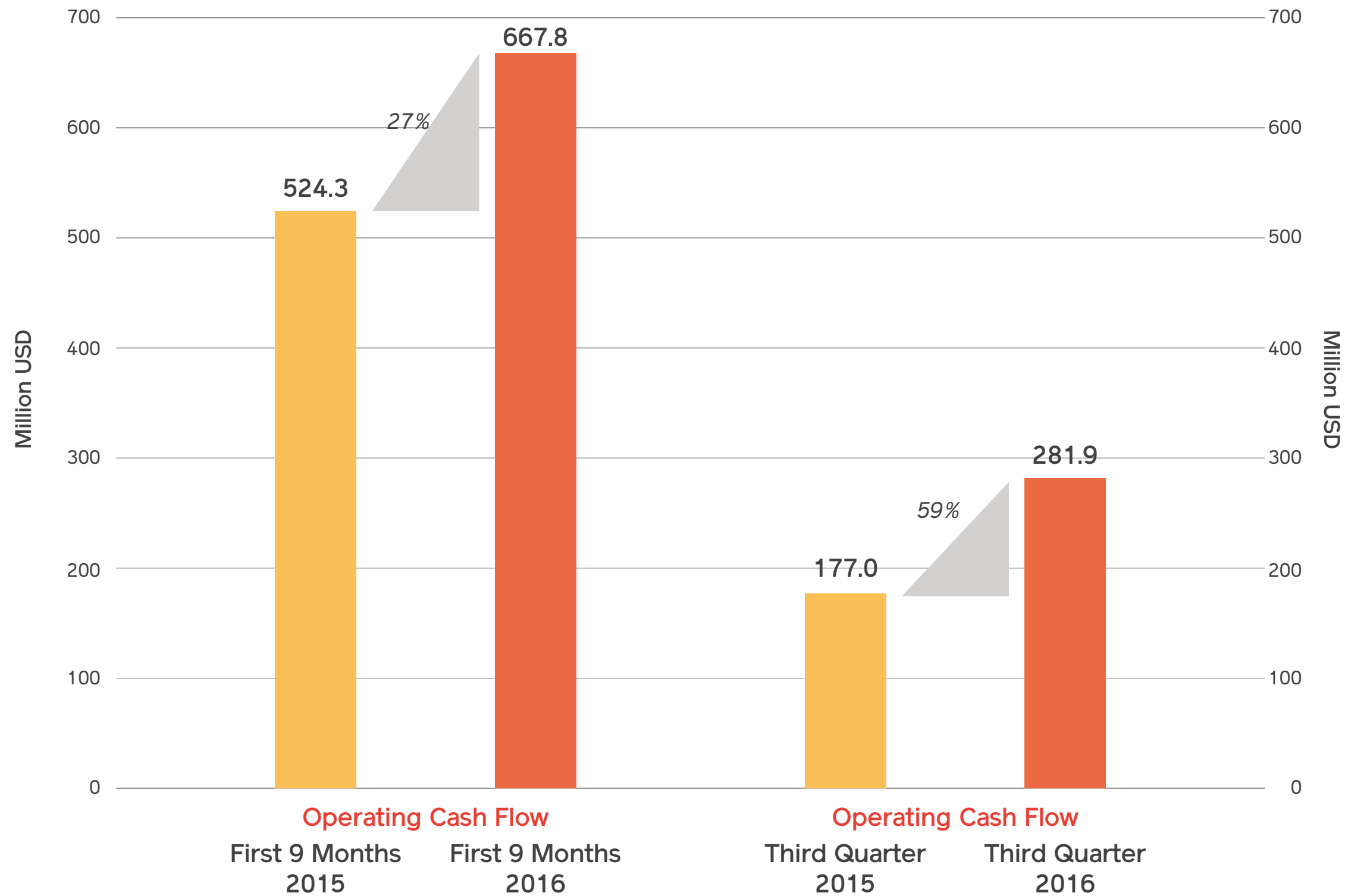
⁽¹⁾ Includes a largely non-cash foreign exchange gain of MUSD 135.8 in the third quarter 2016

First Nine Months 2016 Financial Results - EBITDA



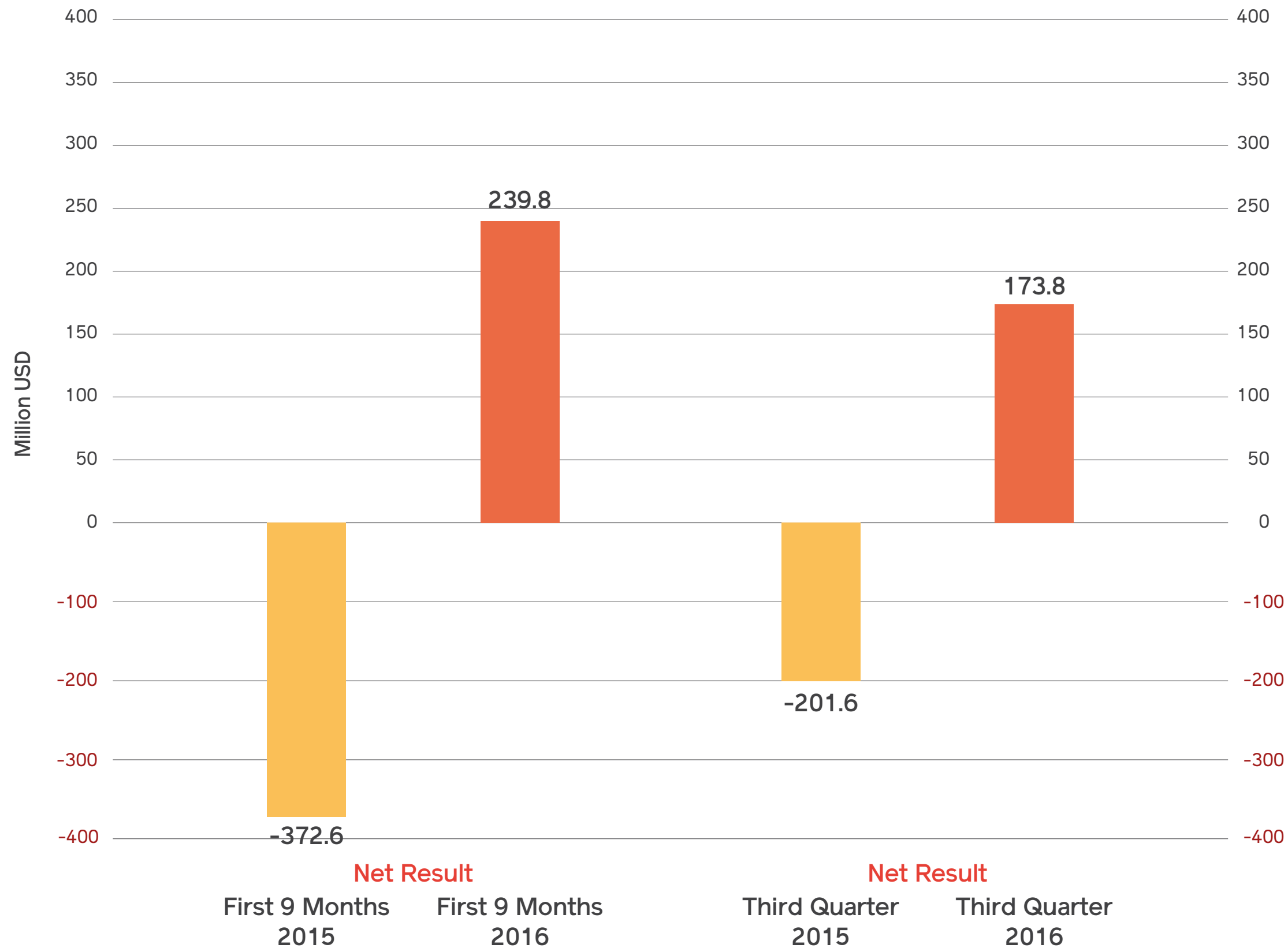
First Nine Months 2016

Financial Results - Operating Cash Flow

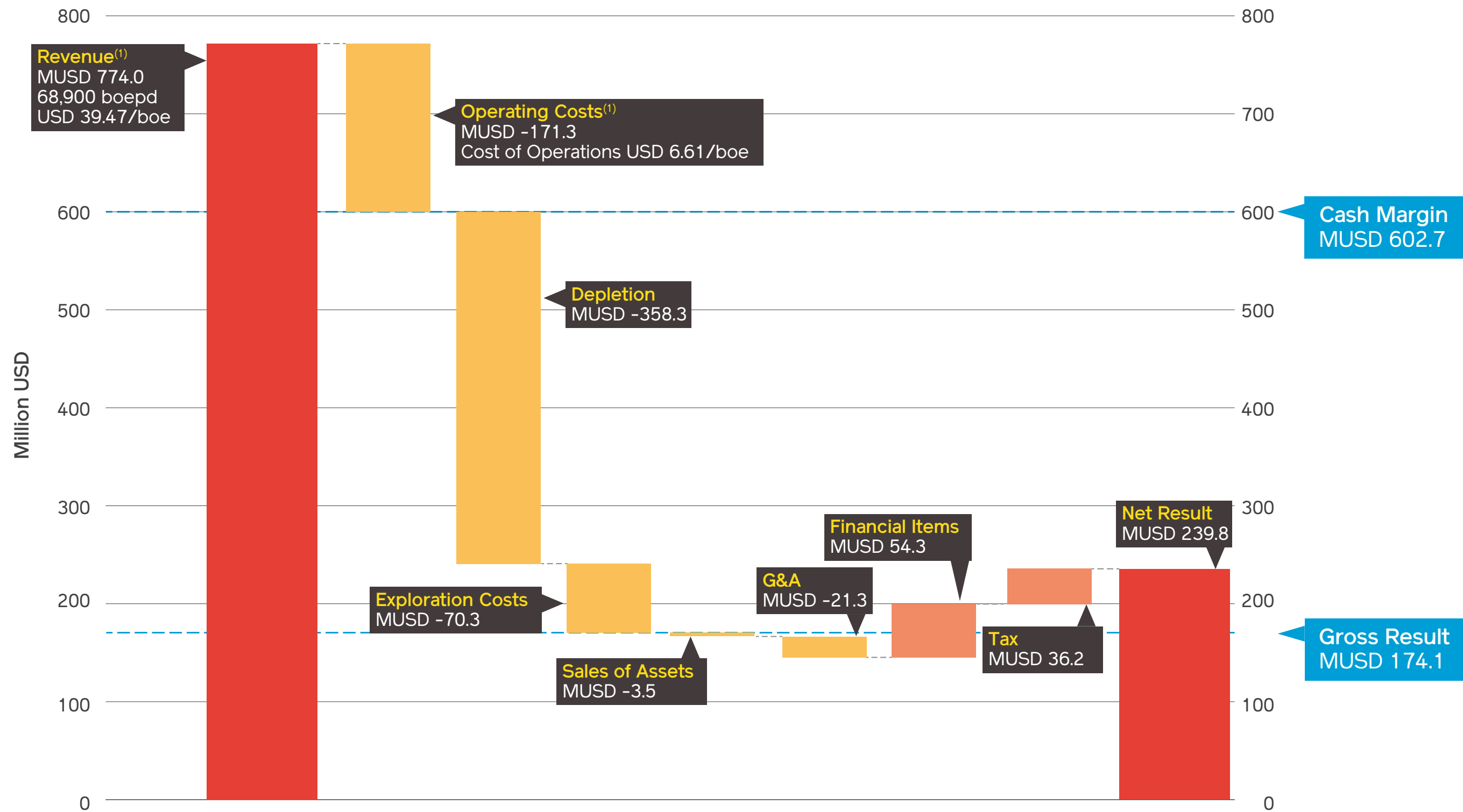


First Nine Months 2016

Financial Results - Net Result



First Nine Months 2016 Financial Results



⁽¹⁾ Includes MUSD 2.1 of crude oil purchased from outside of the Group

First Nine Months 2016

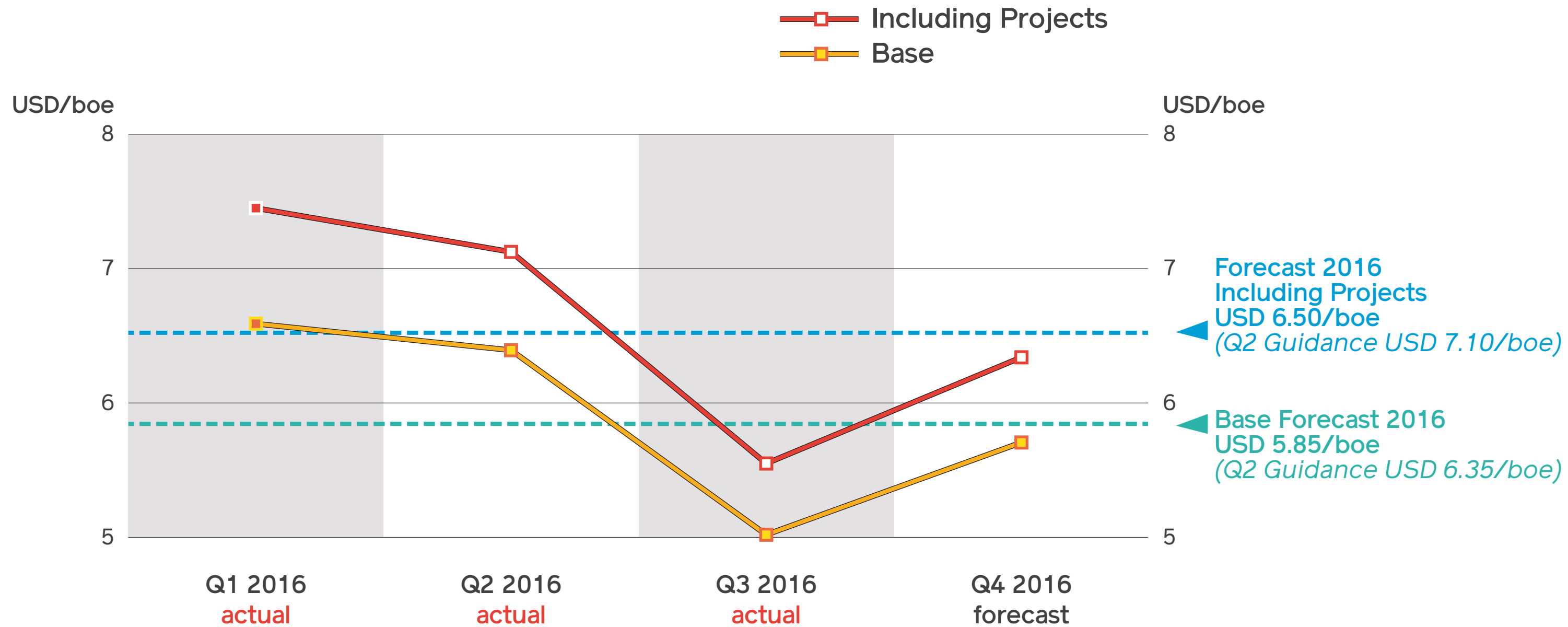
Netback (USD/boe)

	Third Quarter 2016	First Nine Months 2016
<i>Average Brent oil price USD/boe</i>	45.86	41.88
Revenue	42.92	40.99
Cost of operations		
- Base	-5.02	-5.92
- Projects	-0.53	-0.69
Tariff & transportation	-1.55	-1.59
Production taxes	-0.12	-0.13
Cash operating costs	-7.22	-8.33
Inventory movements	0.33	0.21
Other	-0.94	-0.96
Cash Margin	35.09	31.91
Cash taxes	3.03	3.45
Operating Cash Flow	38.12	35.36
General and administration costs ⁽¹⁾	-0.77	-0.95
EBITDA	34.32	30.96

⁽¹⁾ Adjusted for depreciation

Forecast 2016

Cost of Operations



Including E. Grieg additional 15% equity in 2H 2016

First Nine Months 2016

Exploration Costs

	First 9 Months 2016 MUSD	First 9 Months 2016 after Tax MUSD
Norway (PL700 Lorry and PL544 Fosen)	57.8	12.7
Malaysia (SB307/308 Bambazon and Maligan)	13.1	13.1
Other	-0.6	-0.6
Exploration Costs	70.3	25.2

First Nine Months 2016

G & A / Financial Items

	Third Quarter 2016 MUSD	First 9 Months 2016 MUSD
General & Administration Expenses		
General & administration	5.4	17.9
Long Term Incentive Plan	1.3	3.4
	6.7	21.3
Net Financial Items		
Foreign exchange loss/(gain) ⁽¹⁾	(135.8)	(230.9)
Interest expense ⁽²⁾	33.2	106.8
Loan commitment fees	3.2	6.4
Amortisation of loan fees ⁽³⁾	6.0	38.1
Other	9.3	25.3
	(84.1)	(54.3)

⁽¹⁾ Includes MUSD 31.3 loss on settled currency hedges

⁽²⁾ An additional amount of interest expense of MUSD 14.4 has been capitalised in the reporting period

⁽³⁾ Includes capitalised financing fees of MUSD 22.3 which were expensed in the second quarter of 2016

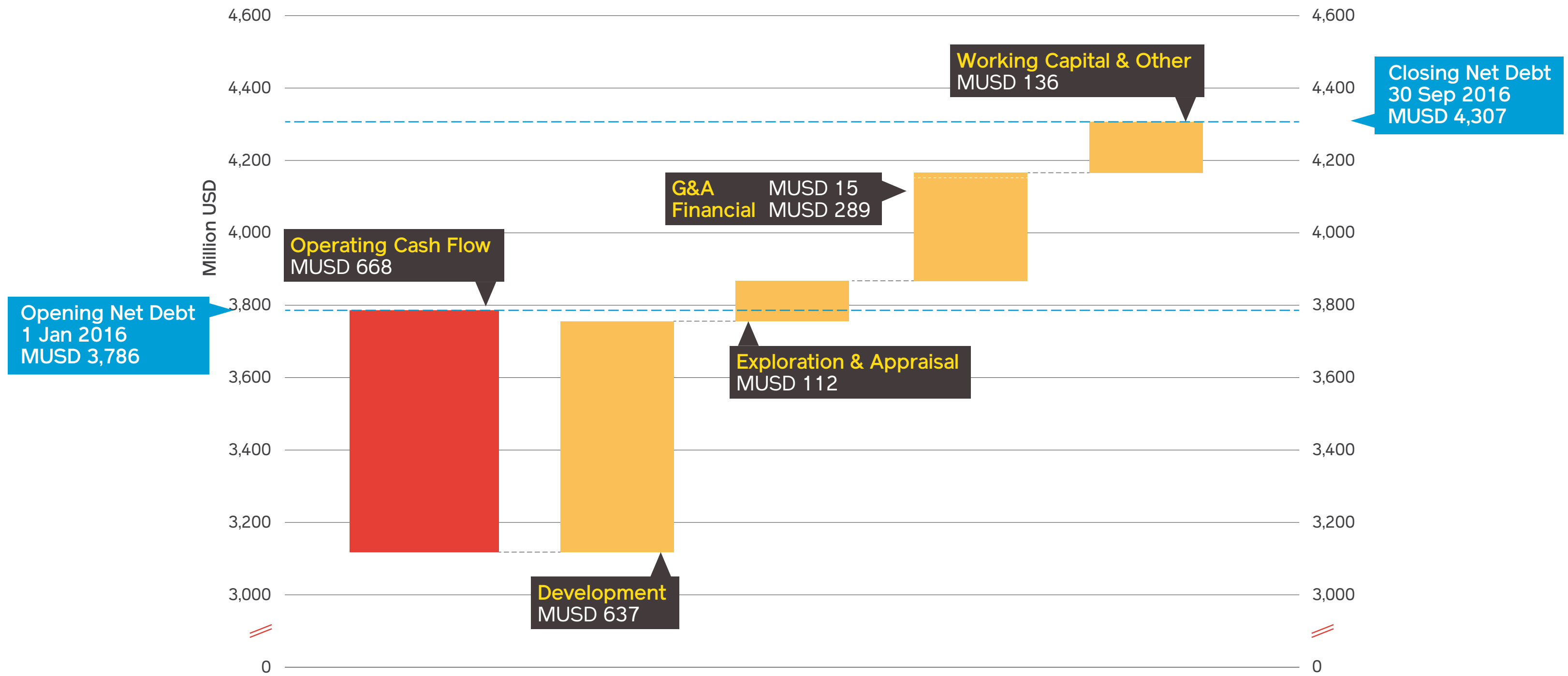
First Nine Months 2016

Tax

	Third Quarter 2016 MUSD	First 9 Months 2016 MUSD
	USD/boe	USD/boe
Current tax (credit)	(3.03)	(3.45)
Deferred tax (credit)/charge	5.58	1.53
	2.55	(1.92)

First Nine Months 2016

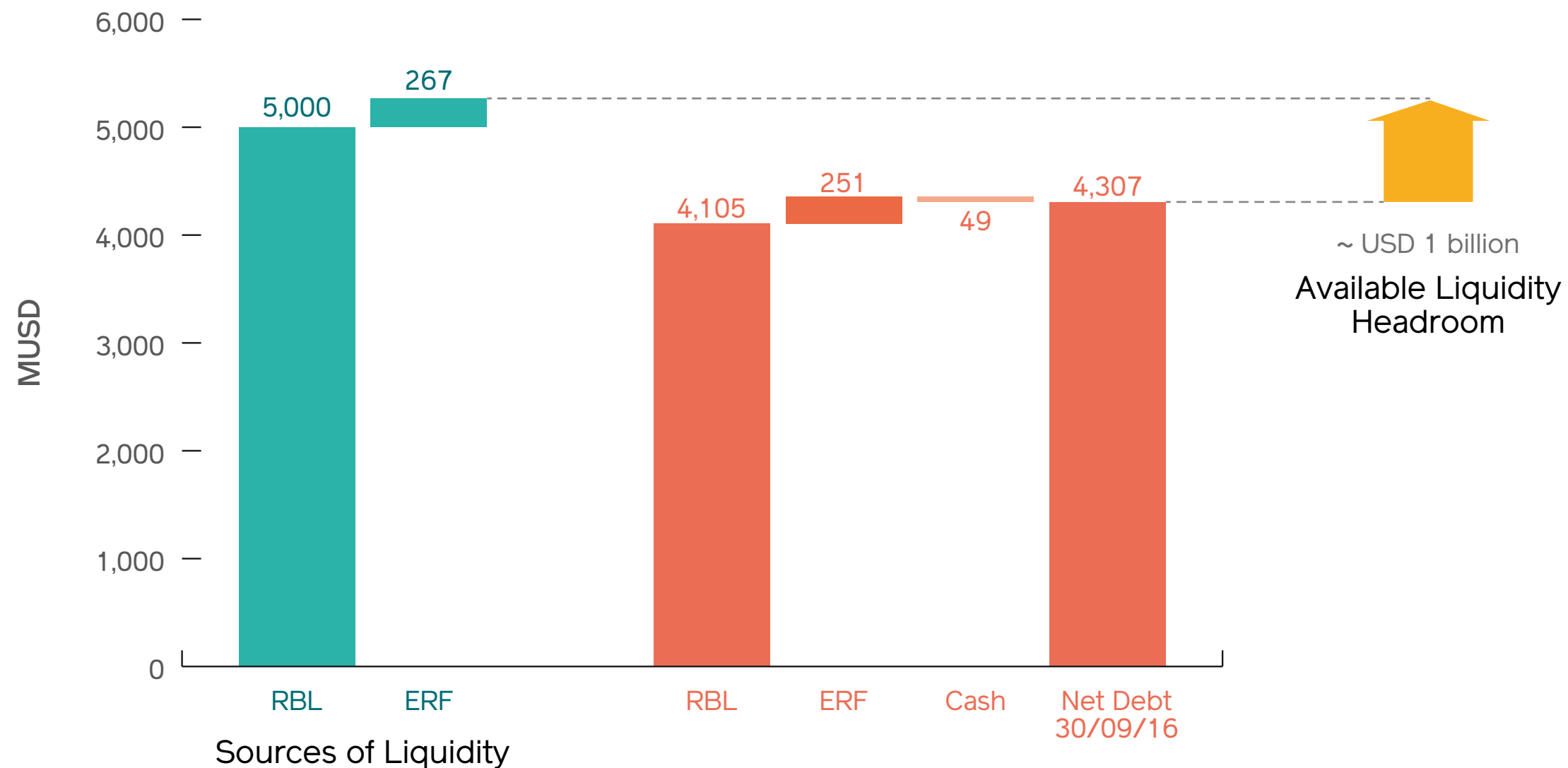
Debt Position



2016 Funding

Liquidity and Net Debt

- New 7 year USD 5.0 billion RBL secured in February 2016 - fully committed
- Attractive margin: 315 bps
- 5 year grace period (no amortisation until end 2020)
- Norwegian exploration tax refund receivable in November 2016 - ERF will then be repaid and cancelled



Hedges

as at 30 September 2016

	Currency		Average rate NOK : USD
	BUY MNOK	SELL MUSD	
Q4 2016	997.8	118.5	8.42
2017	3,492.6	423.6	8.25
2018	3,493.0	424.2	8.23
2019	1,672.4	200.4	8.35
	9,655.8	1,166.7	8.28

➔ Includes additional NOK foreign currency hedges that were entered into in Sep 2016

	Interest rate	
	Borrowings MUSD	Floating LIBOR rate per annum
Q4 2016	2,000	1.50%
2017	1,500	2.32%
2018	1,000	3.06%

First Nine Months 2016

Highlights

Production performance

- First nine months 2016: 68,900 boepd ⇒ ~5% ahead of mid-point guidance
- Q3 2016: 80,400 boepd ⇒ ~2% below mid-point guidance
- Full-year 2016 guidance revised upwards to 70,000 - 75,000 boepd

Operating Efficiency

- Q3 cash operating costs at record low of USD 7.22/boe
- All three key producing hubs achieved 97% uptime or better

Development

- Johan Sverdrup Phase 1: Development costs down 20%; production capacity up 27% from previous mid-point
- Edvard Grieg: West flank uplifted ⇒ will result in reserves increase

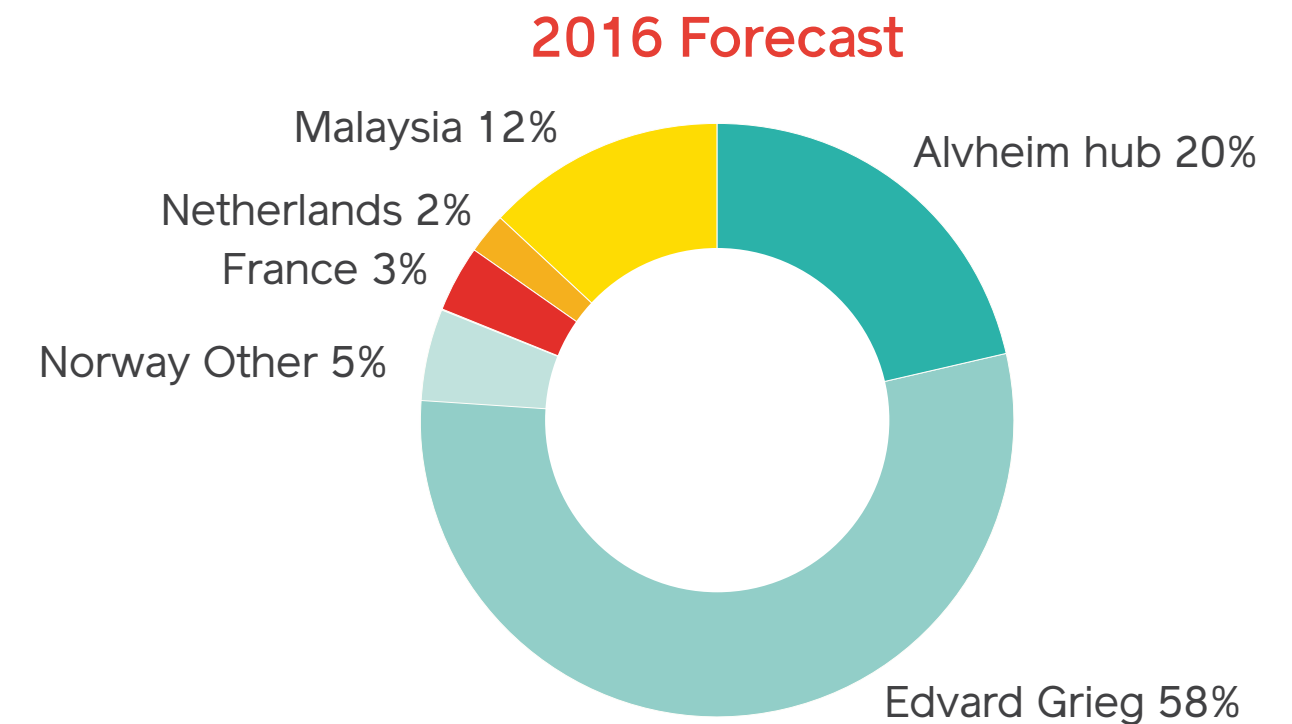
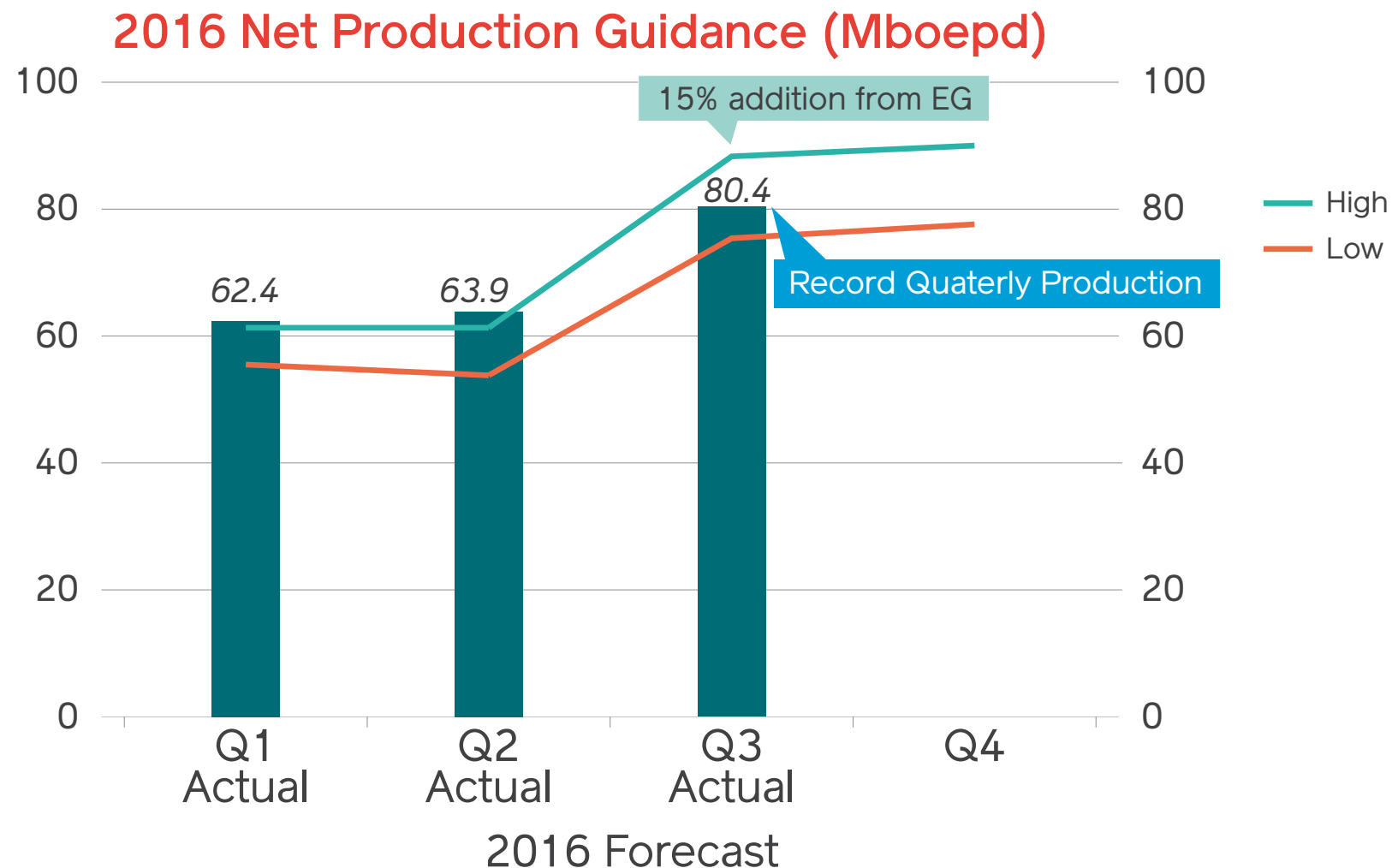
Exploration & Appraisal

- Alta appraisal successful with good reservoir properties proven below OWC
- Neiden well in southern Barents Sea ongoing
- 10 E&A wells to be drilled in Norway before year-end 2017

Lundin Petroleum

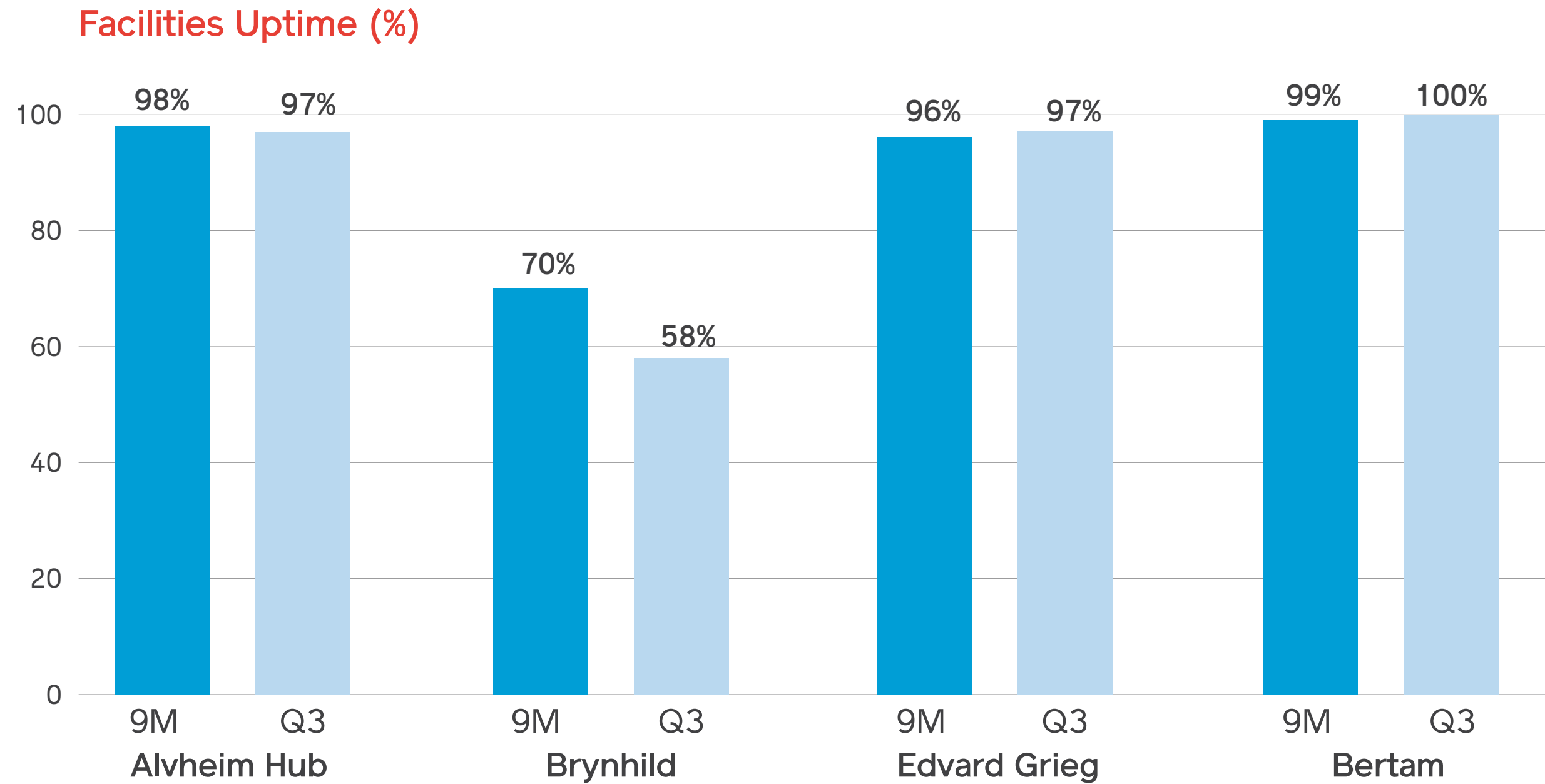
2016 Production

- First nine months 2016 production of 68,900 boepd
- Q3 2016 production of 80,400 boepd
 - Positively impacted by Edvard Grieg and Alvheim reservoir performance and uptime
 - Negative impacted by a slight delay in Edvard Grieg drilling programme
- Full year 2016 production guidance revised upwards to 70,000 - 75,000 boepd from 65,000 - 75,000 boepd



Lundin Petroleum

Excellent Operating Performance



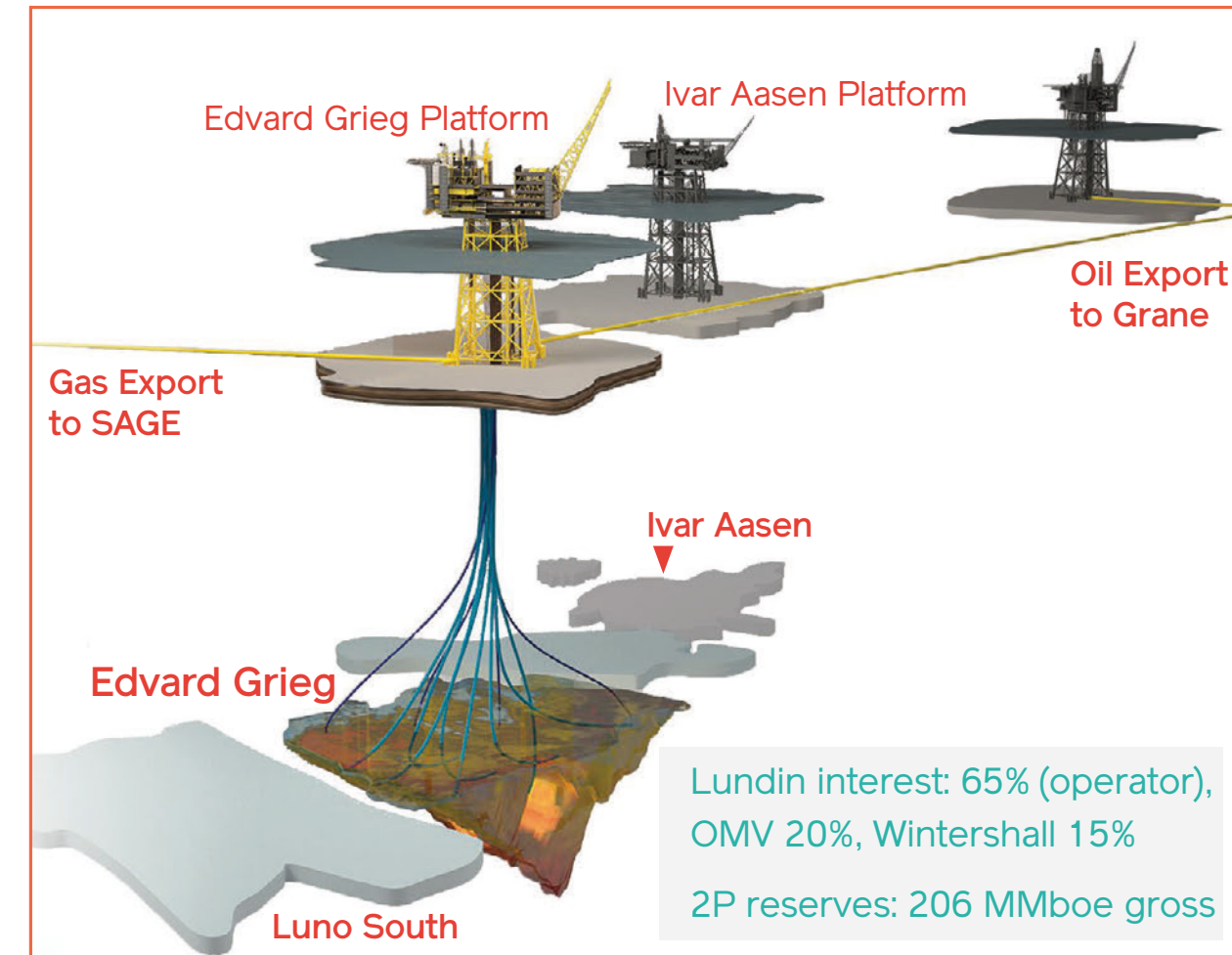
Excludes planned shutdowns

Norway - Edvard Grieg

First Nine Months Net Production: 38,600 boepd

- ➔ First nine months 2016 operating cost USD 7.40/boe⁽¹⁾
- ➔ Plateau production: 100,000 boepd gross when 4th producer comes on stream in late 2016
 - ➔ 3 producing wells currently onstream
- ➔ Drilling 14 wells from jack-up rig
 - ➔ 4th producer well currently drilling, completion expected during Dec 2016
 - ➔ 2 water injector wells completed
 - ➔ 5 development wells to be drilled in 2017

Edvard Grieg Schematic



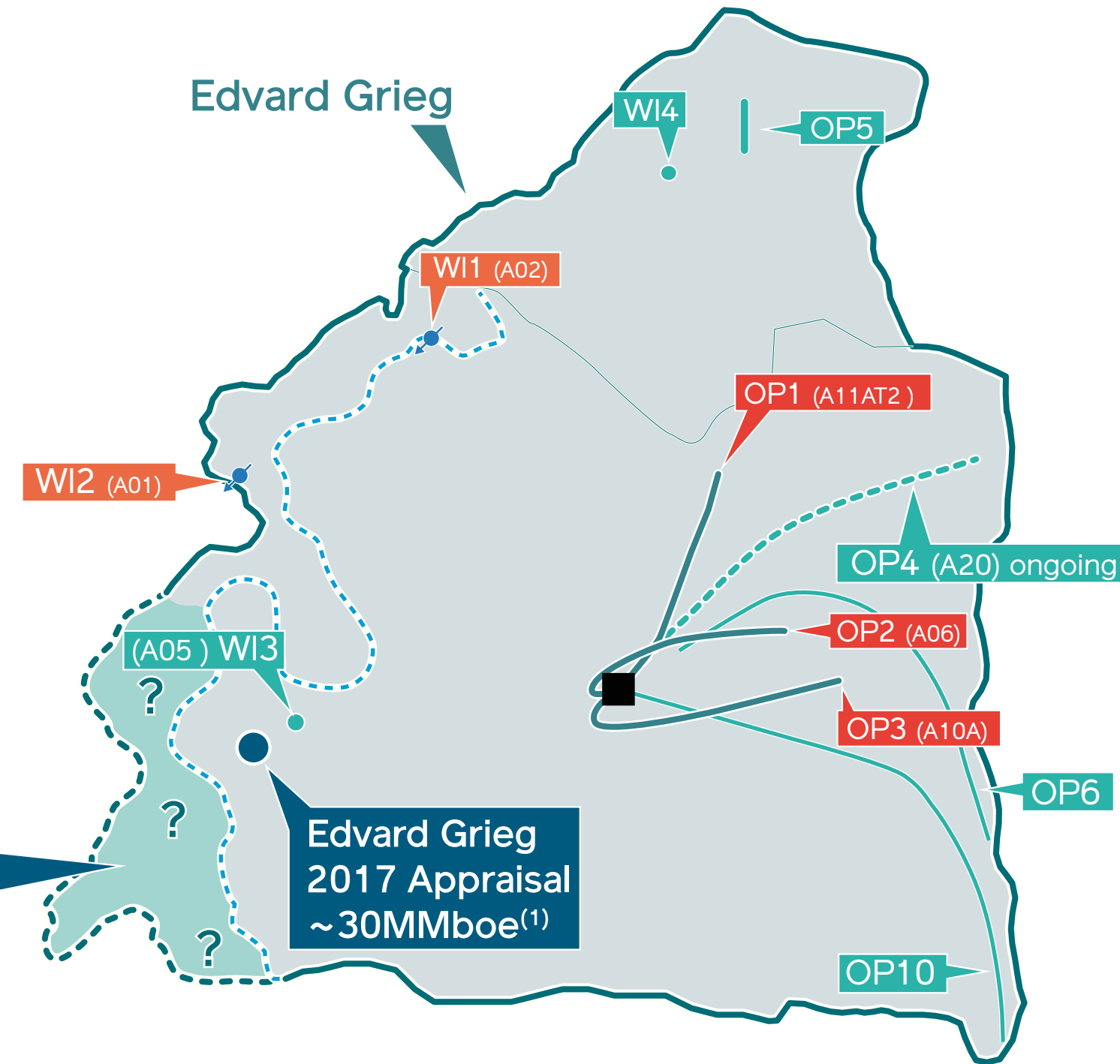
(1) Excluding project

Norway - Edvard Grieg

Resource Potential

- Resource Upside indicated by
 - ➔ Pressure depletion significantly lower than modelled
 - ➔ Water injector 1 → Reservoir 23m shallow to prognosis
 - ➔ Water injector 2 → Reservoir 13m shallow to prognosis
 - ➔ Better reservoir characteristics
- Likely to report reserves upgrade at YE 2016
- Further resource potential to be targeted in 2017
 - ➔ One appraisal well on western flank to target 30 MMboe gross recoverable resource

**Western Flank
Upside Potential**
(subject to appraisal result)



- Drilled Producer
- Drilled WI
- Future wells
- ⋯ Prior OWC
- Latest OWC

Norway – Greater Alvheim Area

First Nine Months Net Production: 14,000 boepd

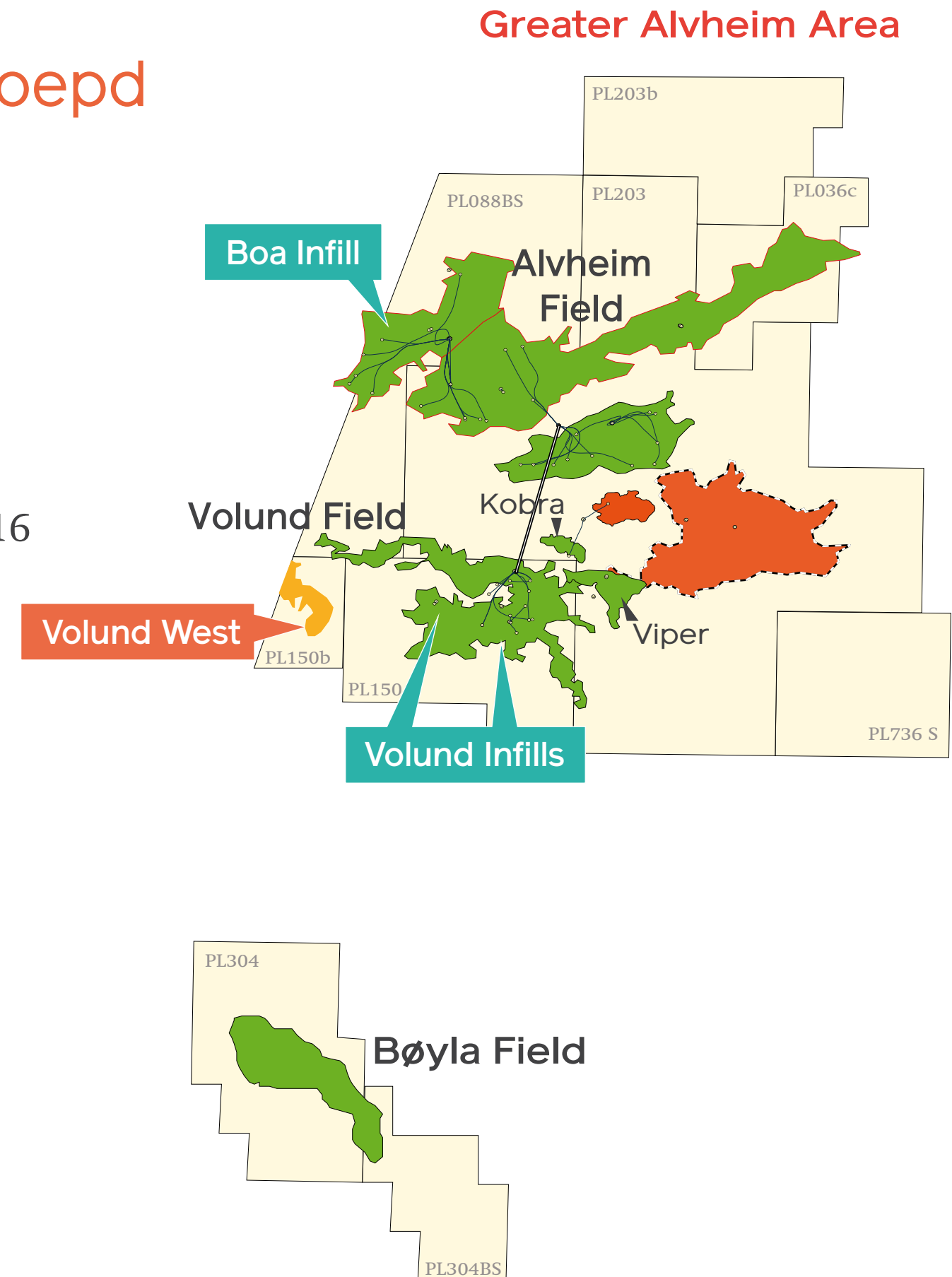
➔ First nine months 2016 operating costs USD 5.4/boe

➔ Alvheim

- ➔ Drilling of Viper/Kobra wells completed in June 2016
- ➔ Viper/Kobra wells expected to commence production in late 2016
- ➔ 1 Boa infill well to be drilled in 2017

➔ Volund

- ➔ 2 Infill wells to be drilled in 2017
 - Development drilling to commence in December 2016
 - Both wells expected to commence production in 2H 2017
- ➔ Volund West exploration well in 2017
 - Targetting 7 MMboe Gross



Norway

Johan Sverdrup

- ➔ Construction of all four phase 1 platforms has commenced
- ➔ Project on schedule ⇒ >26%⁽¹⁾ complete
- ➔ 6 development wells completed - ahead of schedule
- ➔ Breakeven oil price 26 USD/bbl⁽²⁾

Working Interest – Johan Sverdrup Unit

Statoil	40.0267%
Lundin	22.6000%
Petoro	17.3600%
Aker BP	11.5733%
Maersk	8.4400%

⁽¹⁾ As per end Sep 2016

⁽²⁾ Based on Statoil's latest guidance Aug 2016
Assumes USD : NOK 8.25

⁽³⁾ As per Statoil's latest guidance Aug 2016



Gross Resources: 1.9 - 3.0 billion boe⁽³⁾

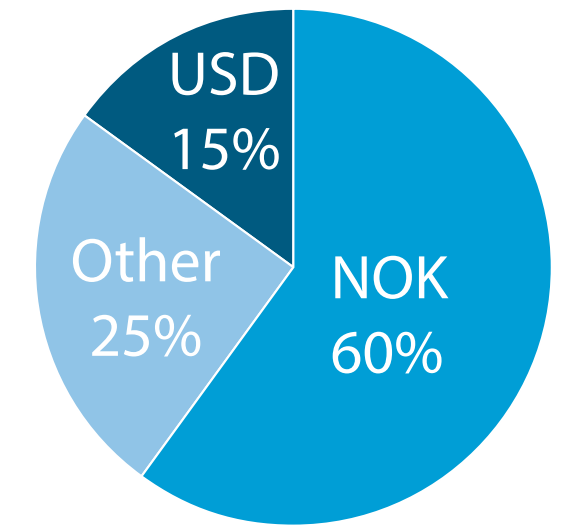
Phase 1

Norway – Utsira High

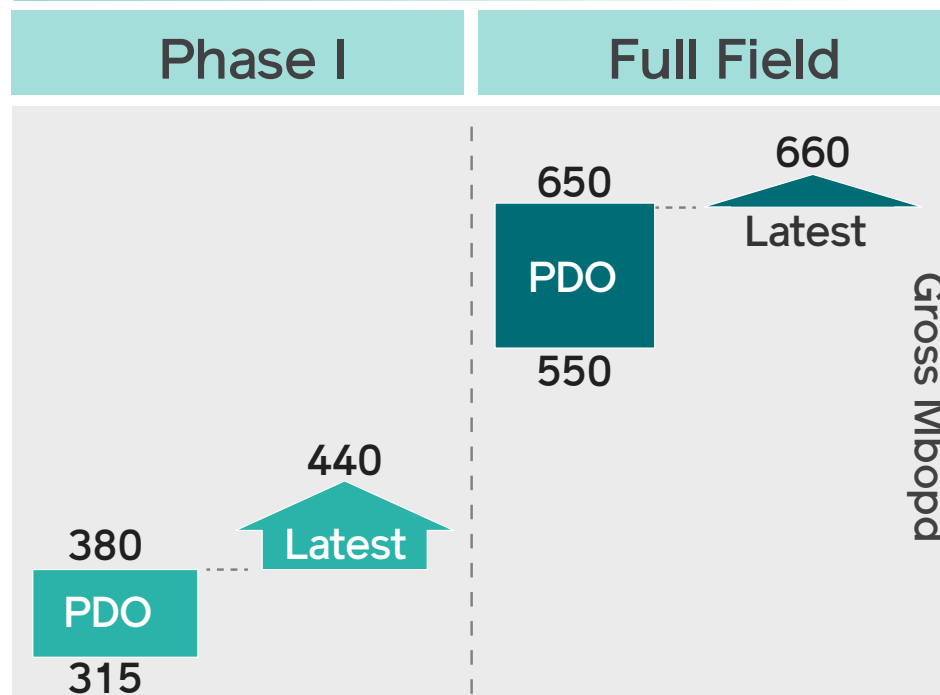
Quality Assets – Johan Sverdrup

- ➔ First oil Phase 1: Q4 2019
- ➔ PDO submission for Phase 2: 2H 2018
- ➔ First oil Phase 2: 2022

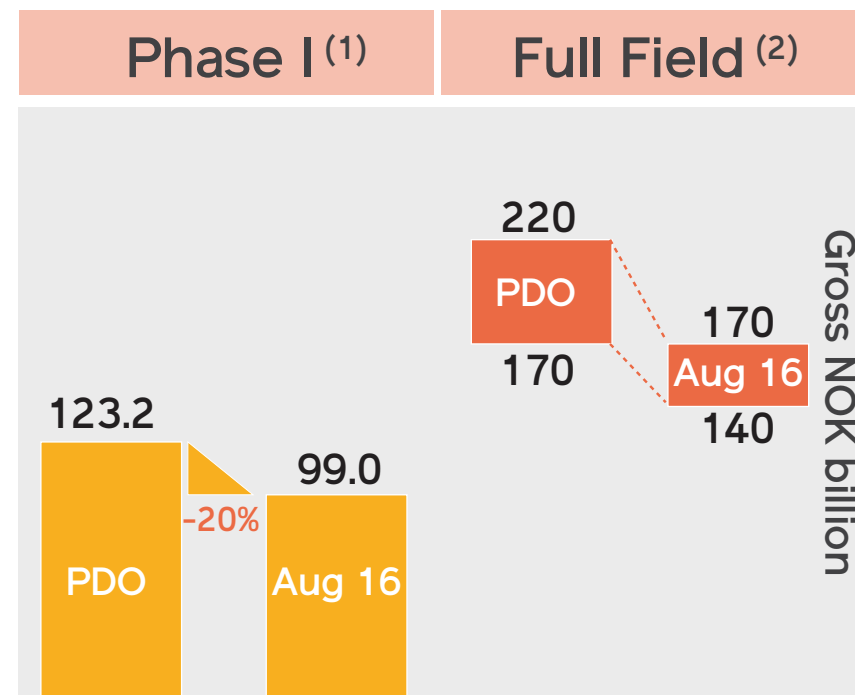
FX SPLIT Phase 1



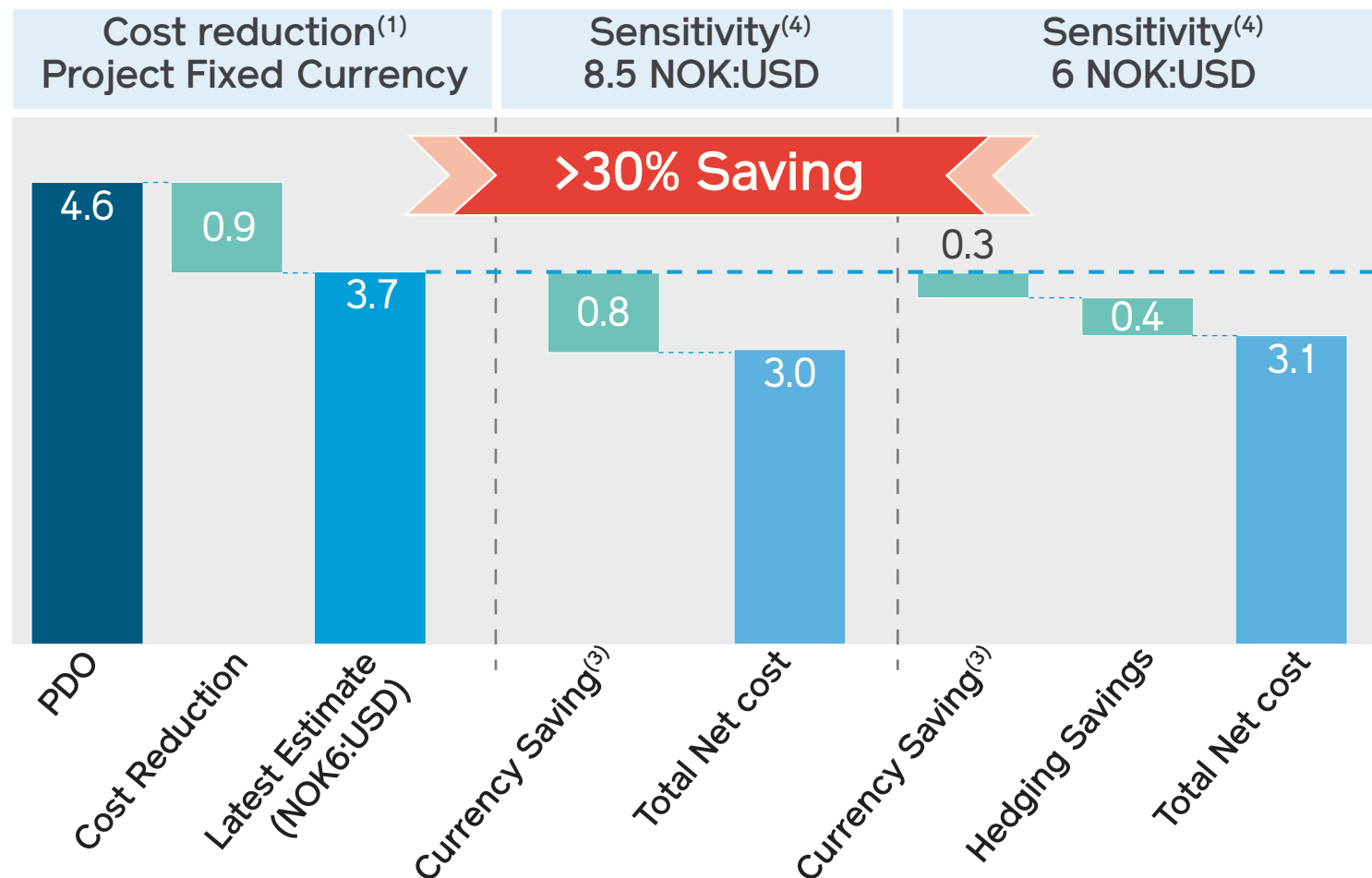
PRODUCTION CAPACITY



GROSS CAPEX (Bn NOK)



PHASE 1 - LUNDIN NET CAPEX (Bn USD)



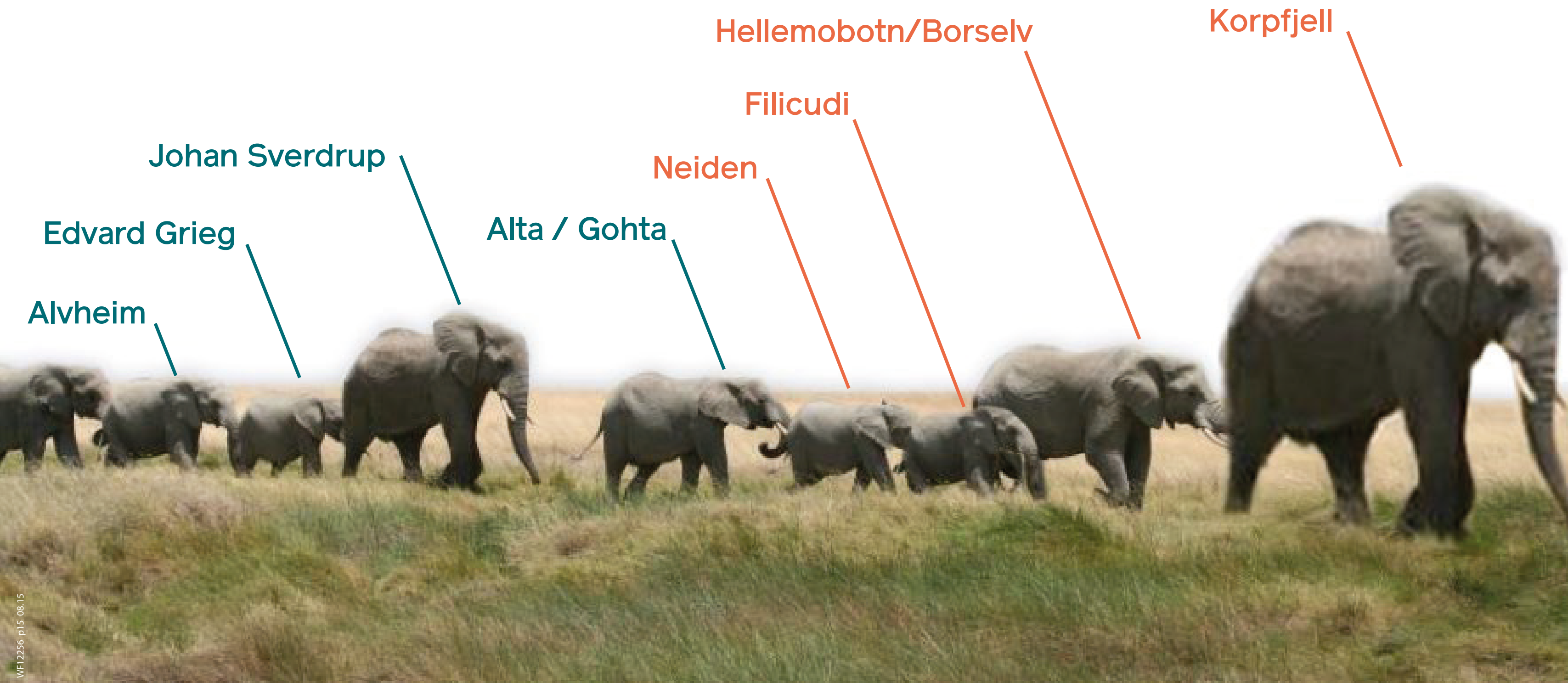
(1) Nominal, NOK6:USD
 (2) Real 2016, NOK6:USD

(3) Includes actual currency savings 2015/16
 (4) Sensitivities from 2017 onwards

Numbers may not add due to rounding

Norway

Searching for the next Elephant



Norway Exploration and Appraisal Campaign To Year End 2017

- ➔ 6 Exploration wells targeting net unrisked : >500 MMboe
- ➔ Rigs secured for operated southern Barents Sea, Alvheim area and Johan Sverdrup wells
- ➔ 4 Appraisal wells
 - ➔ 3 wells on Alta/Gohta
 - ➔ 1 well on Edvard Grieg

2 Exploration wells Utsira High / Greater Alvheim
1 Appraisal well

4 Exploration wells
3 Appraisal wells
Southern Barents Sea



Norway – Southern Barents Sea

Loppa High Drilling 2016-2017

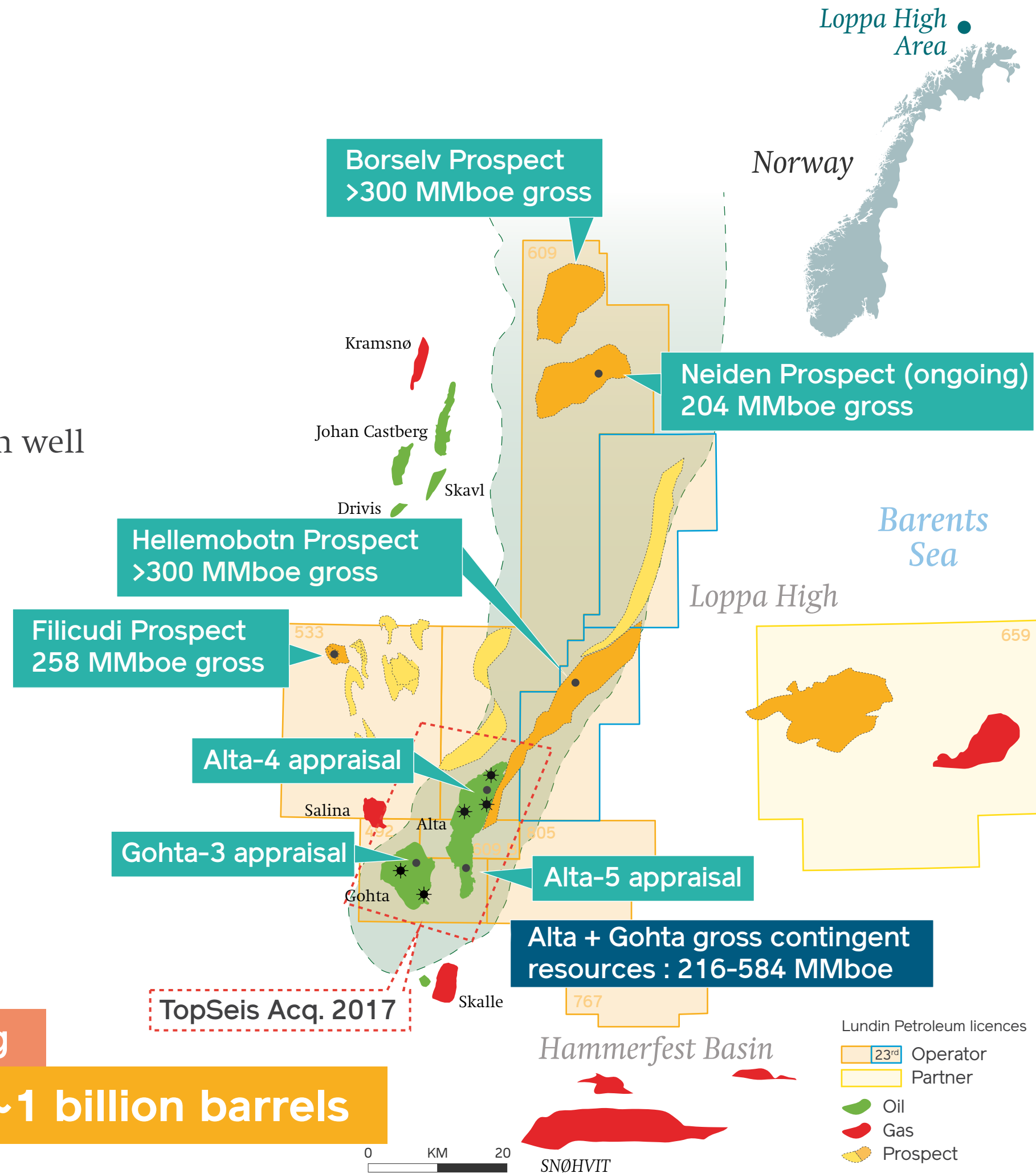
➔ 3 drilling operations in 2016

- ➔ Successful re-entry of Alta-3 appraisal well
- ➔ 2nd Well: Re-enter suspended Neiden exploration well – similar target to Alta discovery - ongoing
- ➔ 3rd Well: Filicudi exploration well on-trend with Johan Castberg discovery

➔ Lundin Petroleum has secured the Leiv Eiriksson rig with multiple options slots

➔ 2017 drilling operations

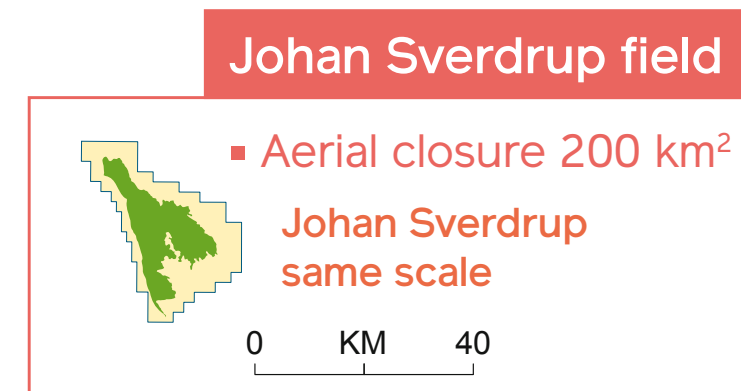
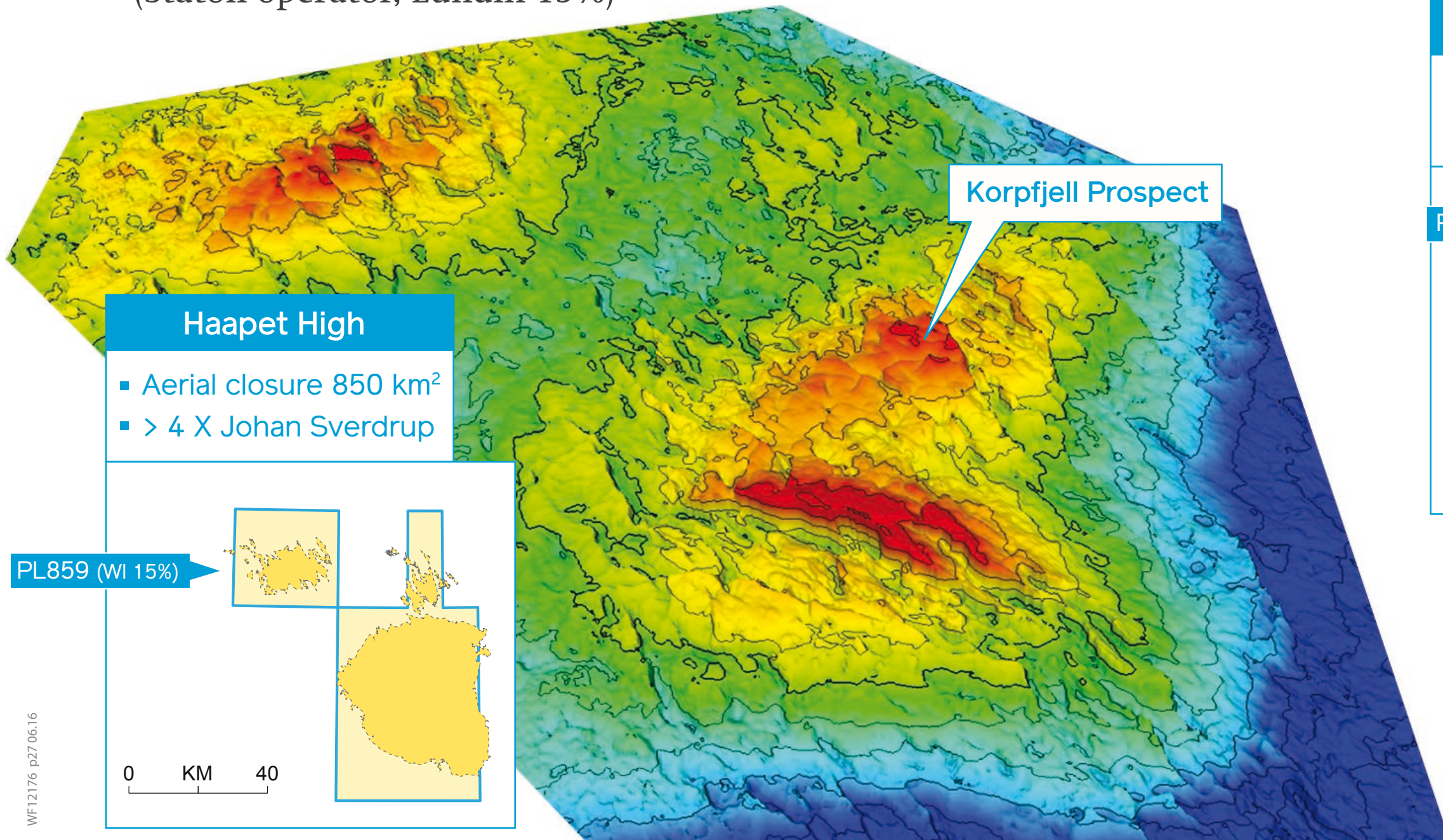
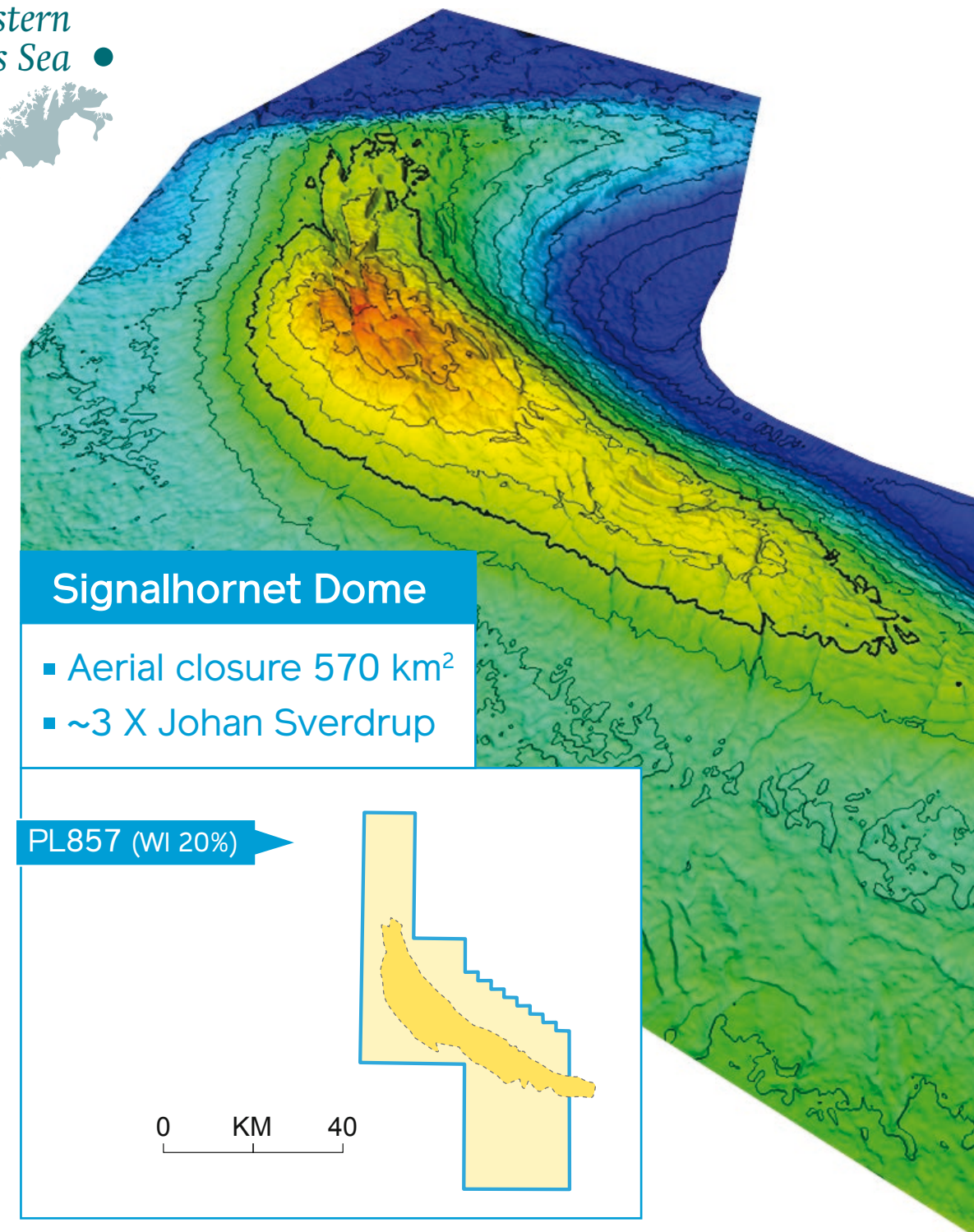
- ➔ Alta-Gohta appraisal - 3 wells
- ➔ Hellemobotn or Borselv exploration well



Norway - Southeastern Barents Sea

High Impact Exploration

- Prospects mapped on new 3D seismic – drill-ready
- Multi-billion barrel resource potential
- Structure aerial closures 3–4 times the size of Johan Sverdrup
- First well 2017, Korp fjell prospect. Shallow reservoir target (Statoil operator, Lundin 15%)

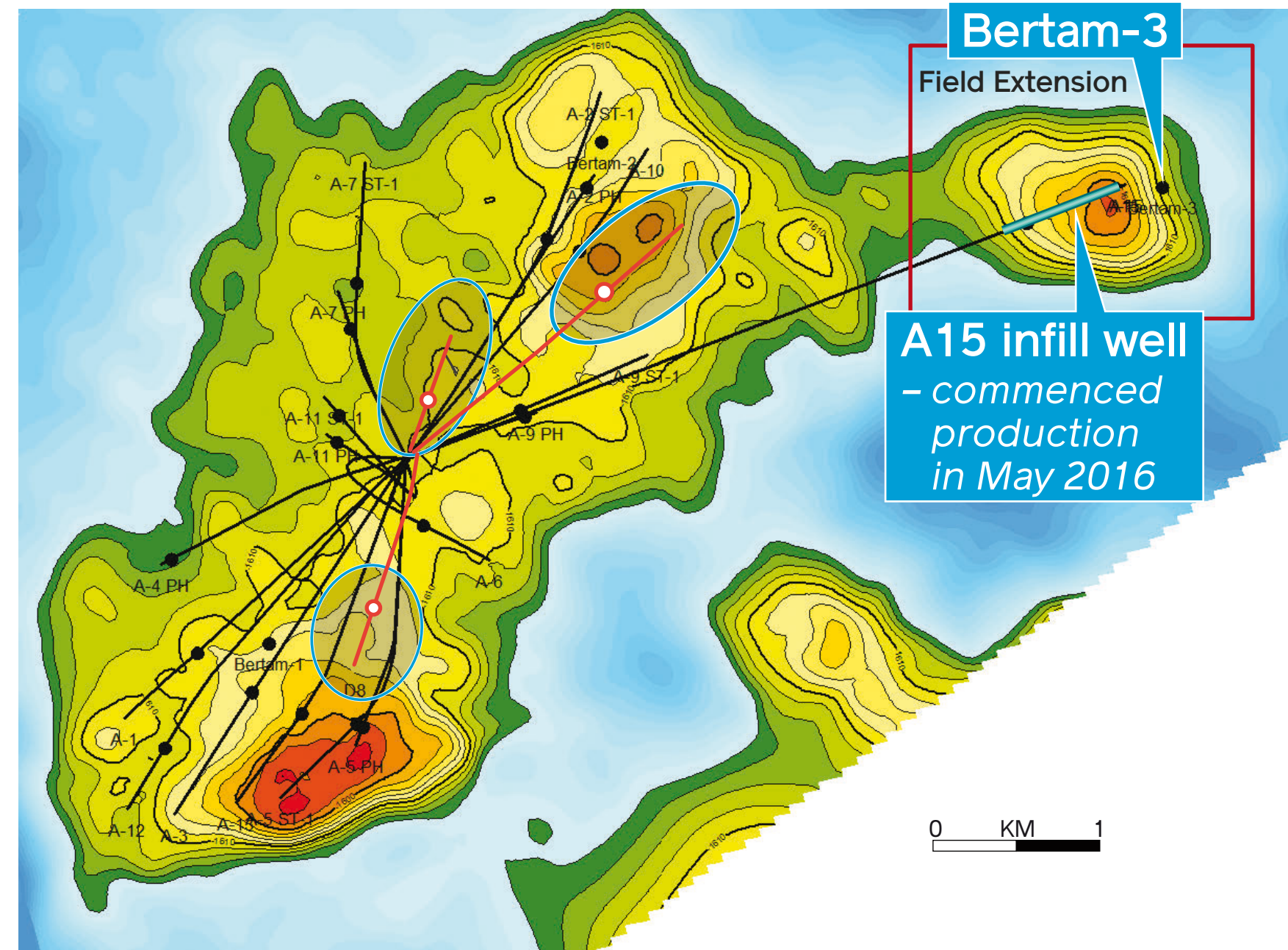


Malaysia – Bertam

First Nine Months Net Production: 8,700 boepd

- Good reservoir and facilities performance
 - 100% Uptime in Q3 2016
- A15 well completed with excellent results
 - ➔ Commenced production in May 2016
 - ➔ 540m net pay
 - ➔ Reservoir quality better than prognosis
- 12 wells on production
- Up to 2 infill wells likely in 2017
 - ➔ Breakeven economics < 30 USD/bbl

Bertam field



 Infill drilling options  Potential infill wells

2016-2017 Drilling Schedule

Country	Licence - Prospect	Well type	Operator	LUPE WI %	2016		2017			
					Q3	Q4	Q1	Q2	Q3	Q4
1 Norway	PL609 - Alta-3 test	app	Lundin	40.00	Completed					
2 Norway	PL609 - Neiden re-entry	exp	Lundin	40.00		Ongoing				
3 Norway	PL533 - Filicudi	exp	Lundin	35.00						
4 Norway	PL492 - Gohta-3	app	Lundin	40.00						
5 Norway	PL609 - Alta-4	app	Lundin	40.00						
6 Norway	PL492 - Alta-5	app	Lundin	40.00						
7 Norway	PL609C - Hellemobotn / PL609 - Borselv	exp	Lundin	40.00						
8 Norway	PL338 - EG appraisal	app	Lundin	65.00						
9 Norway	PL859 - Korp fjell	exp	Statoil	15.00						
10 Norway	PL150b - Volund West	exp	Aker BP	35.00						
11 Norway	J.S. Unit - Tonjer well	exp	Statoil	22.60						
1 Malaysia	Bertam	dev	Lundin	75.00						
2 Norway	Alvheim Hub	dev	Aker BP	15-35						
3 Norway	PL338 - Edvard Grieg	dev	Lundin	65.00	Ongoing					
4 Norway	JS Unit - Johan Sverdrup	dev	Statoil	22.60	Ongoing					

Netherlands exploration wells not included

 No rig secured

First Nine Months 2016

Summary

- Record quarterly production with excellent operational uptime performance
 - ➔ Revised full year 2016 production guidance upwards to 70,000 - 75,000 boepd
- Record low operating costs per barrel
- Material and strategic licence position in the southern Barents Sea
- 10 E&A wells to be drilled before year end 2017
 - ⇒ Targetting net unrisked resources >500 MMboe

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 "Risks and Risk Management" 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.

Lundin

Petroleum



www.lundin-petroleum.com