

Financial Presentation - Year End 2008



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Disclaimer

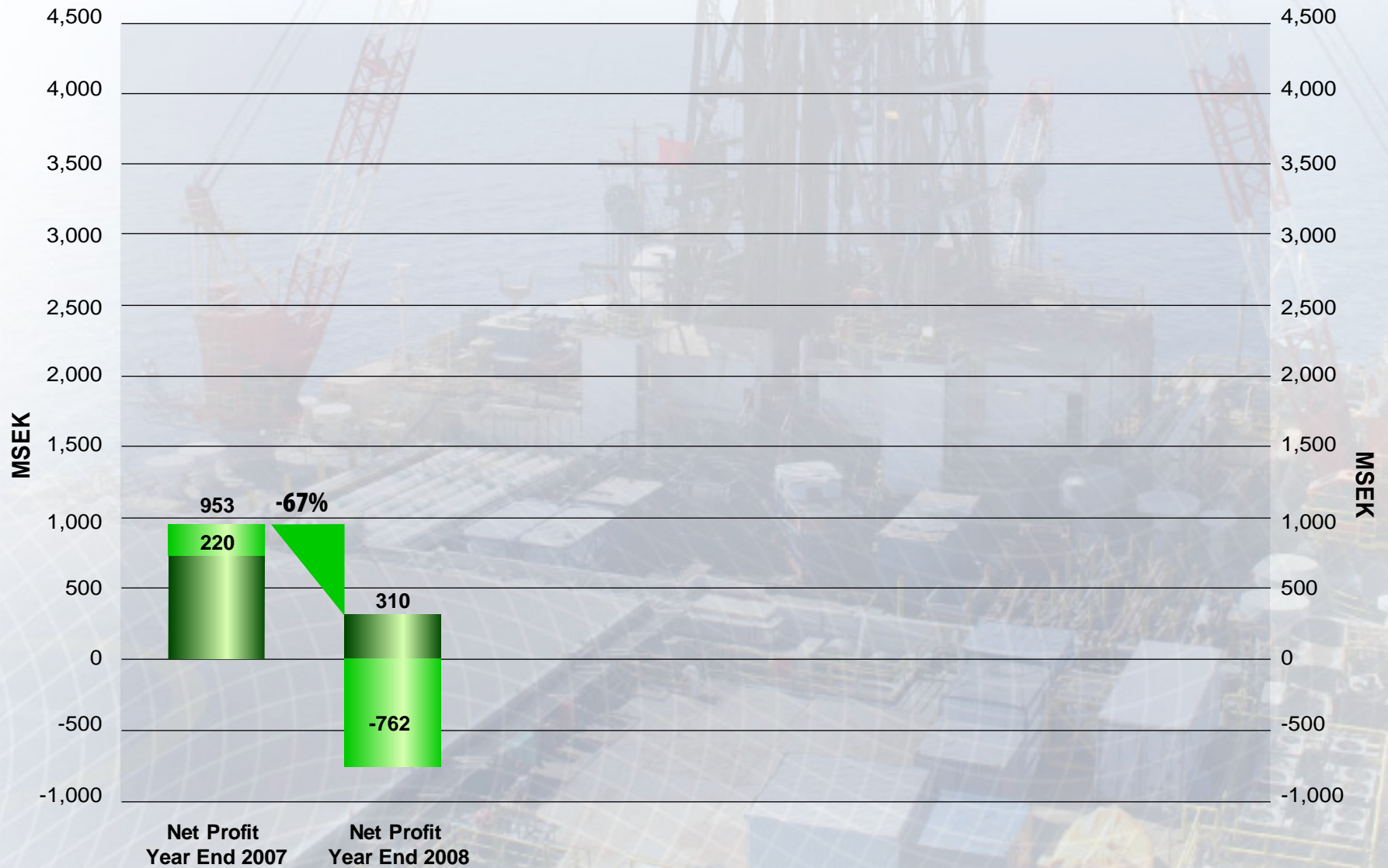


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Financial Results - Year End 2008



Net Result 2008



➔ Net result attributable to:

	Year End 2008 MSEK	Q4 2008 MSEK
Net Result	310.3	-761.8
Minority interest	249.7	195.4
Shareholders of Lundin Petroleum	560.0	-566.4

Adjusted Q4 2008 Net Result



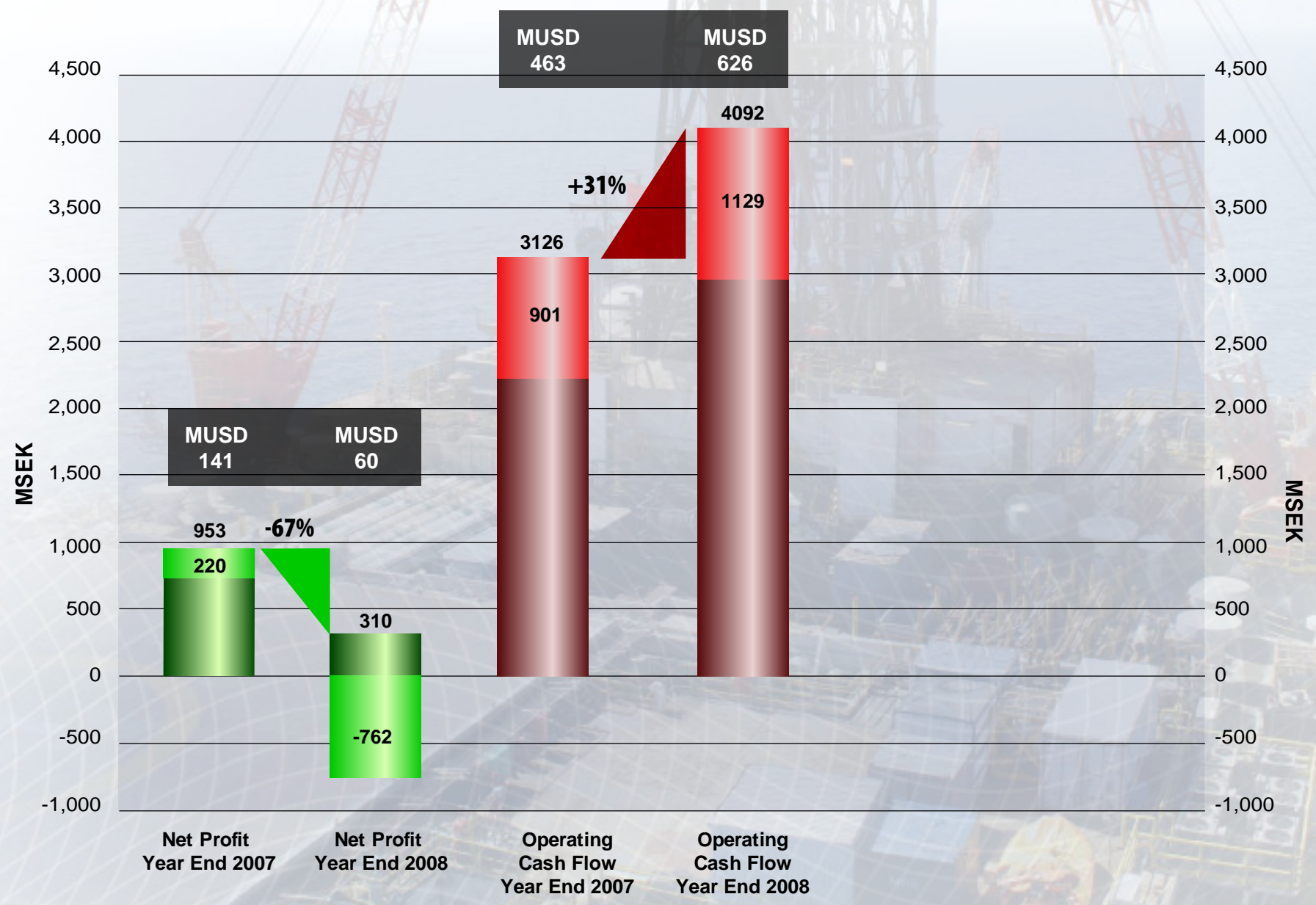
Q4 2008
MSEK

➔ Reported Result	-761.8
➔ Exploration Costs	617.6
➔ Impairment Costs	613.7
➔ Foreign Exchange Loss (net)	625.1
➔ Tax Items	-587.7
Adjusted Net Result	506.9

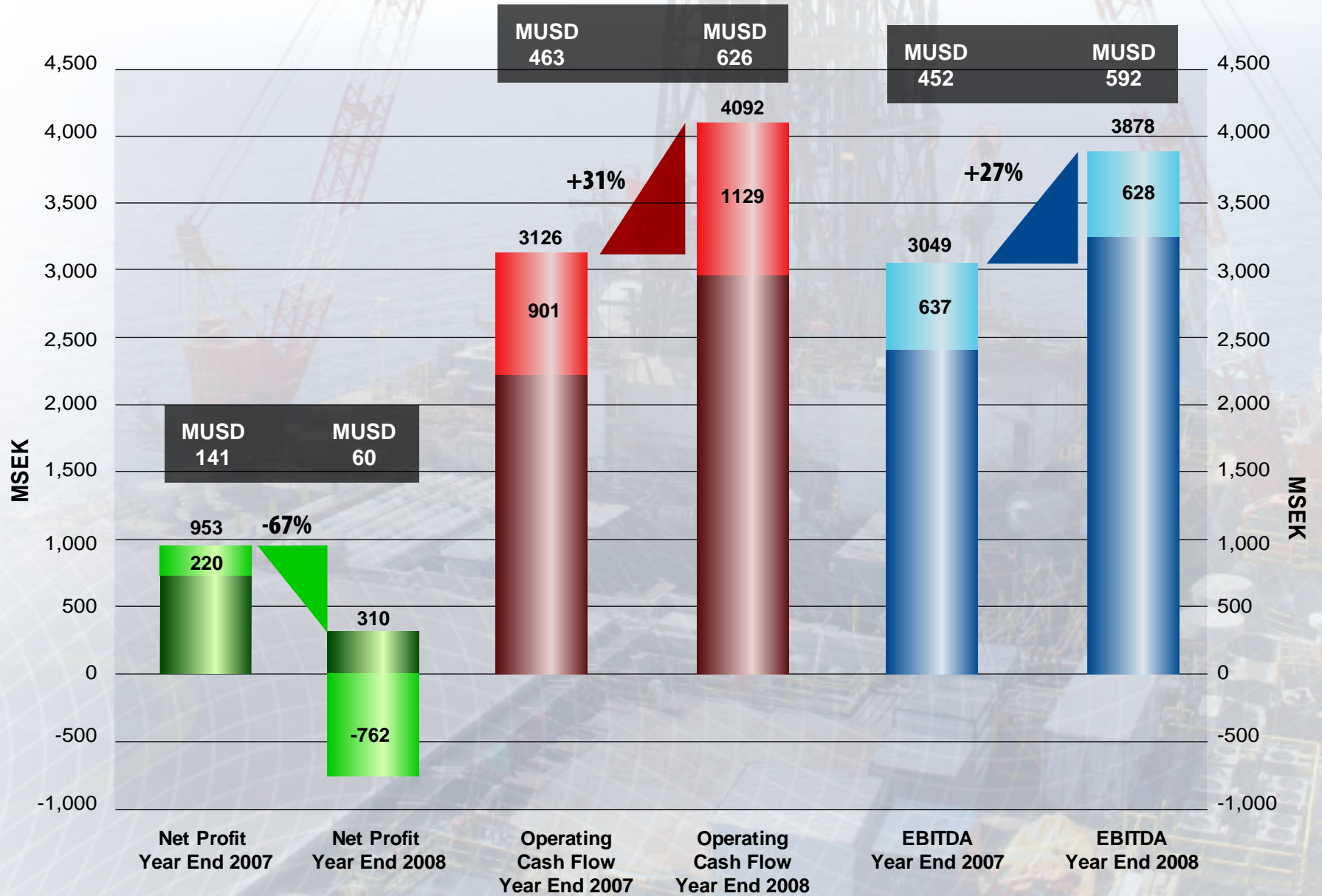
Financial Results - Year End 2008



Financial Results - Year End 2008



Financial Results - Year End 2008



Financial Performance



MSEK

4,500

4,000

3,500

3,000

2,500

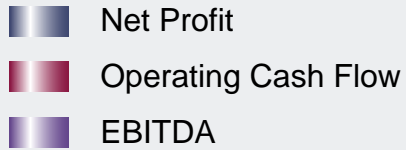
2,000

1,500

1,000

500

0



2002

2003

2004

2005

2006

2007

2008

Financial Performance - Year End 2008



	Year End 2008	Q4 2008
➔ Production <i>(after minority interest)</i>	31,700 BOEPD	34,900 BOEPD
➔ Cost of Operations <i>(including minority interest)</i>	USD 21.44/BBL	USD 19.75/BBL
➔ Tax	631 MSEK	-427 MSEK

Netback - Year End 2008

[USD/boe]



	Year End 2008	Q4 2008
<i>Average Brent oil price</i>	97.26	55.48
Revenue	82.56	47.96
Cost of operations	-21.44	-19.75
Tariffs	-2.75	-2.73
Production taxes	-6.82	-2.93
Changes in inventory & under/overlift	0.30	-0.73
Cash Margin	51.85	21.82
Depletion	-13.33	-14.36
Exploration costs	-11.03	-26.04
Impairment costs	-6.63	-24.16
Margin Netback	20.86	-42.74

Cost of Operations - Year End 2008



	MMBOE		USD/boe		MUSD
Actual 2008	11.84	X	21.44	=	253.9
Forecast 2008	13.74	X	19.40	=	266.7
% Change to Forecast	-13.8%		10.5%		-4.8%

2008 Exploration Costs



Country	MSEK	Unsuccessful	Successful	Resources MMBOE
Norway	0			+13.4 MMboe to Contingent Resources
Sudan	483			
UK	135			
Russia	234			+115.0 MMboe to Contingent Resources
Netherlands	10			
Indonesia	4			+ 3.0 MMboe to Contingent Resources
Other	36			
	902			

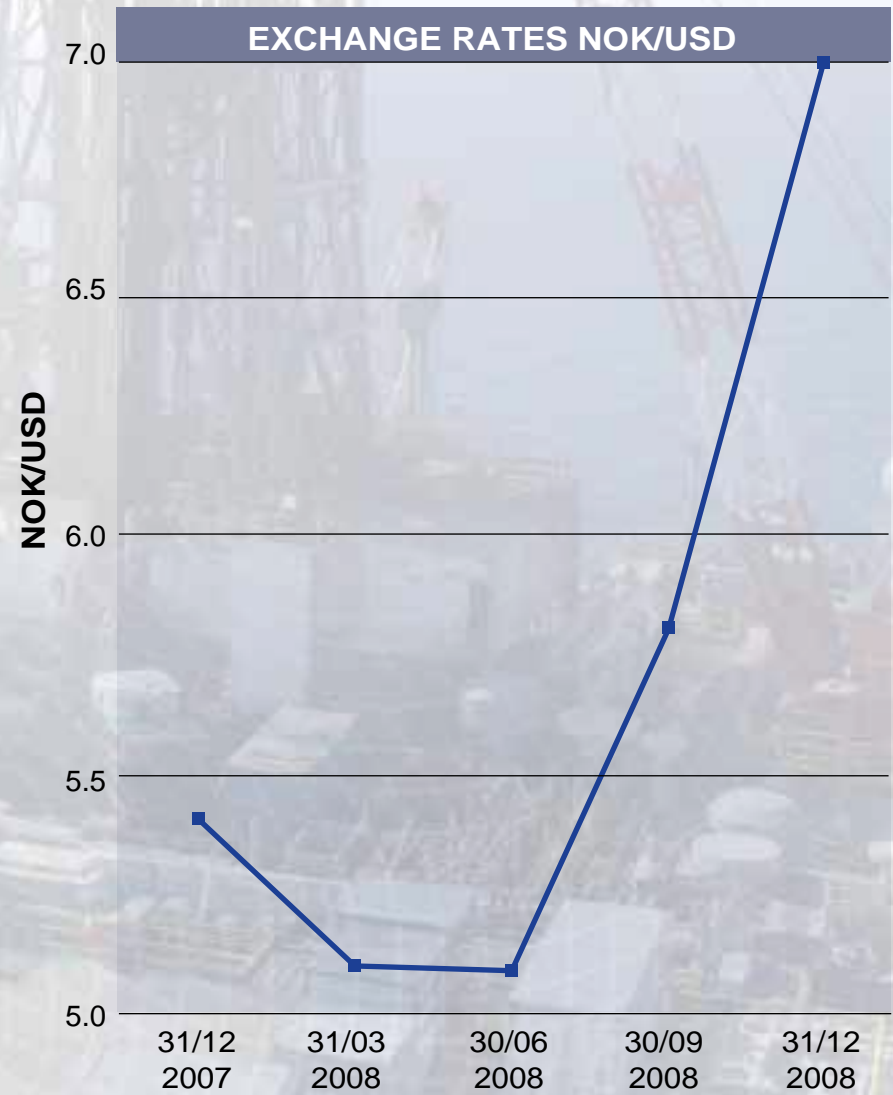
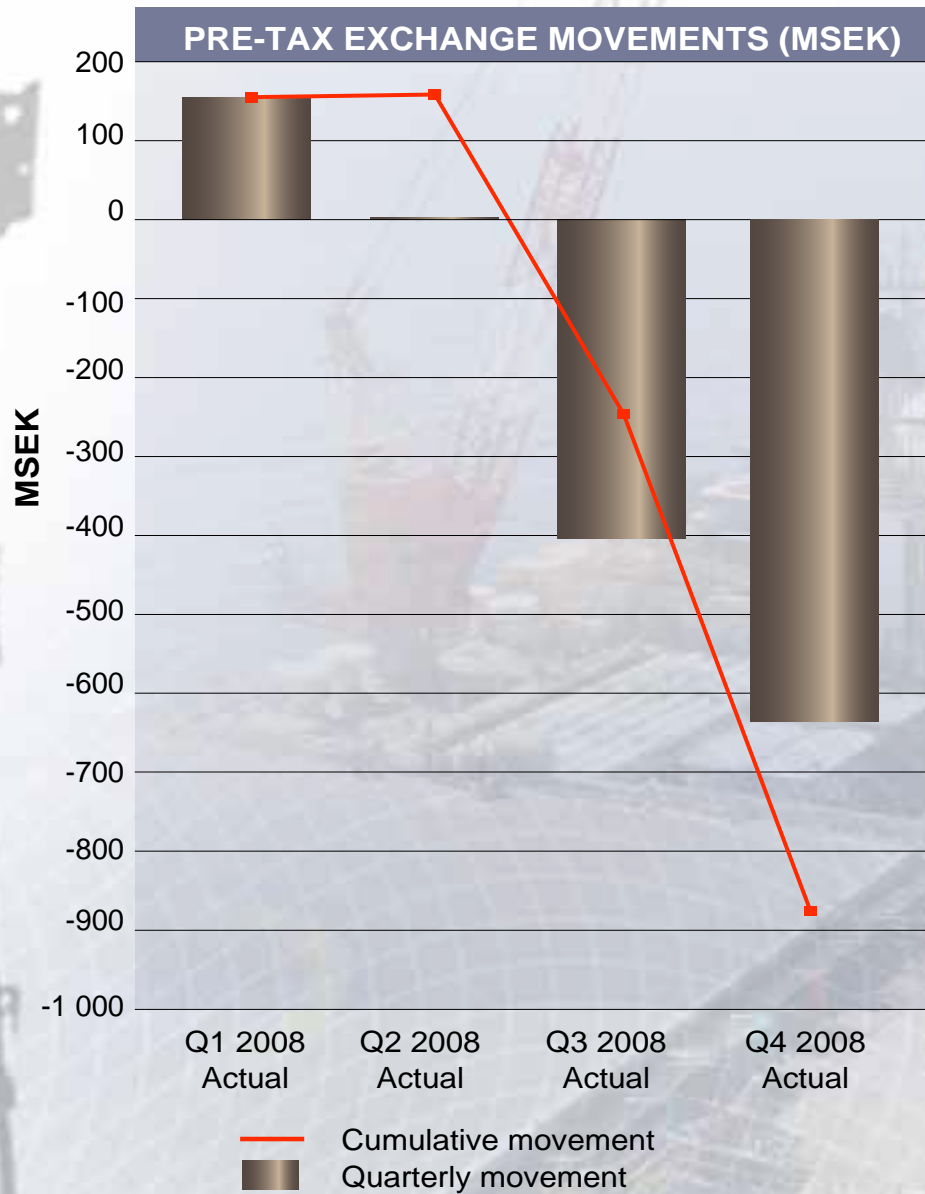
Q4 2008 Exploration Costs: MSEK 618

Impairment Costs 2008



⁽¹⁾ Before tax and minority interest

2008 Exchange Movements



Q4 Foreign Exchange Loss: MSEK 625

Taxation - Year End 2008



- Effective rate of tax 67%
- Current tax charge -77 MSEK
- Deferred tax charge 708 MSEK

2008 Tax Effective Rate



Reported Effective Tax Rate

67%

- ➔ Exploration Costs
- ➔ Impairment Costs
- ➔ Foreign Exchange Loss
- ➔ Asset Sales
- ➔ Revus Shares
- ➔ Thistle Insurance Refund
- ➔ Russia Tax Rate Change

Adjusted Effective Tax Rate

54%

Balance Sheet - 31 December 2008



	31 Dec 2008	31 Dec 2007
➤ Fixed Assets	23,129	18,241
➤ Net Current Assets (excluding cash)	-346	-224
➤ Net Bank Debt	3,869	2,197
➤ Shareholder Equity	11,438	9,706
➤ Net Debt/Equity Ratio	34%	23%

numbers in million SEK

Liquidity



	MUSD
Secured Revolving Borrowing Base Facility	850
Unsecured Corporate Facility	150
Total Credit Facility	1,000
Borrowing Base Loan Drawn @ 31 December 2008	554
Cash Balances @ 31 December 2008	57
Net Debt Position @ 31 December 2008	497

- ➔ *Excludes 9.8 MUSD debt in Russian subsidiary where we have acquired the receivable*

Liquidity - Borrowing Base Determination



- ➔ Availability amount recalculated every six months
- ➔ Based upon banks oil price and economic parameters
- ➔ Utilising cashflows from certain 2P reserves
- ➔ Borrowing base amounted to approx. USD 1.1 billion at 1 January 2009
- ➔ Banks syndicate have unanimously approved the borrowing base
- ➔ Availability limited by facility size of USD 850 million
- ➔ USD 150 million unsecured facility maturing late 2010 is fully available

2009 Forecast Cash Flow



- ➔ **Operating Cash Flow Netback*** 26.35 USD/boe
- ➔ **2009 Development Expenditure** 215 MUSD
- ➔ **2009 Exploration Expenditure** 345 MUSD

**Assuming USD 40/bbl Brent*

Lundin Petroleum - Summary

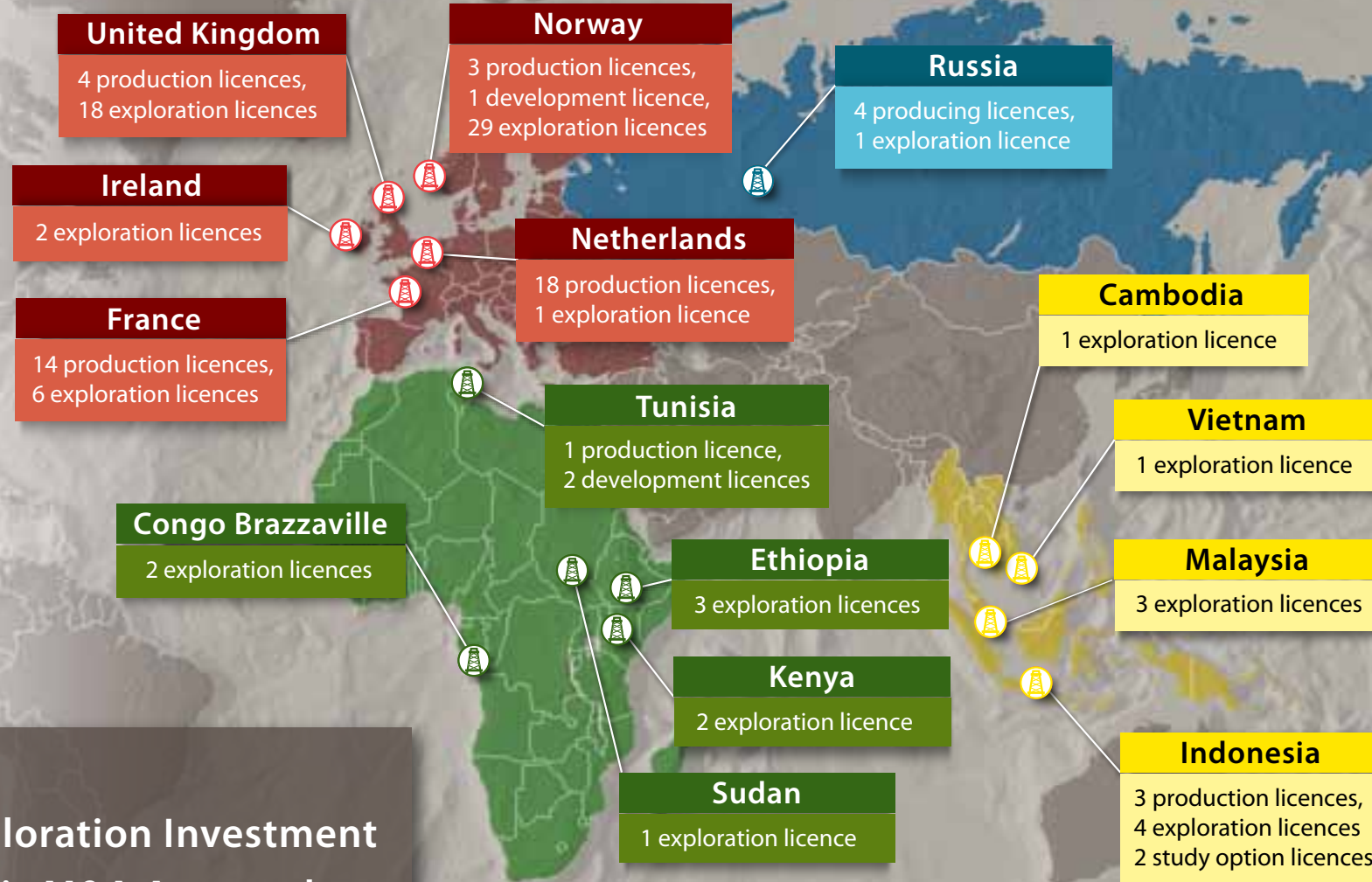


- Strong operating cashflow
- Reserves growth
- Production growth
- Limited capital expenditure budget
- Focused exploration expenditure
- Underleveraged borrowing position

Lundin Petroleum - Asset Summary



Four Core Areas: Europe, Africa, Russia, Far East



Strategy

- ➔ Focused Exploration Investment
- ➔ Opportunistic M&A Approach

Operational Highlights 2008



- ➔ **Lundin Petroleum has significantly increased its resource base through organic growth**
- ➔ **2P Reserves up from 184 mmboe to 218 mmboe**
 - ➔ 26% increase - excluding acquisitions
 - ➔ reserves replacement ratio of 394%
- ➔ **Contingent Resources up from 188 mmboe to 294 mmboe**
 - ➔ Morskaya - discovery in Russia
 - ➔ Pi - discovery in Norway
 - ➔ SE Walio - discovery in Indonesia
- ➔ **Prospective Resources (prospects only) down from 3.1 to 2.7 bn boe**
 - ➔ Increasing focus on exploration in Norway
- ➔ **Production for 2008 of 31,700 boepd (Q408 production 34,900 boepd)**
 - ➔ Norway - Alvheim Field onstream mid-2008
- ➔ **Production up to 35-42,000 boepd in 2009**
 - ➔ Norway - Volund Field onstream late 2009

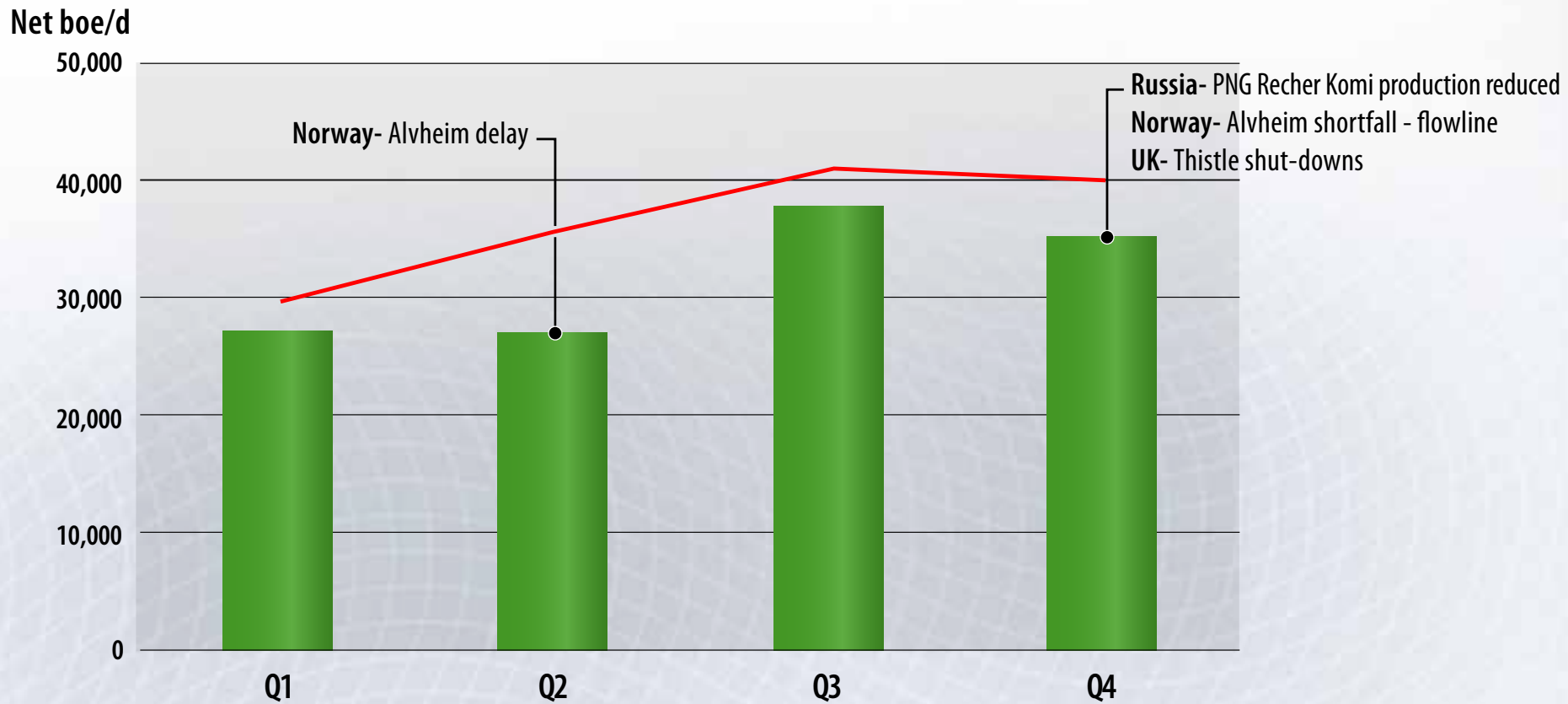
2008 Forecast Production Performance



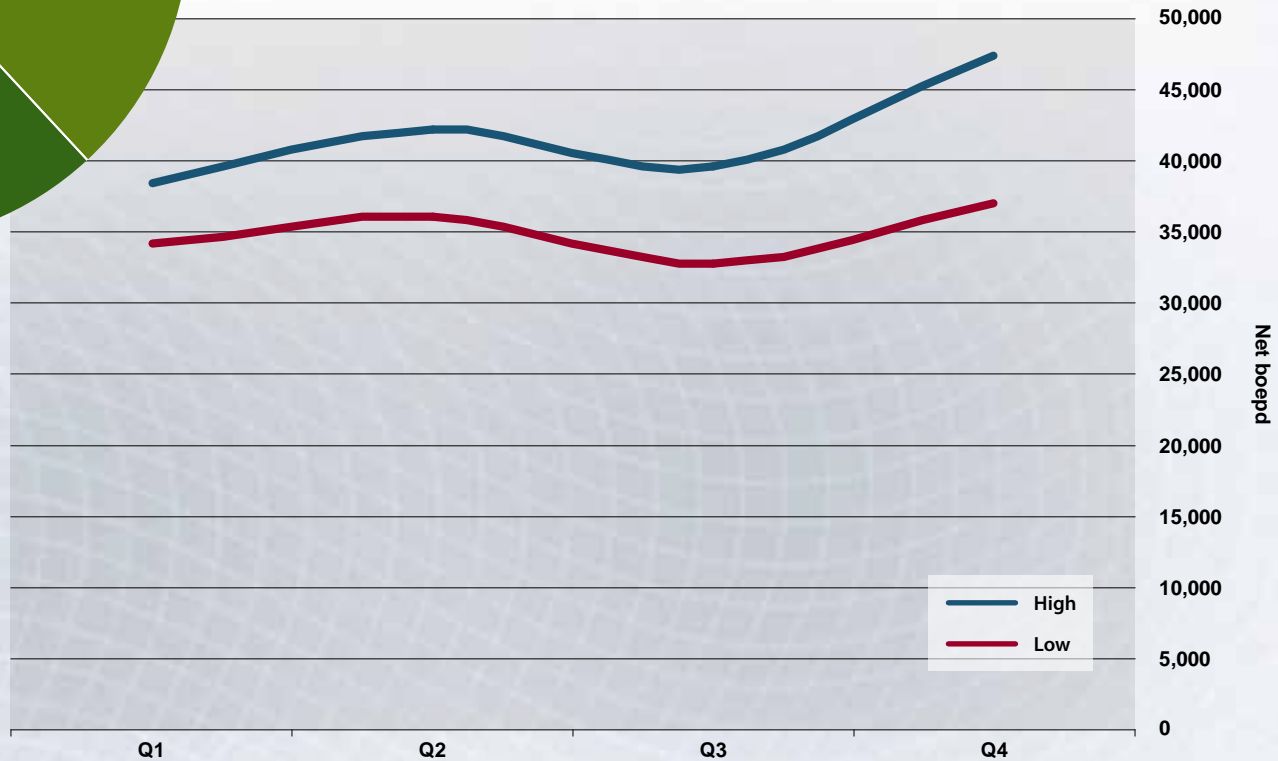
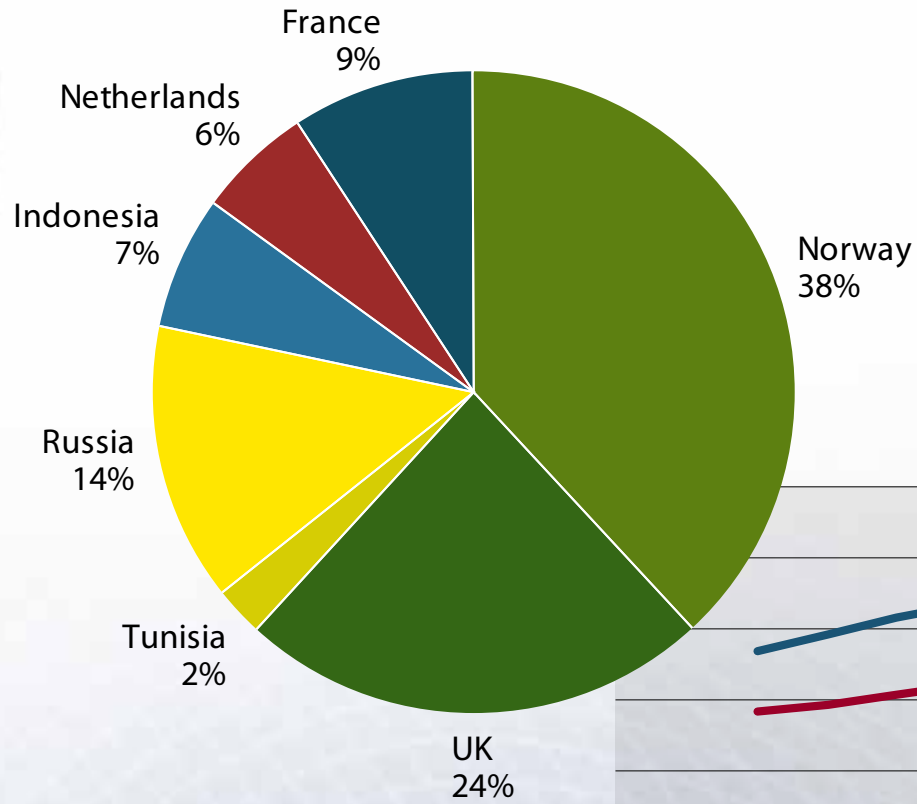
2008 : 31,700 boepd after minority interest

■ Actual

— Capital Markets Day (CMD) January 2008



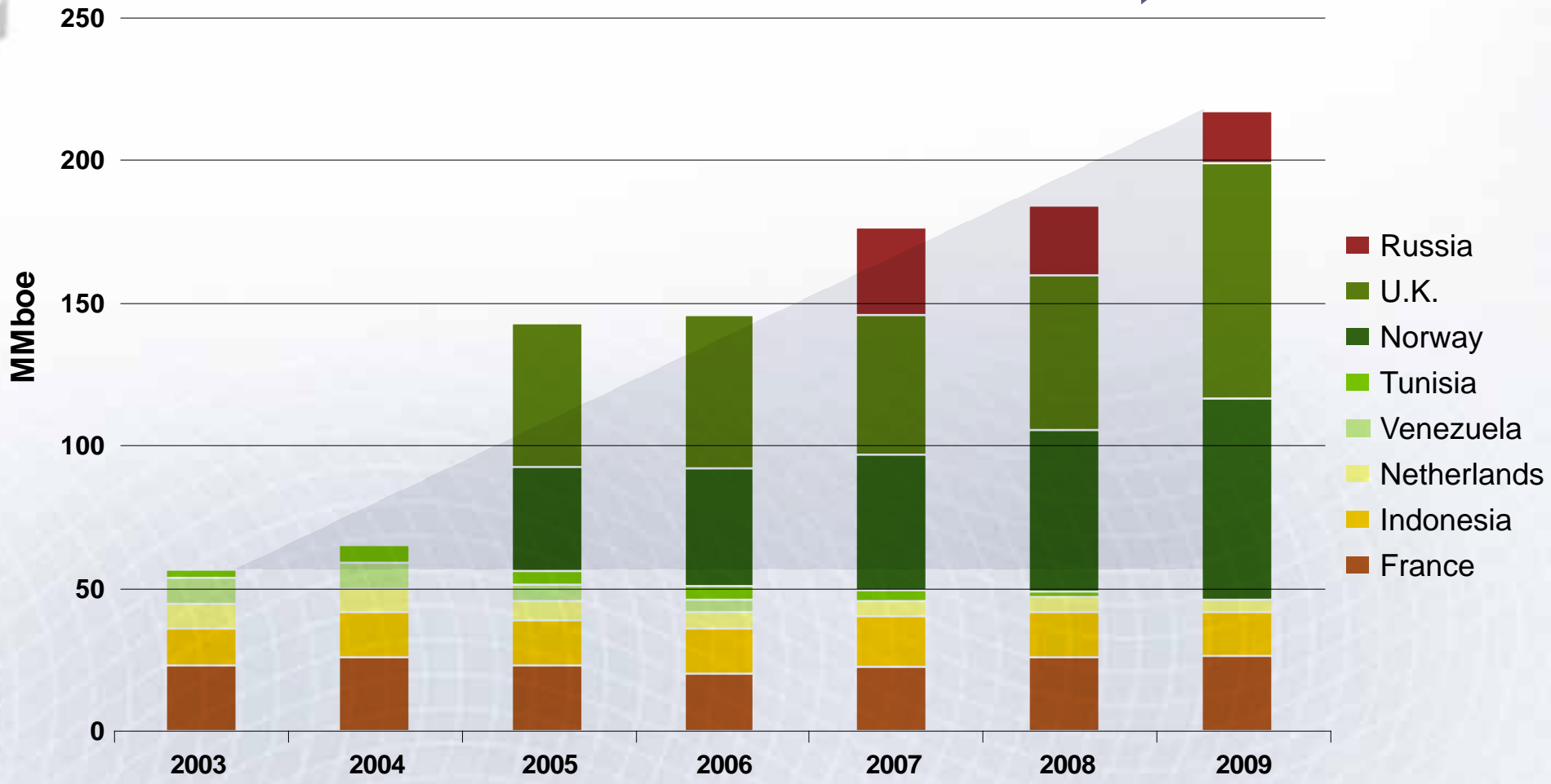
2009 Production Forecast



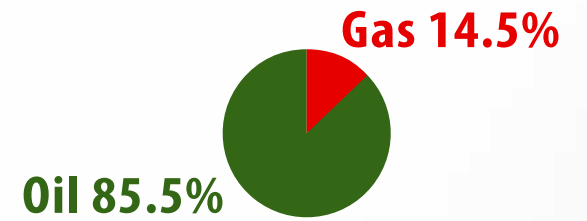
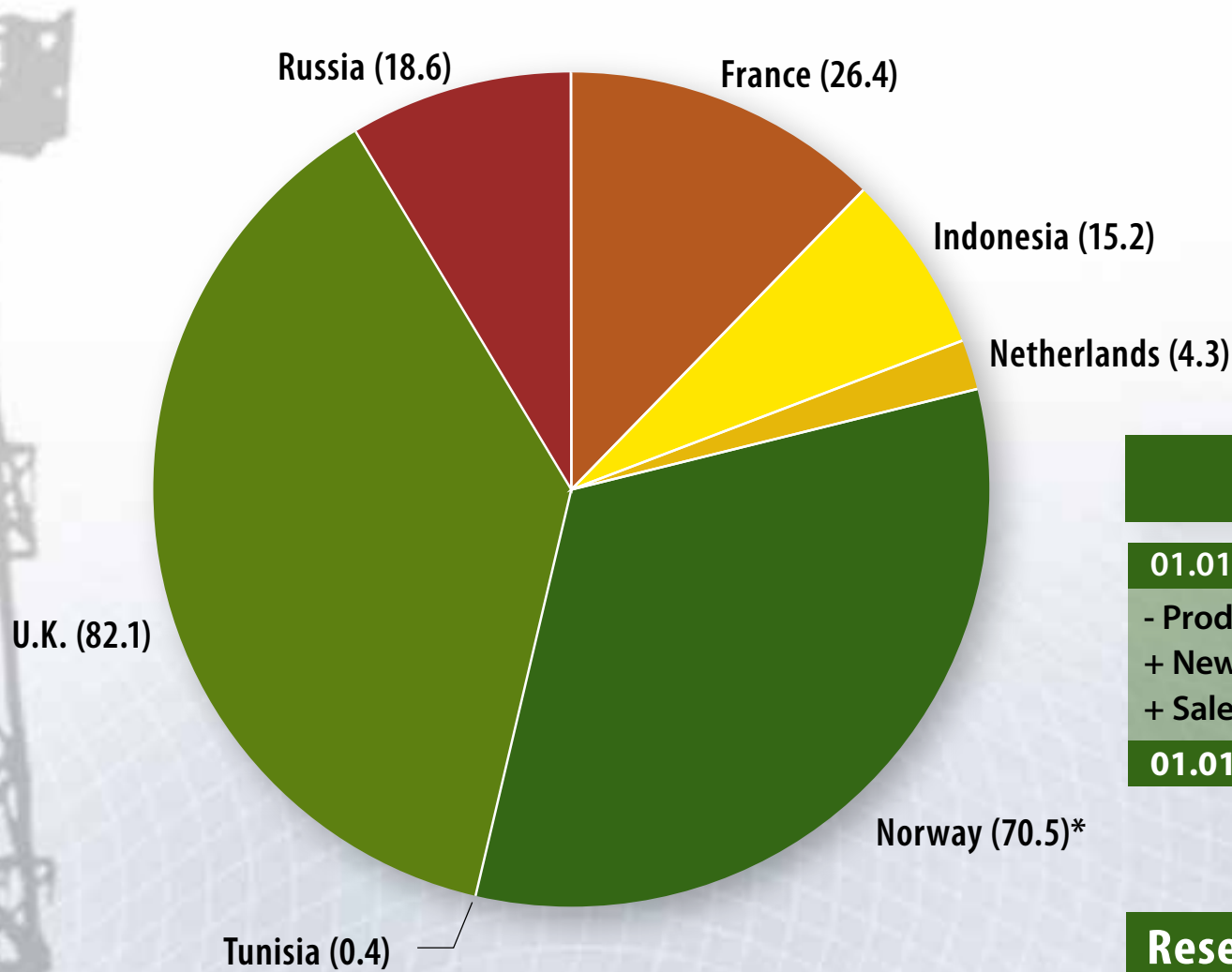
Reserves Growth



Reserves Replacement Ratio of 357% (cumulative production: 62.5 MMBOE)



2009 Proven & Probable Reserves



Total 217.5 MMboe

01.01.2008 MMboe	184.2
- Produced (forecast)	-11.6
+ New reserves (excl sales/acquisitions)	45.7
+ Sales/acquisitions	- 0.8
01.01.2009 MMboe	217.5

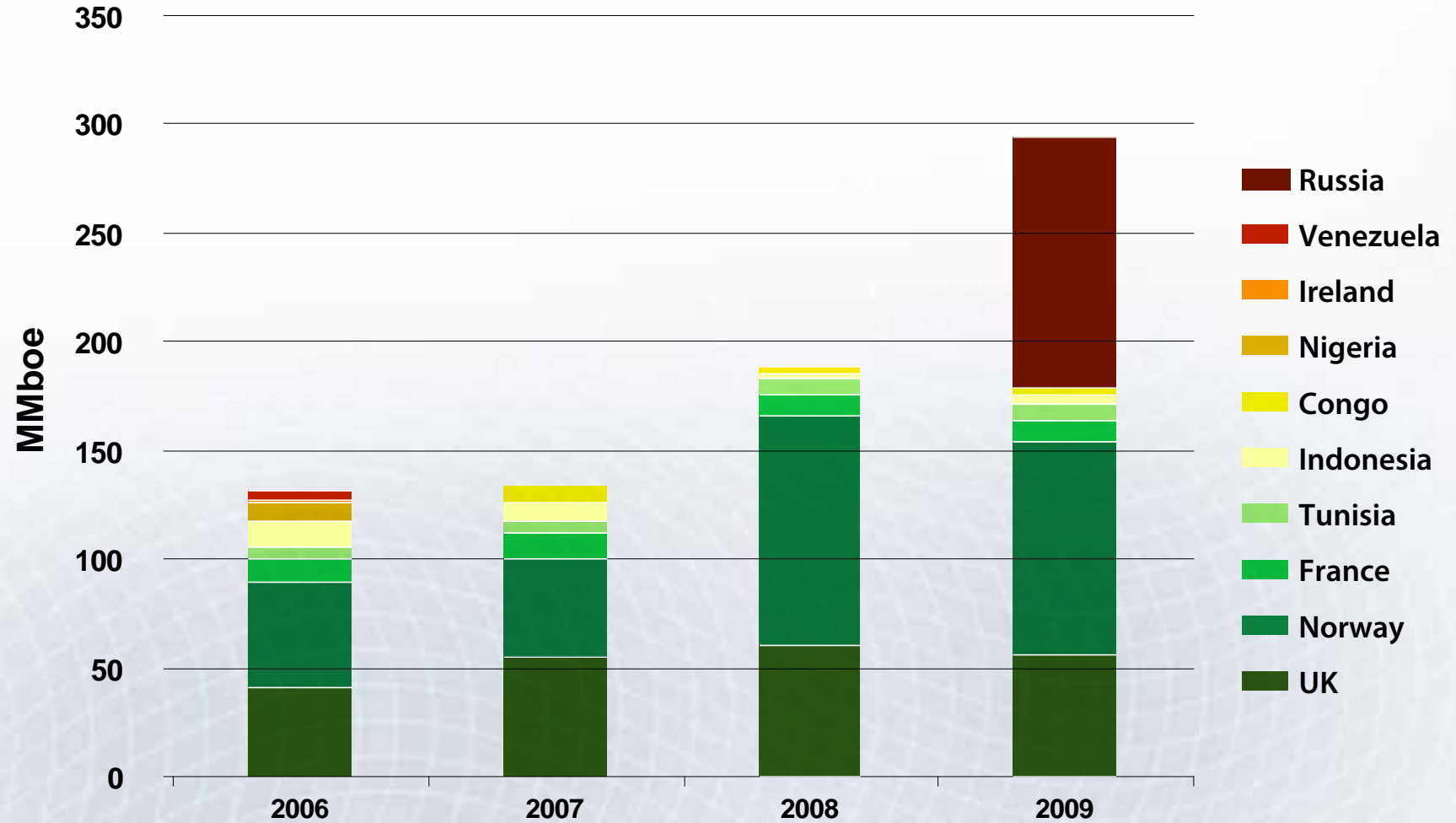


Reserves Replacement Ratio 394%

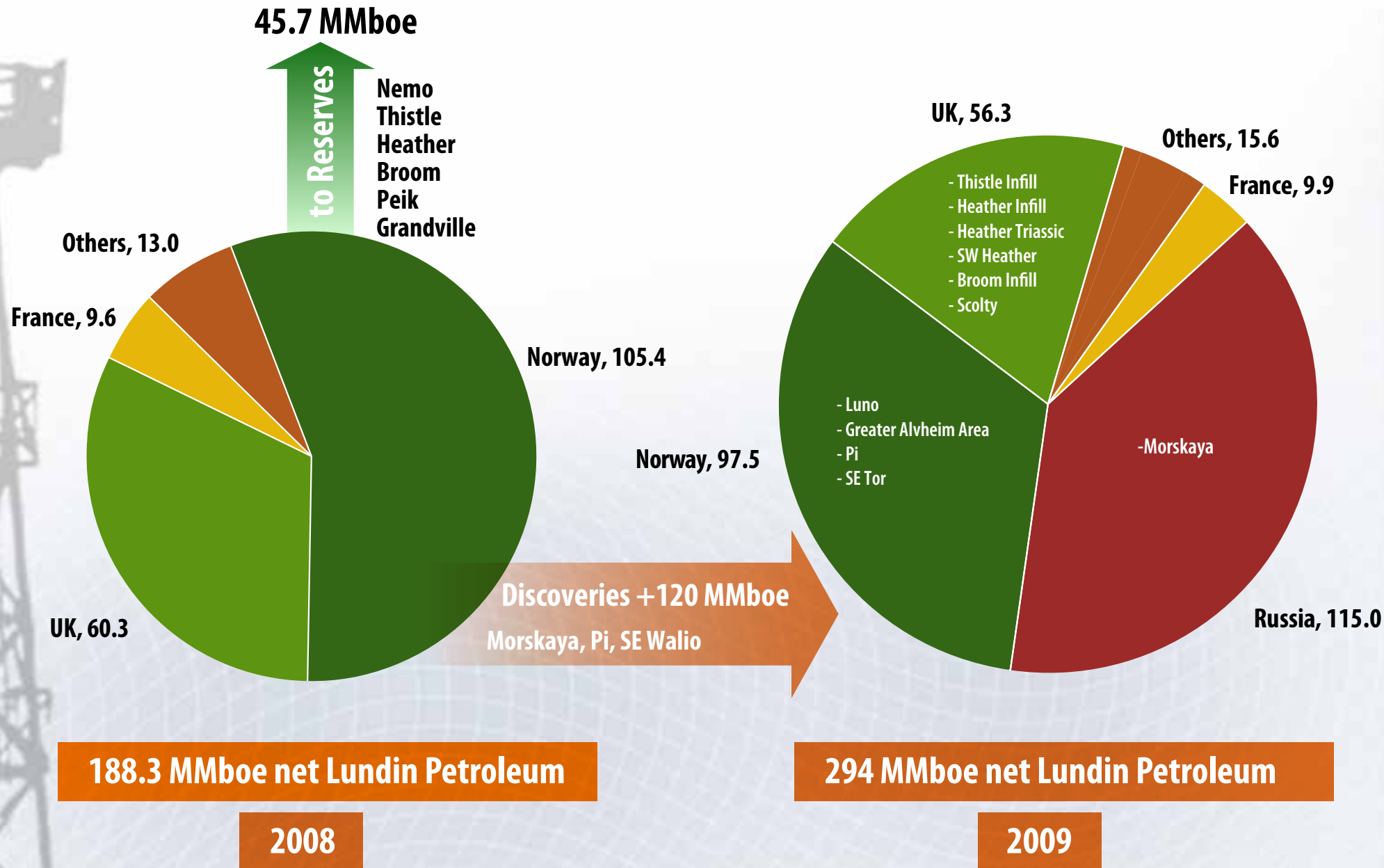
Increase in Reserves 26%

* Excluding Luno

Contingent Resource History



Contingent Resources - 1 January 2009



2009 Production - Norway Alvheim

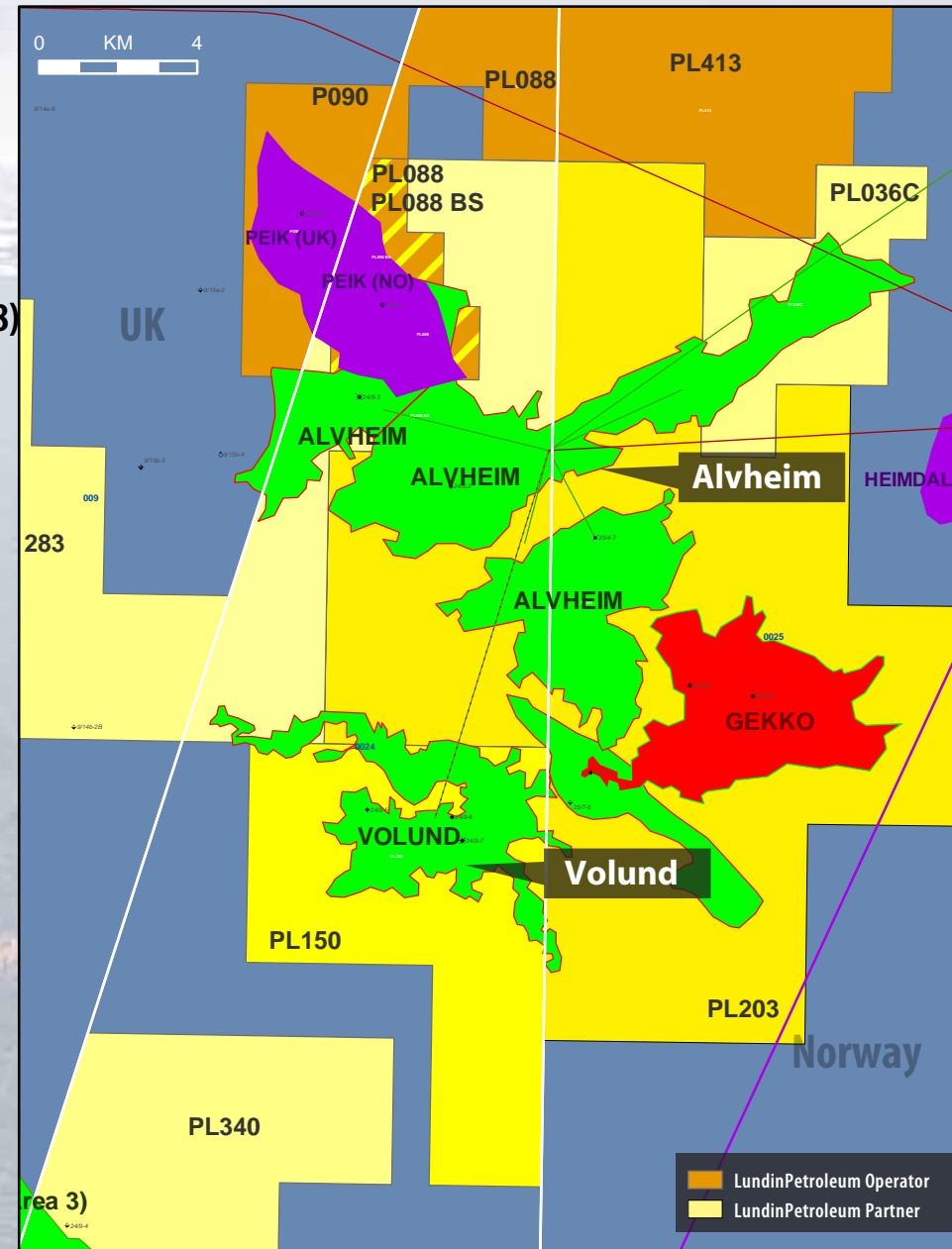


Alvheim Field

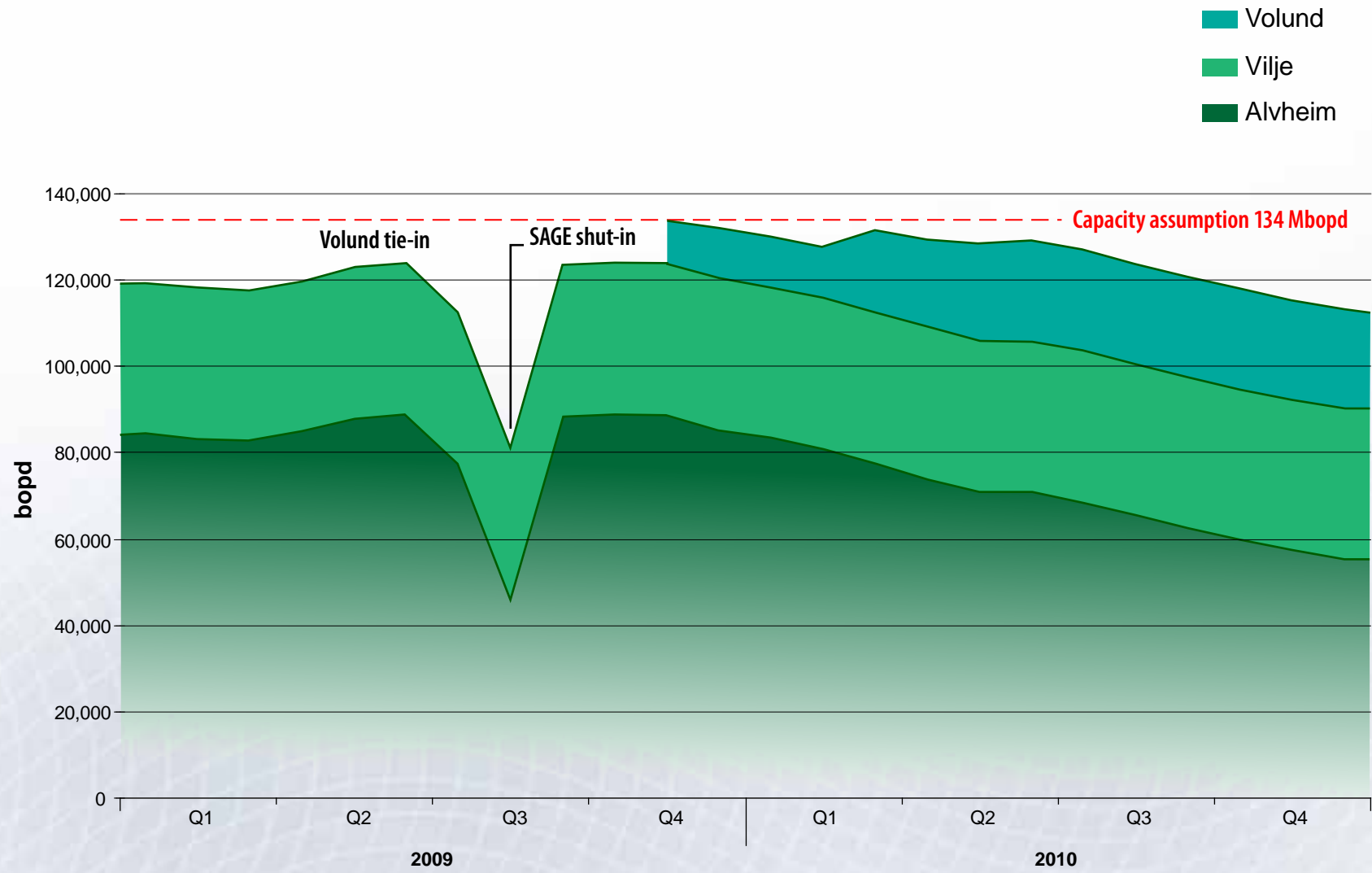
- **Lundin Petroleum 15%**
 - ➔ Marathon 65% (operator), ConocoPhillips 20%
- **Gross Reserves 223 mmboe (01.01.09)**
 - ➔ Up from 215 mmboe (01.01.08)
- **Average 2008 gross production 41,300 boepd (start-up in June 08)**
 - ➔ Peak Alvheim Norway production to date 109,000 boepd
- **FPSO status**
 - ➔ Commenced production in June 2008
 - ➔ Peak throughput (to date) of 133,000 bbl/d
 - original design capacity of 120,000 bbl/d
 - de-bottlenecking ongoing – stretch target is 150,000 bbl/d
 - ➔ Volund field (Lundin Petroleum 35%) to be tied-in in late 2009

Volund Field

- **Lundin Petroleum 35%**
 - Marathon 65% (operator)
- **Gross Reserves 49 mmboe**
- **Subsea tie-back to Alvheim**
- **Net Plateau production 8,7000 boepd**
- **First oil late 2009**



Norway - Alvheim FPSO Oil Production Forecast



UK Assets (Heather-Broom-Thistle)

➔ 2008 Production

- ➔ Broom 6,400 bopd (net)
- ➔ Heather 1,200 bopd (net)
- ➔ Thistle 2,600 bopd (net)

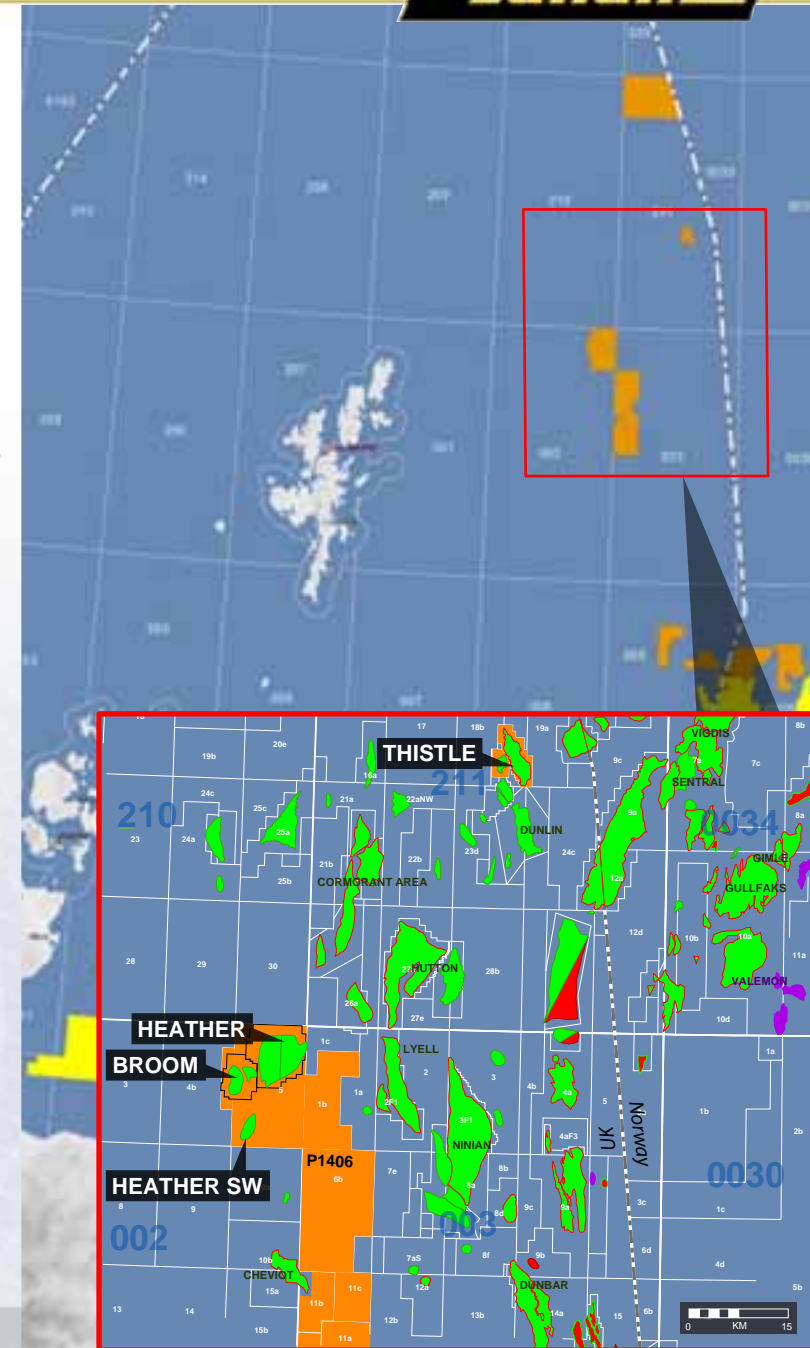
➔ Reserves (01.01.09)

- | | | |
|-----------|------------------|-------------------|
| ➔ Broom | 18.4 MMboe (net) | + 3.8 MMboe (net) |
| ➔ Heather | 27.6 MMboe (net) | +13.5 MMboe (net) |
| ➔ Thistle | 29.5 MMboe (net) | +13.1 MMboe (net) |

Increase from 2008

➔ Operating cost per barrel ⁽¹⁾

- | | |
|-------------------|------------------------------------|
| ➔ Heather/Broom | 21.0 USD/boe (2009) |
| ➔ Thistle | 52.5 USD/boe (2009) |
| ➔ UK Consolidated | 28.5 USD/boe (2009) |
| ➔ Thistle | 28.0 USD/boe ⁽²⁾ (2010) |



Successful Strategy - Discoveries 2008



Four Core Areas: Europe, Africa, Russia, Far East

Norway - Pi North

- Oil and gas discovery adjacent to existing UK fields & infrastructure

Russia - Morskaya

- Major oil field on trend with Lukoil fields

Indonesia - SE Walio

- Significant Kais Limestone oil find next to mature Walio field

3 New Discoveries

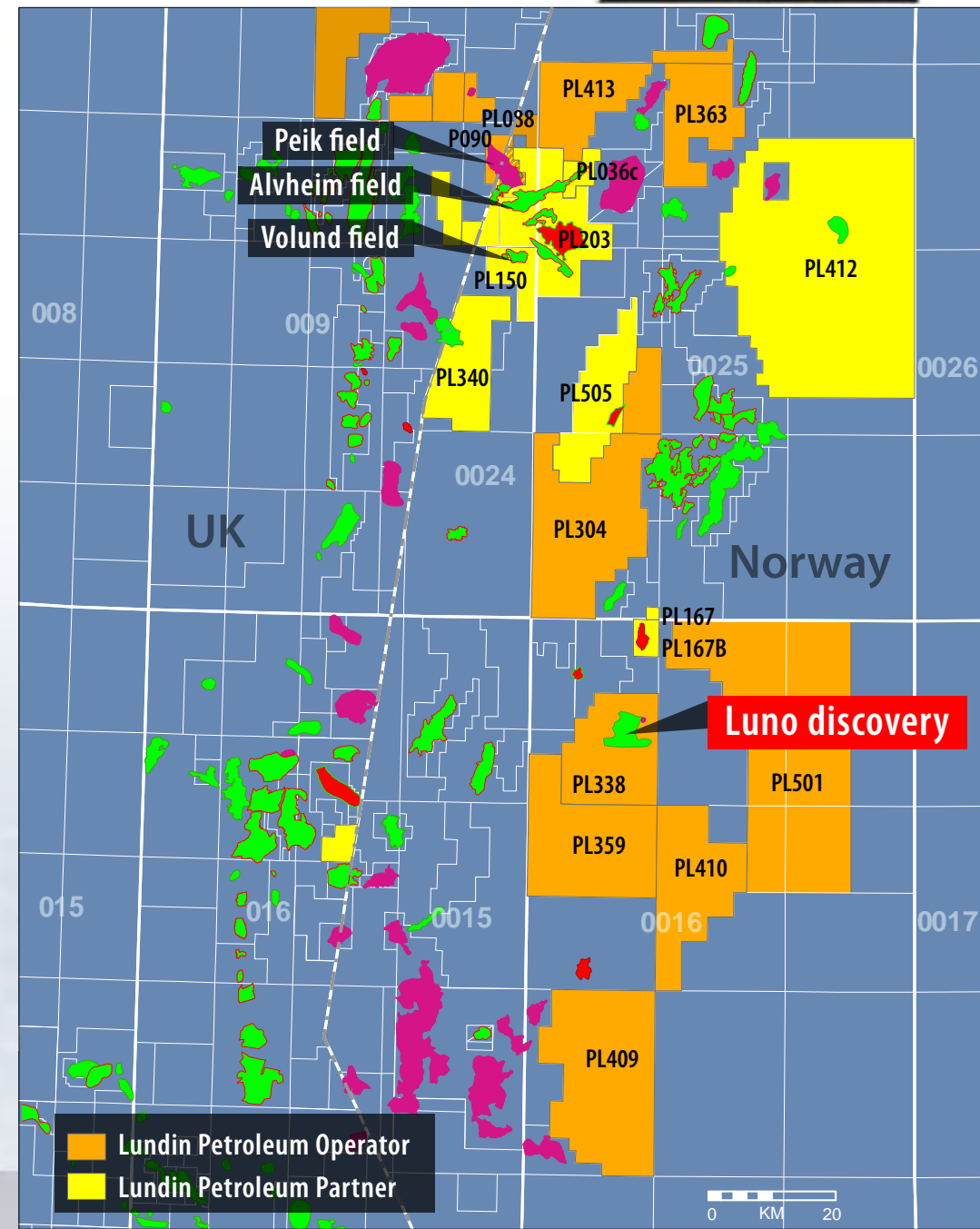
Country	Well/Prospect	Results	Comments
UK	Ridgewood	Dry hole	
Sudan	Nyal-1	Dry hole	
Norway	Pi North	Oil & gas discovery	6.8 MMboe net (including Pi South)
Sudan	Wan Machar-1	Dry hole	
Russia	Morskaya-1	Oil discovery	115 MMboe net
Russia	Laganskaya-1	Uncommercial oil find	
UK	Torphins	Uncommercial oil & gas find	
Sudan	Muny Deng-1	Dry hole	
France	Ferrières	Technical studies ongoing	
France	Vaxy	Gas shows	Interpretation in progress
Netherlands	L7	Dry hole	
Indonesia	Iris-1	Uncommercial gas find	
Indonesia	SE Walio	Oil discovery	3.0 MMboe net
Total	13 wells	3 of 13 (23%)	

Luno Discovery - PL338



- **Discovered in 2007**
- **Lundin Petroleum interest: 50% (Operator)**
 - ➔ Wintershall 30%, RWE 20%
- **Discovery 16/1-8**
 - ➔ Major light oil discovery
 - ➔ New play concept proven
 - ➔ Significant working interest in adjoining acreage
- **Contingent Gross Resources**

Discovery	MMBOE
Luno	65 - 190



Successful Luno Appraisal



16/1-8
(Luno discovery well)

16/1-10
(Luno appraisal well)

Tested
4,000 bopd

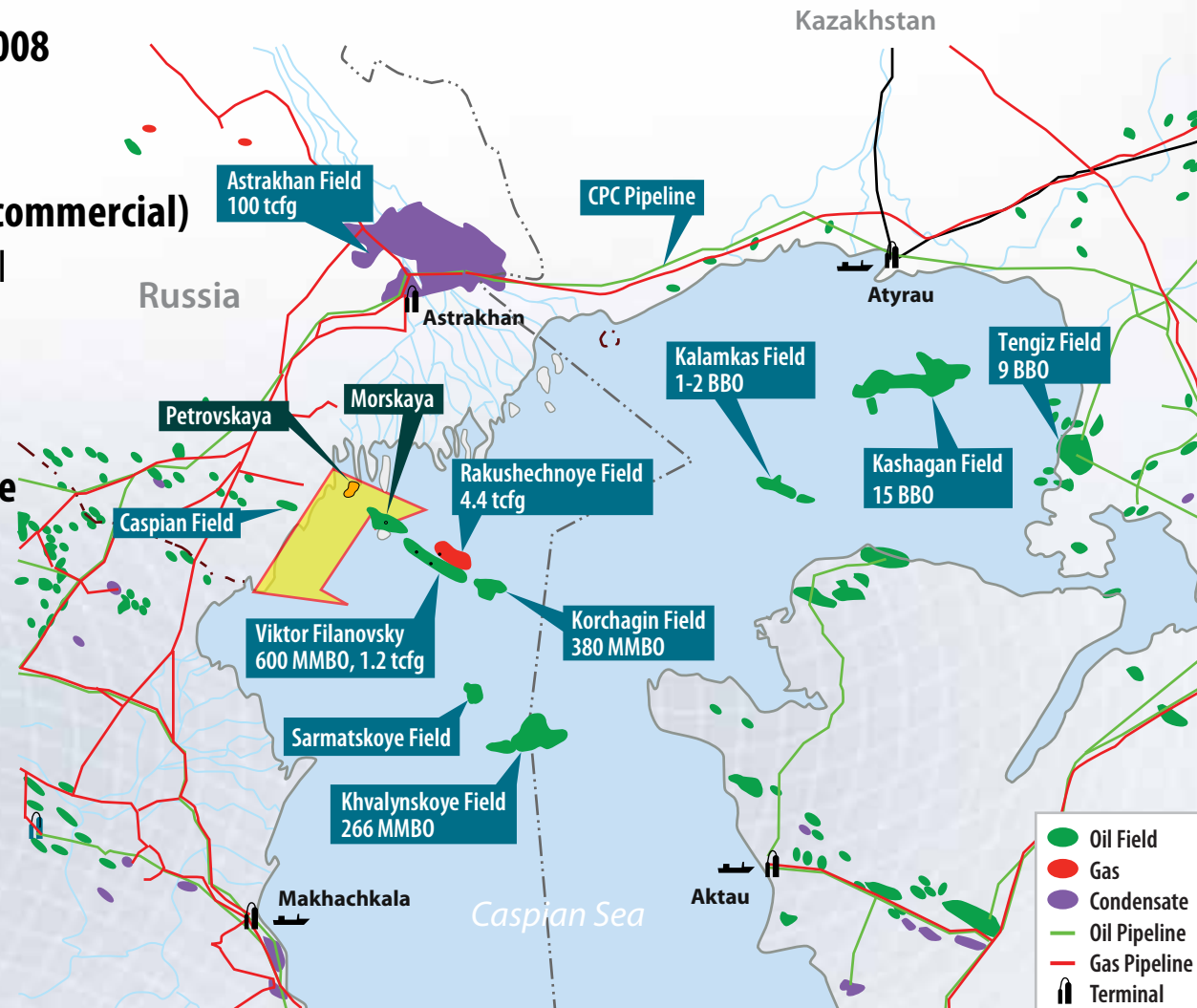
OWC

- ➔ Incorporate drilling and test results into updated subsurface model
- ➔ Expected to book Luno reserves in next 2-3 months within previous range (65-190 MMboe)

Russia - Lagansky Block



- **Lundin Petroleum 70%**
- **Morskaya major oil discovery 2Q 2008**
 - ➔ Mid case 230 MMbbls recoverable
- **Laganskaya well completed (non-commercial)**
 - ➔ Small hydrocarbon shows, potential structure updip
- **Petrovskaya prospect to be drilled in 2009 targeting gross prospective resources of 300 MMboe**
- **Local partner Gazprom through option agreement**

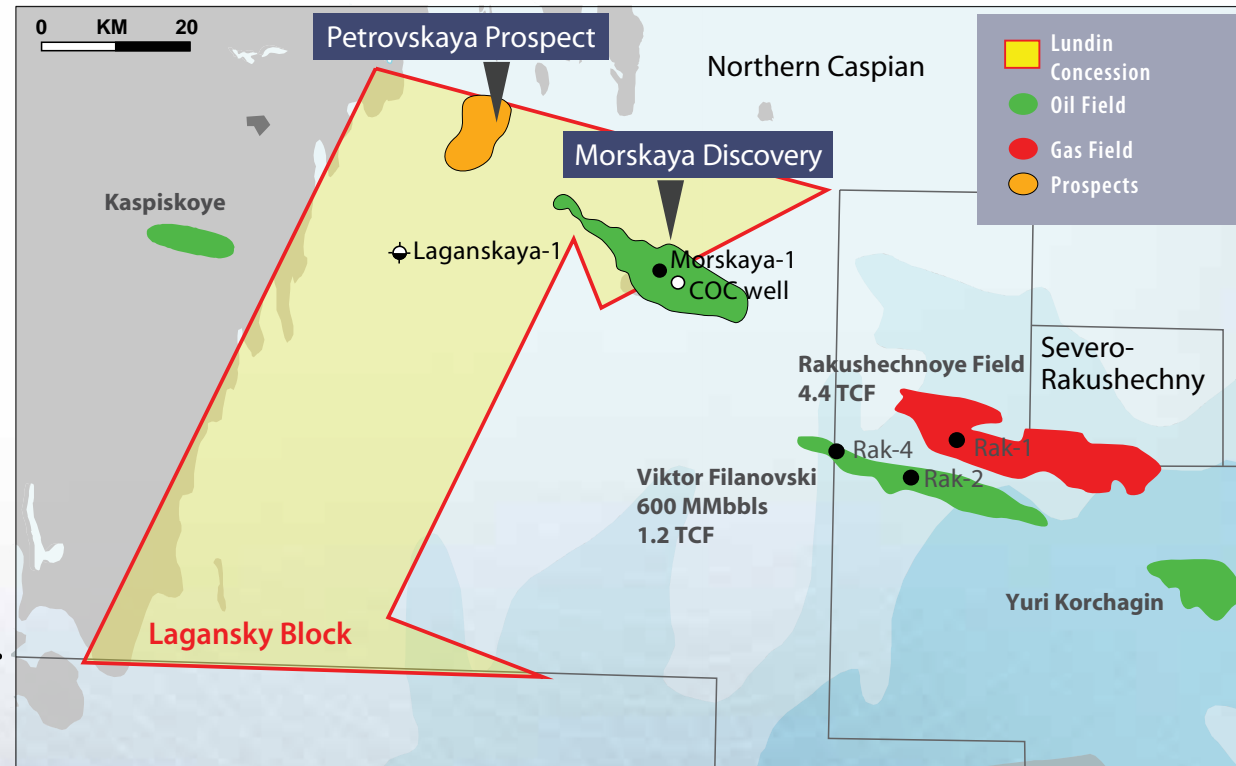


Russia - Morskaya Discovery



➤ 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
- ➔ Gross resource range for on block discovery : 110 - 450 MMbo. Mid case 230 MMbo



Russia - Lagansky Block



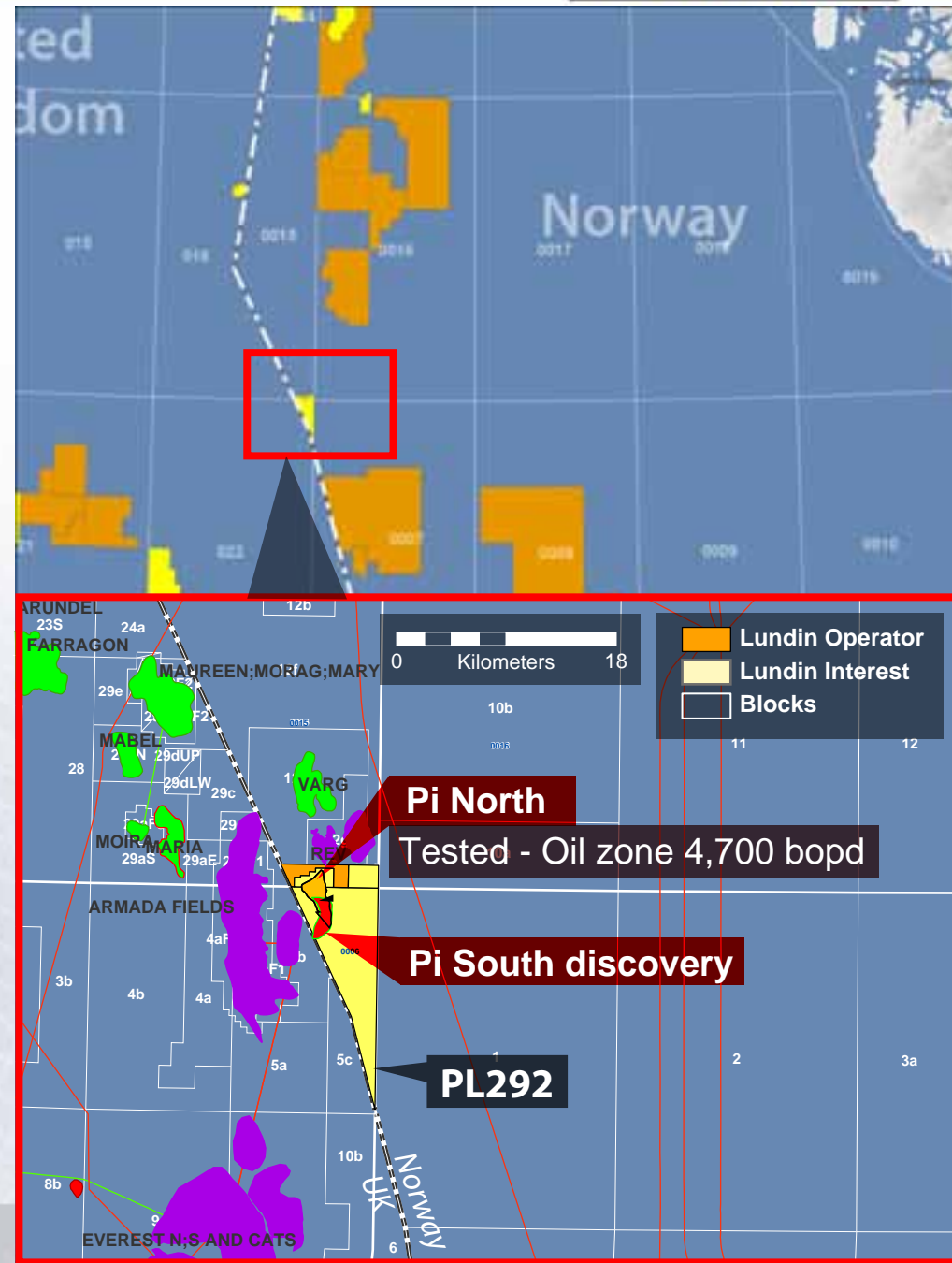
Norway - Exploration / Appraisal Success



PL 292

- ➔ **Lundin Petroleum interest: 40%**
 - ➔ **BG 60% (Operator)**
- ➔ **Well tested 4,700 bopd from oil zone**
- ➔ **PDO targeted in 2009**
- ➔ **Contingent Gross Resources**

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



Indonesia - SE Walio Discovery, Salawati Basin



➤ **Lundin Petroleum interest: 25.936%**

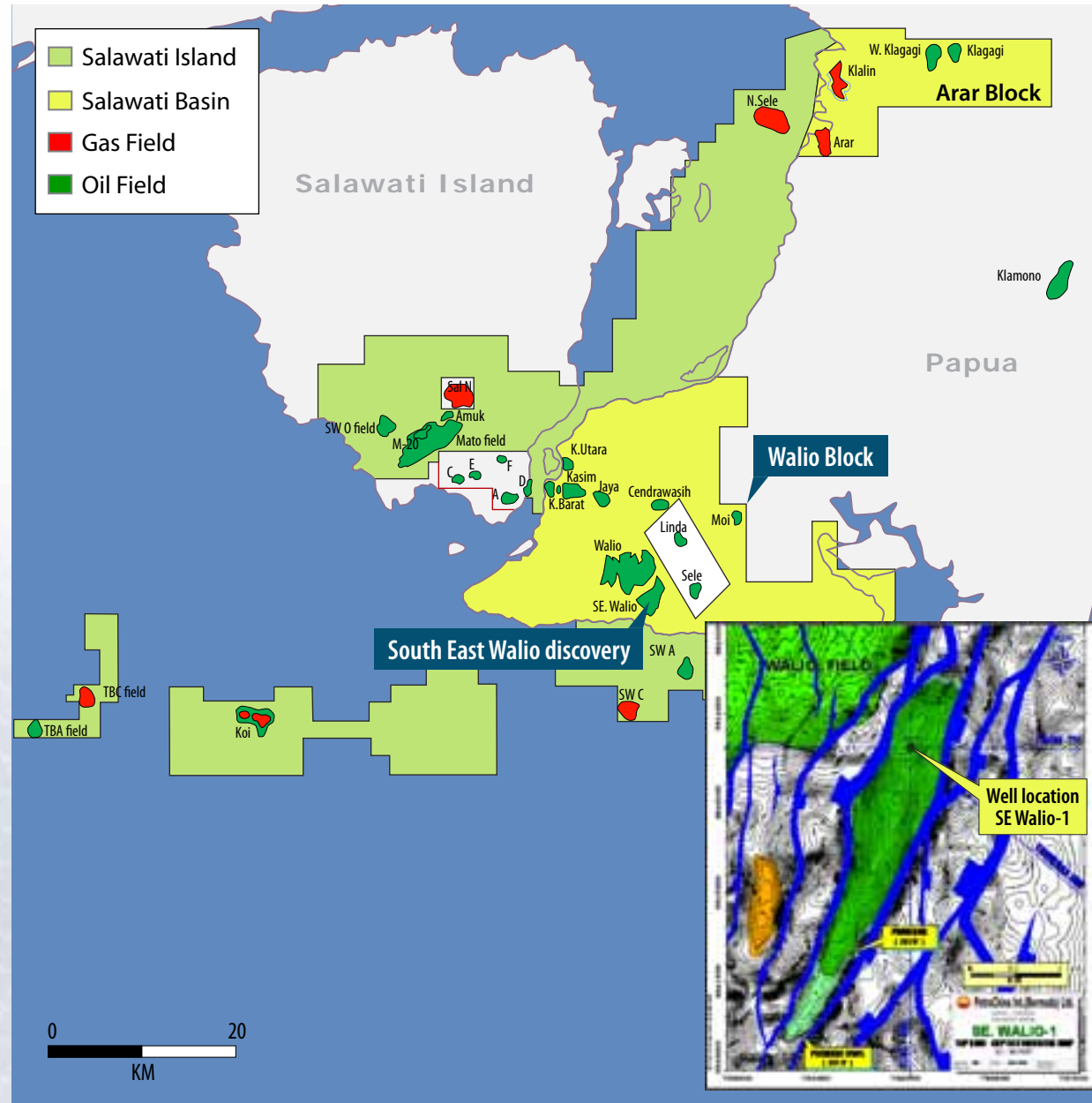
- ➔ PetroChina: 30% (operator)
- ➔ Pearl Oil: 34%
- ➔ Pertamina: 10%

➤ **SE Walio discovery**

- ➔ Close to existing infrastructure
- ➔ Cased hole DST2 2,300 bopd
- ➔ Cased hole DST3 2,400 bopd
- ➔ Expected to come on production in H2 2009 at > ~2000 bopd gross
- ➔ Further 2 well appraisal planned in 2009

➤ **Net Unrisked Contingent Resources**

Discovery	MMboe
SE Walio	3



Development Programme 2009



NORWAY

VOLUND
 - 4 wells to be drilled
 - Offshore installation substantially complete
 - First oil late 2009

RUSSIA

- PNG & Recher-Komi (RK): drilling + RK pipeline

NETHERLANDS

- Drilling: development drilling
 - Facilities: E17 development project

FRANCE

- Facilities: water injection facilities
 Vert-la-Gravelle

UNITED KINGDOM

THISTLE
 - Drilling: Top drive installation
 - Facilities: B turbine reinstatement (costs recovered by insurance)

INDONESIA

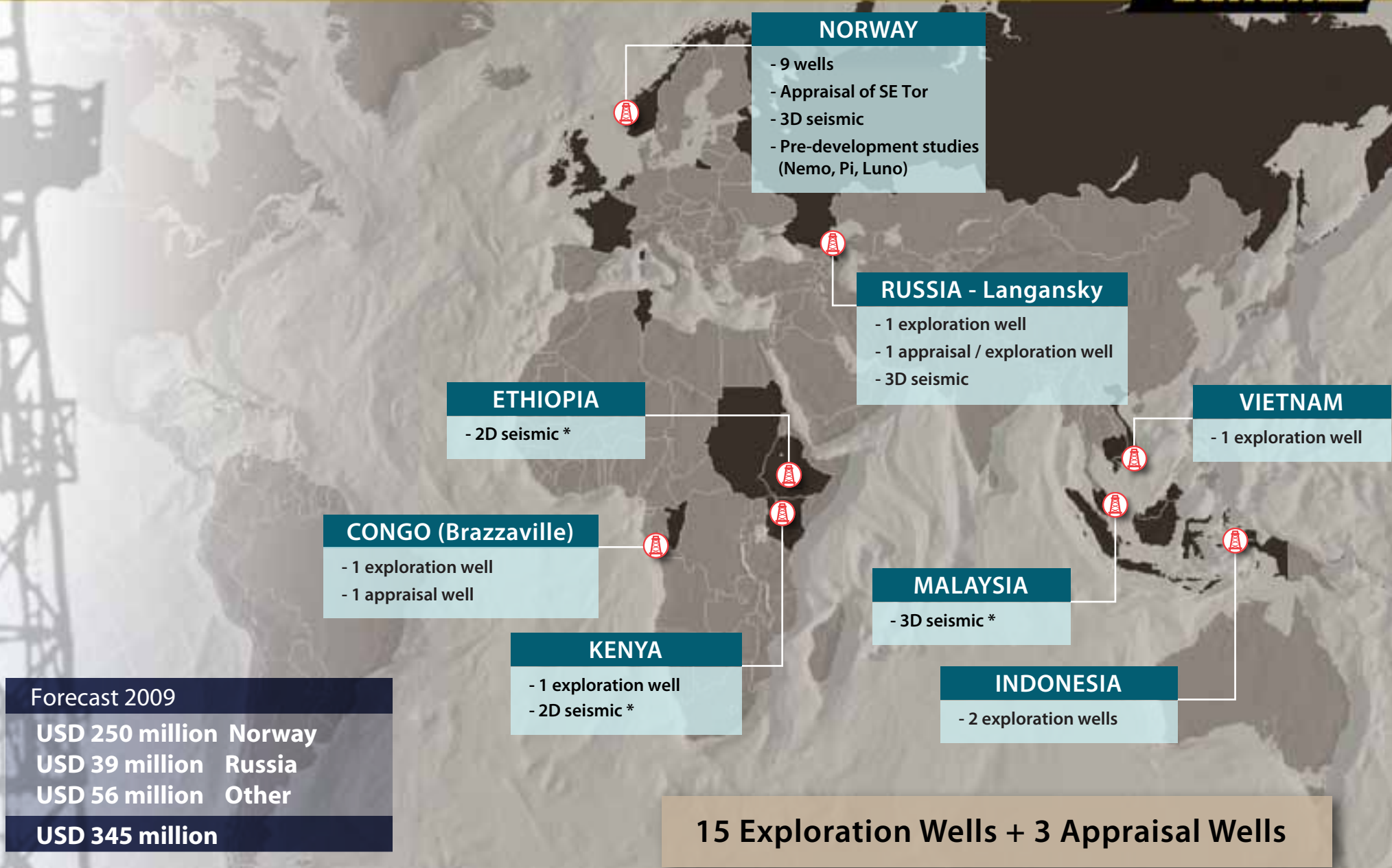
SALAWATIS
 - Development drilling
SINGA
 - Development drilling (2 wells and 1 recompletion) and gas facilities construction
 - First gas mid 2009

Forecast 2009

USD 111 million Norway
USD 27 million Indonesia
USD 53 million UK
USD 24 million Other

USD 215 million

Exploration Work Programme & Forecast 2009



Forecast 2009	
USD 250 million	Norway
USD 39 million	Russia
USD 56 million	Other
USD 345 million	

15 Exploration Wells + 3 Appraisal Wells

Norwegian Assets - 2009 Exploration WP & Forecast



➔ Greater Luno Area

- ➔ Total: USD 118 MM (USD 88.5 MM drilling)
- ➔ 3 wells

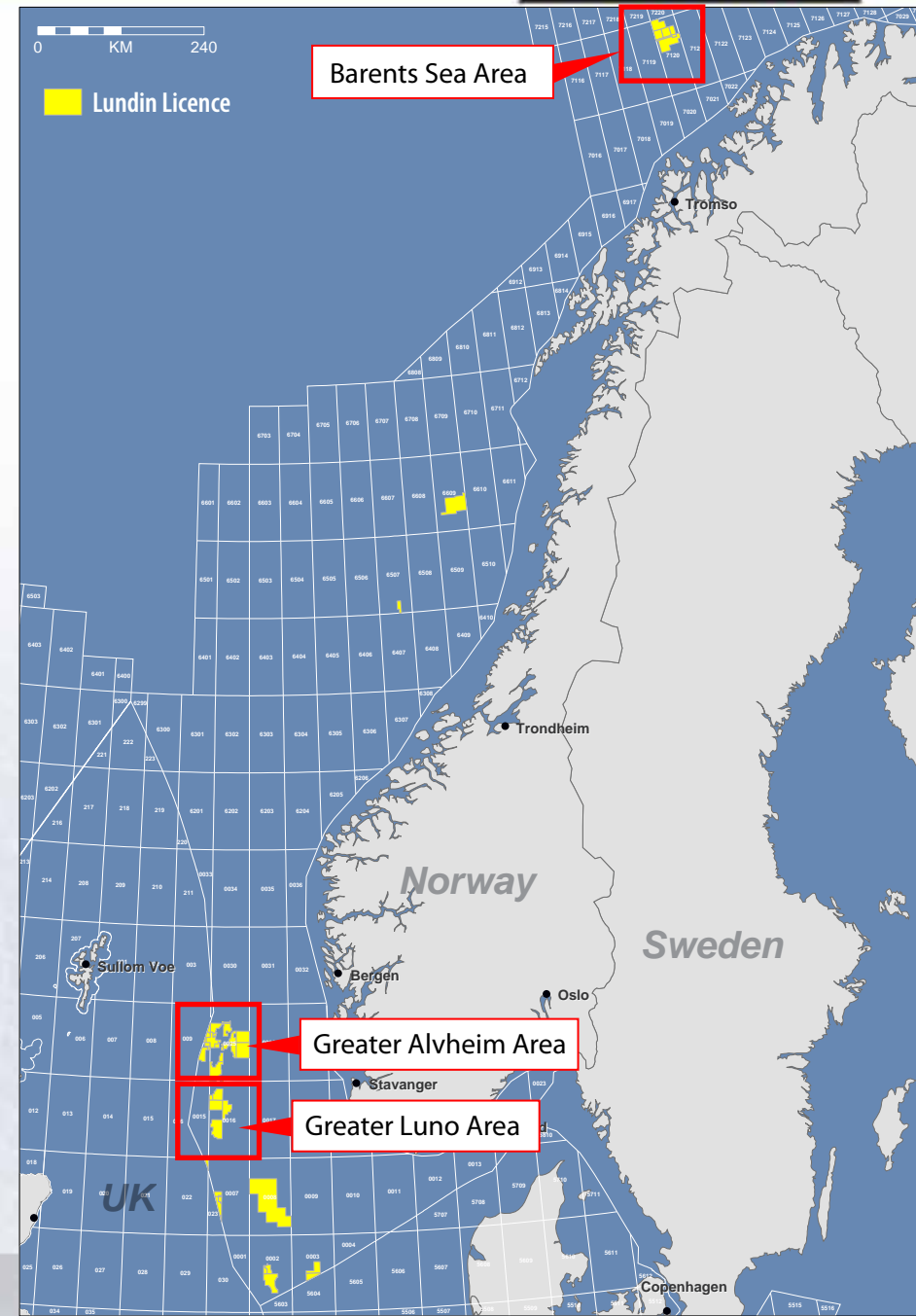
➔ Greater Alvheim Area

- ➔ Total: USD 66 MM (USD 66 MM drilling)
- ➔ 4 wells

➔ Others

- ➔ Total: USD 66 MM (USD 29.7 MM drilling)
- ➔ 2 wells

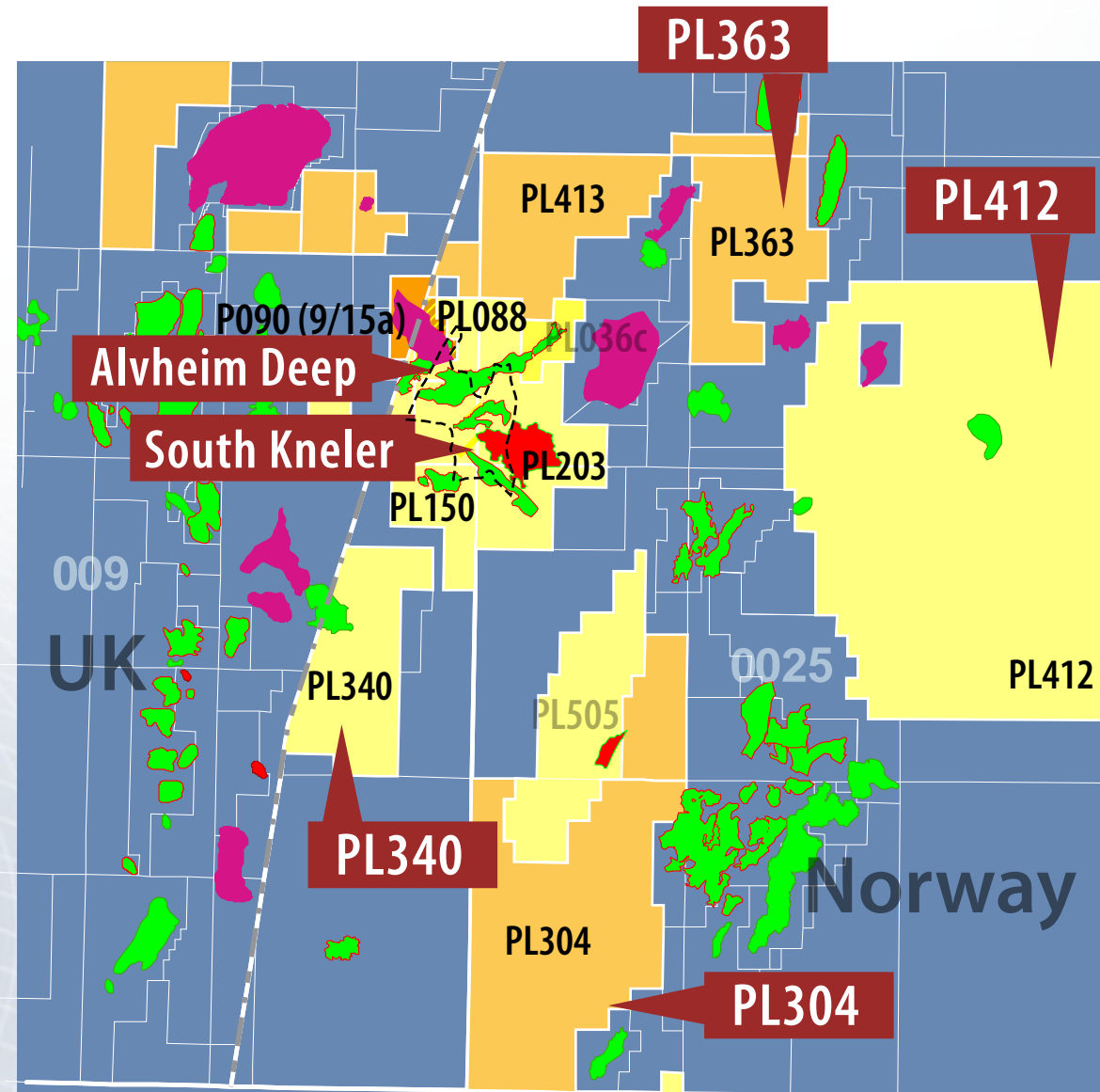
Grand Total: USD 250 MM (USD 184 MM drilling)



Greater Alvheim Area - Exploration



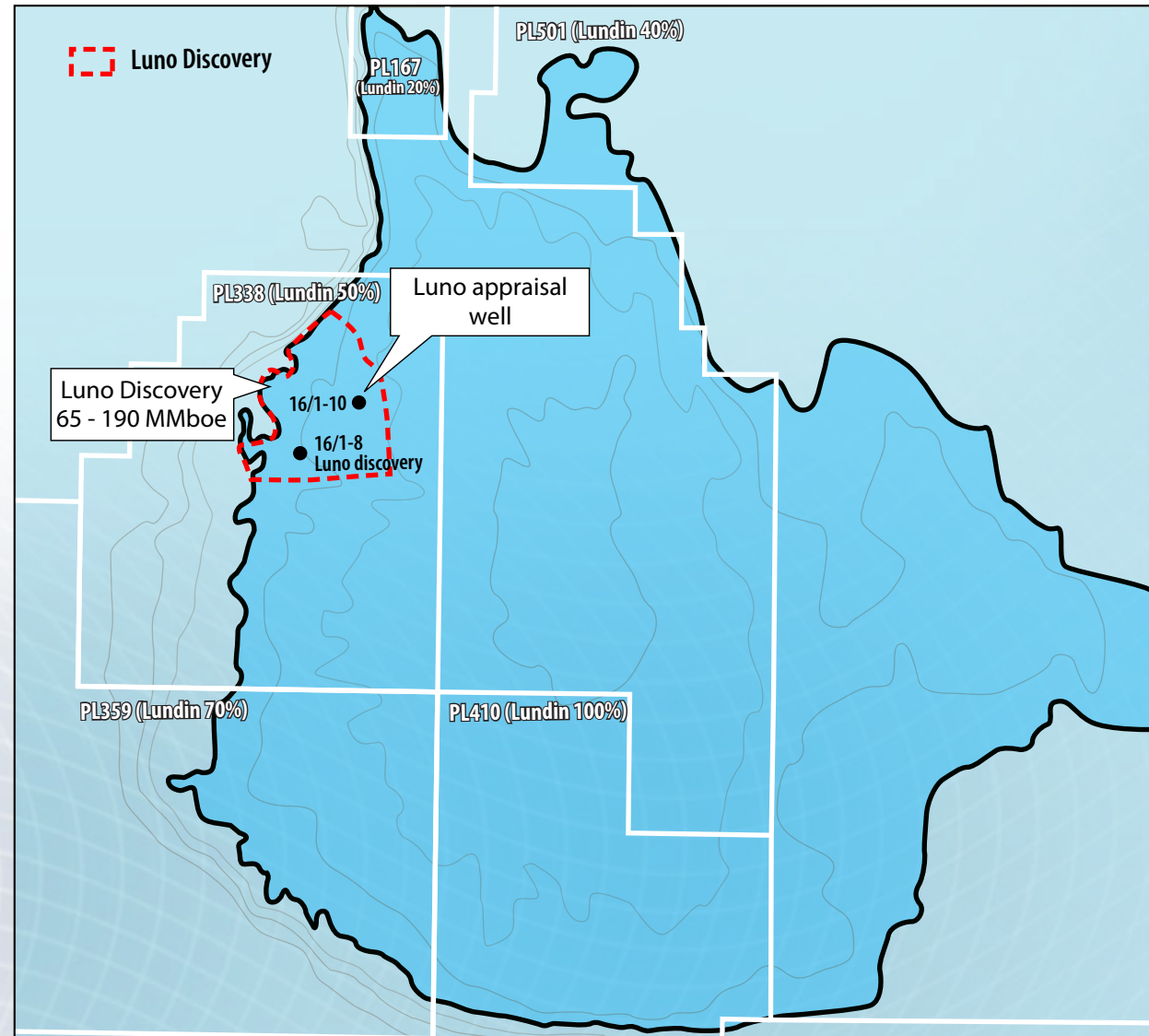
- ➔ **PL340 (15%)**
 - ➔ Marihone prospects A/B 37 MMboe - drilling 2009
 - ➔ Padde prospect 42 MMboe
- ➔ **PL363 (60%)**
 - ➔ Mon prospect 123 MMboe - drilling 2009
 - ➔ Monster prospect 50 MMboe
- ➔ **PL304 (50%)**
 - ➔ Aegis prospect 104 MMboe - drilling 2009
 - ➔ Buhund prospect 87 MMboe
- ➔ **PL412 (30%)**
 - ➔ Eiganes prospect 100 MMboe - drilling 2009
 - ➔ Hugin West prospect 36 MMboe
 - ➔ Hugin Central prospect 19 MMboe
 - ➔ Hugin North prospect 19 MMboe
- ➔ **South Kneler (15%)**
 - ➔ 10 MMbbls - drilling 2010
- ➔ **Alvheim Deep (15%)**
 - ➔ 950 Bscf - drilling 2011-2012



Exploration Potential in Greater Luno Area



- ➔ **Luno discovery 2007**
- ➔ Successfully appraised 2008
- 65- 190 MMboe

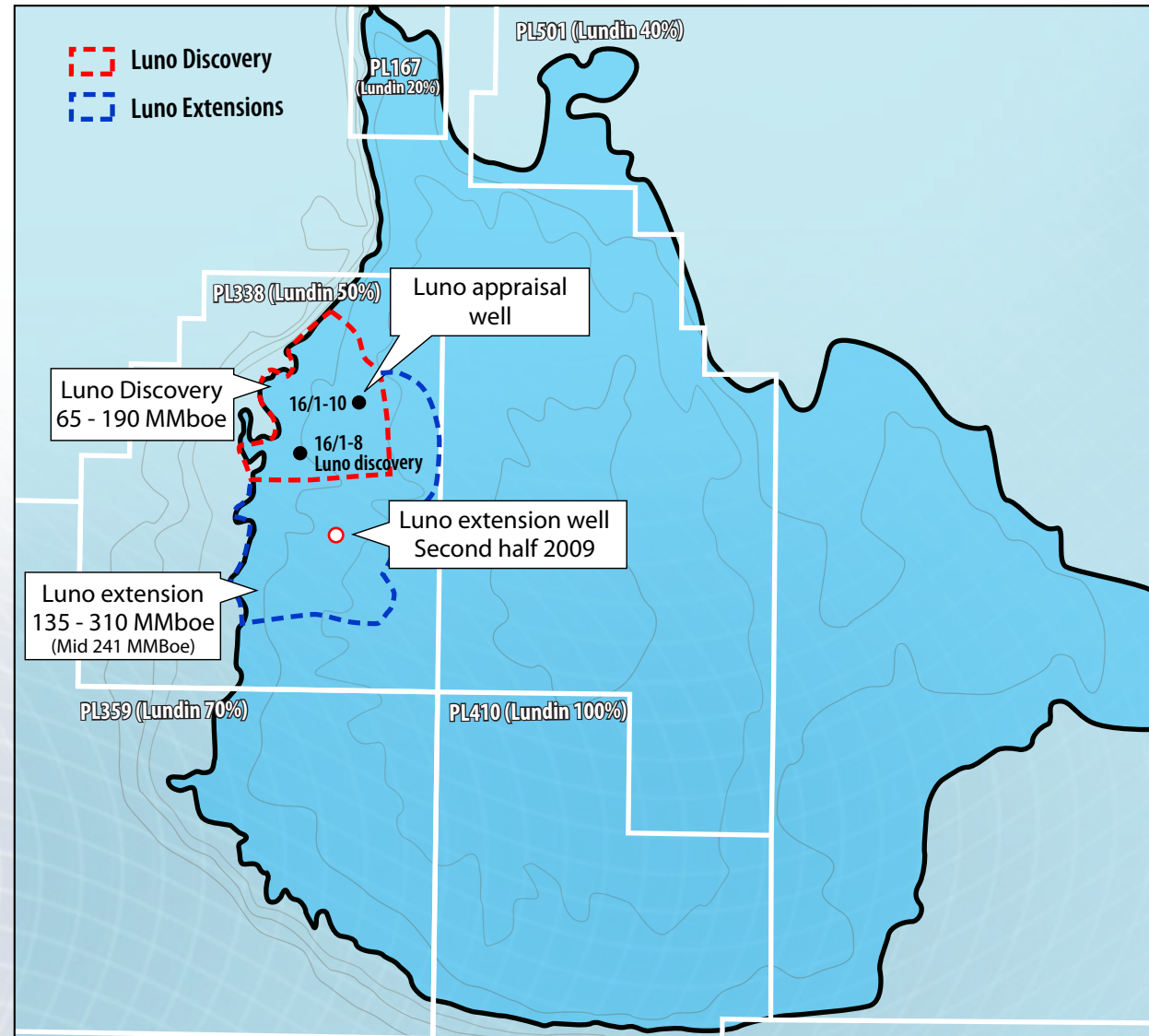


Exploration Potential in Greater Luno Area



- **Luno discovery 2007**
 - ➔ Successfully appraised 2008
 - 65- 190 MMboe

- **PL 338 (50%)**
 - ➔ Luno extension (sub-basins)
 - exploration well to be drilled in second half 2009



Exploration Potential in Greater Luno Area



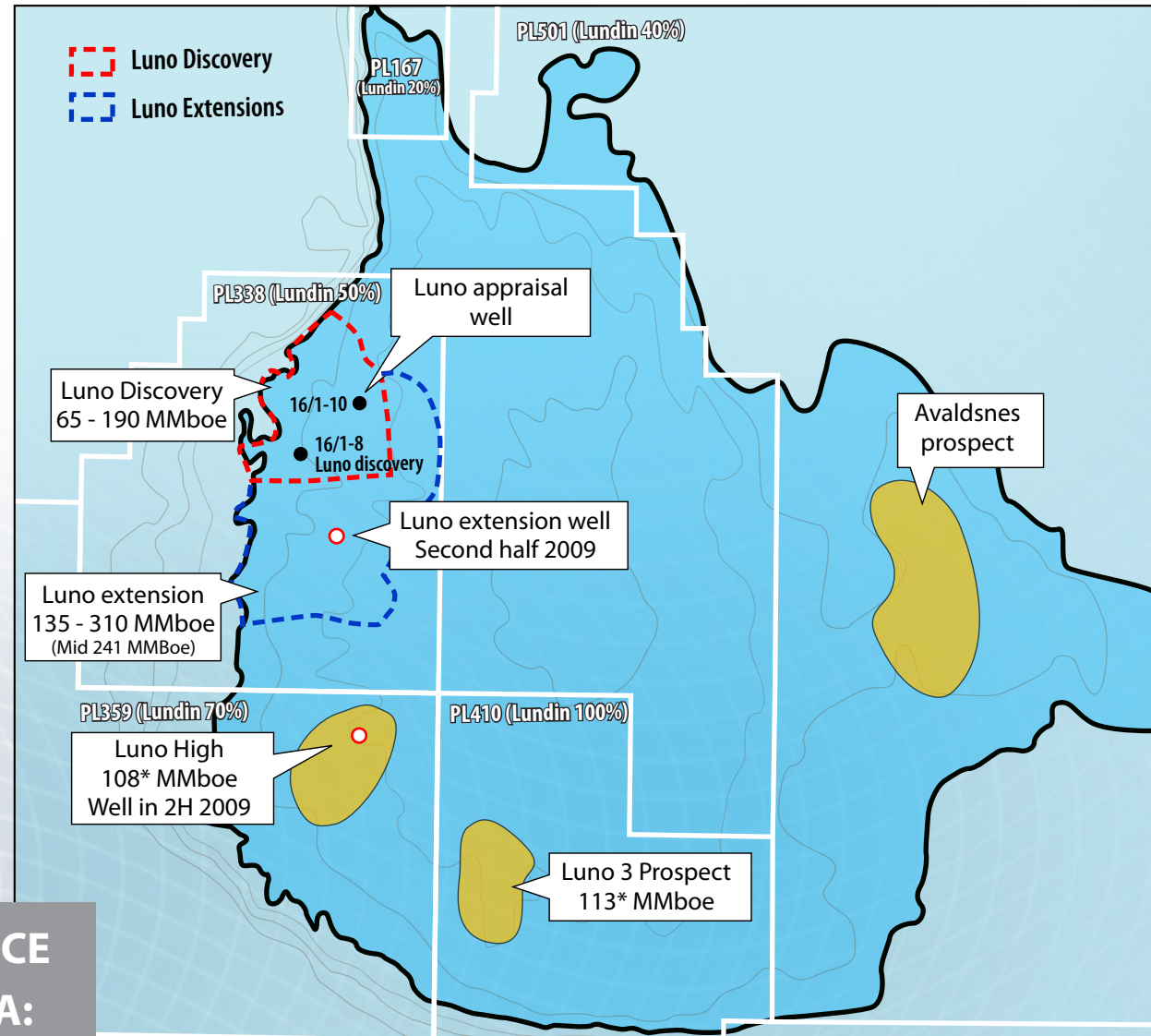
- ➔ **Luno discovery 2007**
 - ➔ Successfully appraised 2008
 - 65- 190 MMboe

- ➔ **PL 338 (50%)**
 - ➔ Luno extension (sub-basins)
 - exploration well to be drilled in second half 2009

- ➔ **PL 359 (70%)**
 - ➔ Exploration well in 2009
 - well is targeting Luno High in the north east corner of the licence

- ➔ **PL 410 (100%)**
 - ➔ Exploration well, in 2009/2010

- ➔ **PL 501 (40%)**
 - ➔ Awarded January 2009
 - ➔ Exploration well in 2010



**TOTAL UNRISKED RESOURCE
POTENTIAL IN LUNO AREA:
420-720 MMBOE GROSS****

* Luno High mean 150 MMboe, Luno 3 mean 153 MMboe

** Excludes Avaldsnes prospect in PL501

Russia - Lagansky Block 2009 Exploration

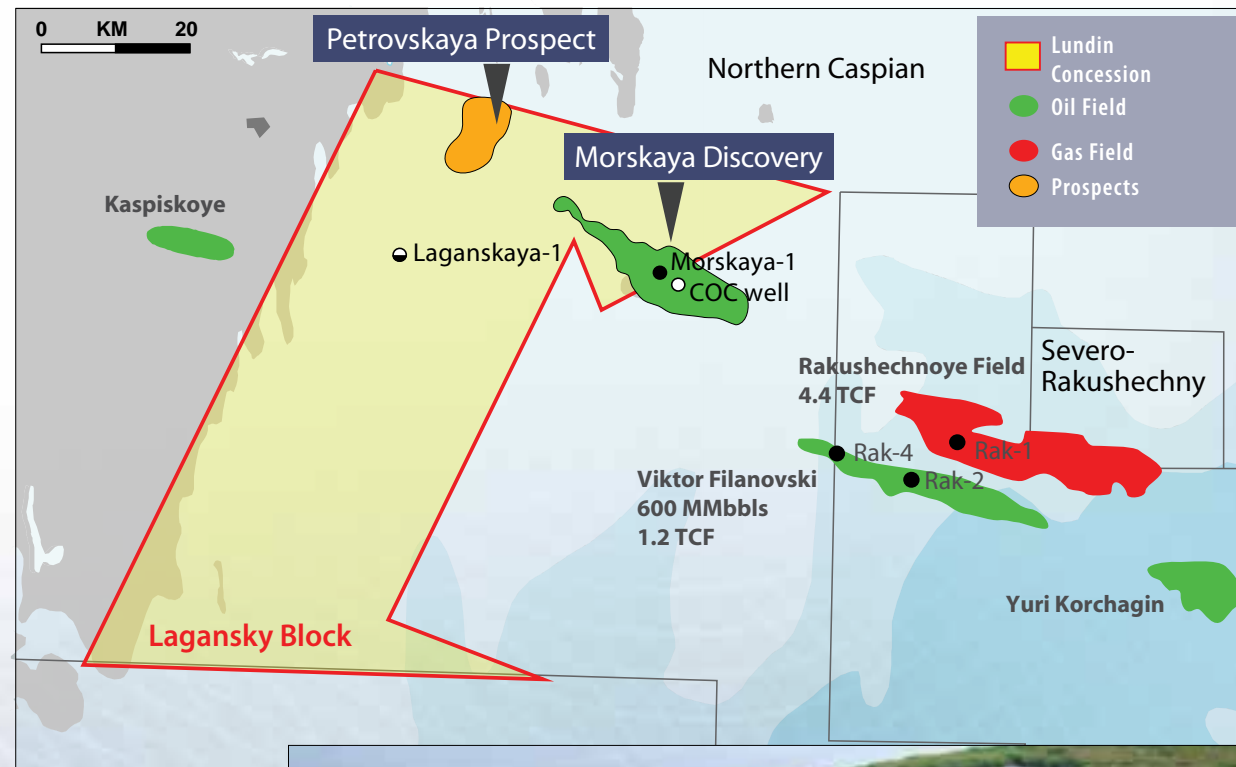


- Initial work programme commitment of 4 wells
- Remaining commitment drilling strategy:
 - ➔ Appraise western end of large Morskaya discovery
 - ➔ Drill on-trend dip closed Petrovskaya structure
- Prospective Resources:

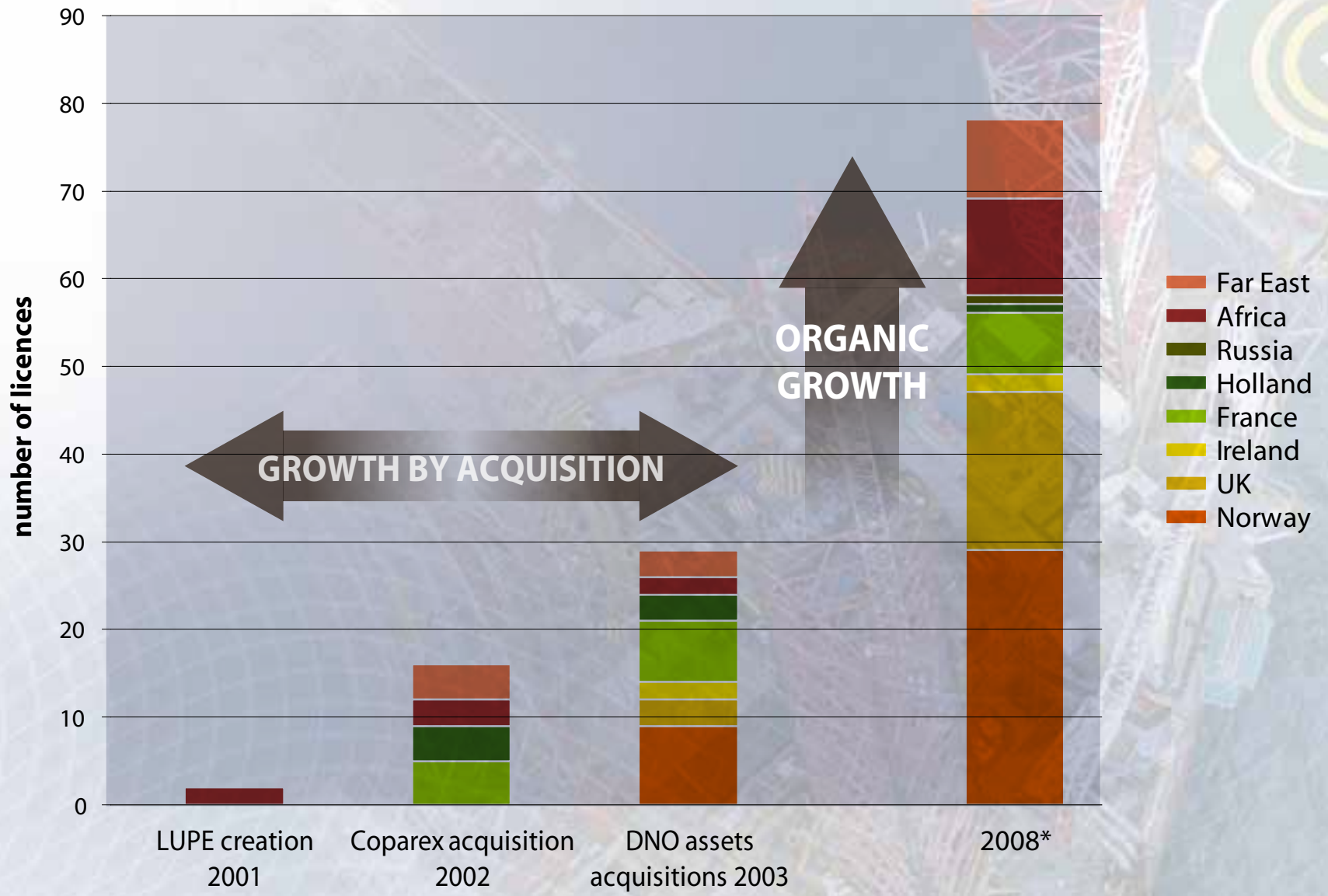
Prospect	*MMboe	COS %
Petrovskaya	300	50%

**Gross Unrisked Prospective Resources*

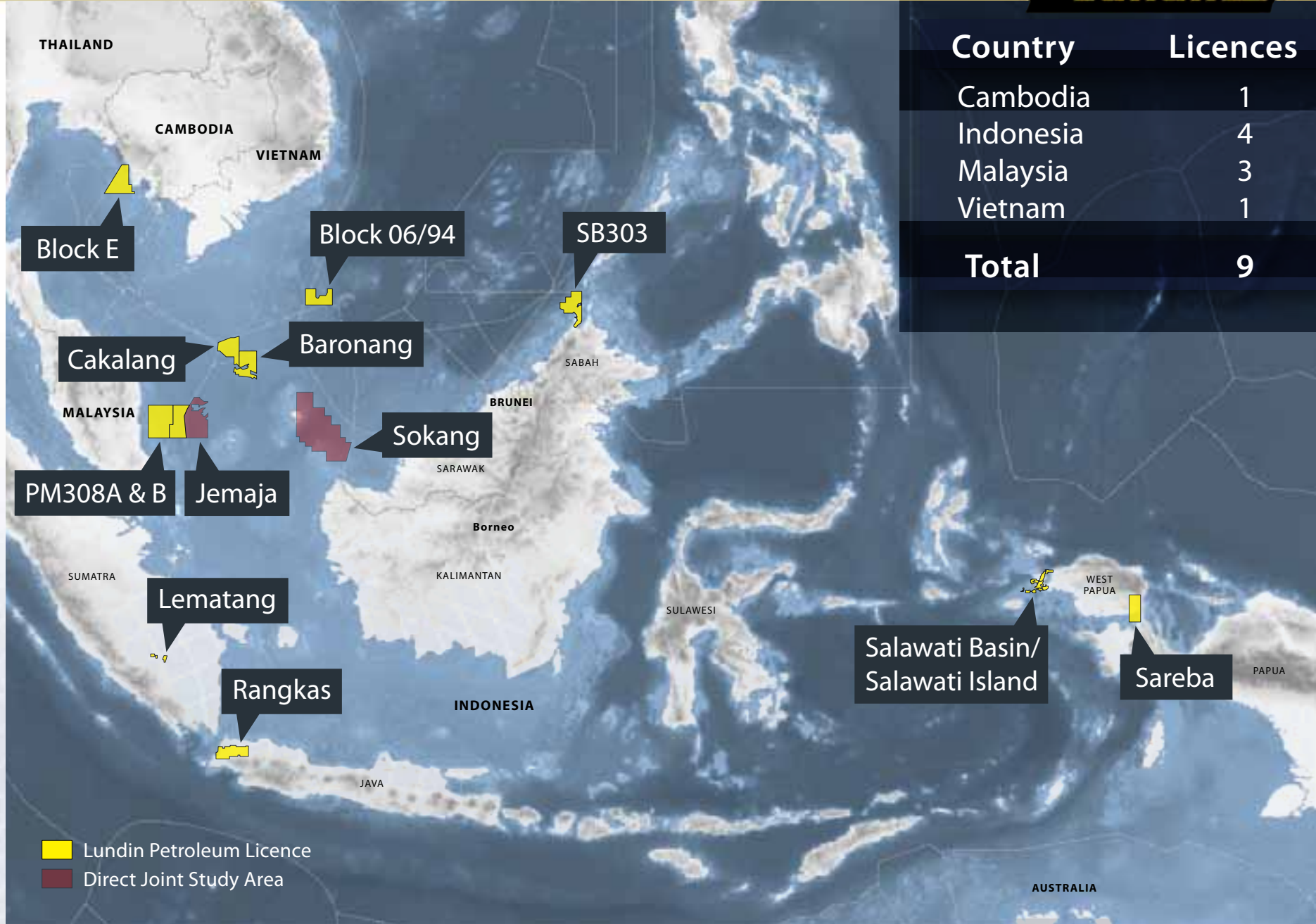
- Petrovskaya-1 to be drilled with land rig from a Volga channel island location



Lundin Exploration Licences



Core Area - South East Asia



Country	Licences
Cambodia	1
Indonesia	4
Malaysia	3
Vietnam	1
Total	9

Lundin Petroleum Licence
 Direct Joint Study Area

Exploration and Appraisal Activity 2009



Country	Licence	Prospect	Gross Unrisked MMboe	Net Interest	Operator	Likely Drilling Schedule 2009											
						Q1			Q2			Q3			Q4		
Norway	PL338	Luno appraisal	65-190	50%	Lundin	Well completed											
	PL006c	Hyme	38	75%	Lundin	Successfully appraised											
	PL006c	SE Tor appraisal	20-25	75%	Lundin	Well completed											
	PL304	Aegis	104	50%	Lundin	Well completed											
	PL338	Luno extension	135-310 ⁽³⁾	50%	Lundin	Well completed											
	PL412	Eiganes	100	30%	Noreco	Well completed											
	PL363	Mon	123	60%	Lundin	Well completed											
	PL340	Marihone A/B	37	15%	Marathon	Well completed											
	PL359	Luno High	108	70%	Lundin	Well completed											
	PL476	Frusalen	45	30%	Det norske	Well completed											
	PL410	Luno 3	113	100%	Lundin	Well completed											
Russia	Lagansky	Petrovskaya	300	50% ⁽²⁾	Lundin	Well completed											
	Lagansky	Morskaya appraisal		50% ⁽²⁾	Lundin	Well completed											
Indonesia	Salawati Island/Basin		18 ⁽¹⁾	-	PetroChina	Well completed											
Vietnam	Block 06/94	Tuong Vi	159	33.3%	Pearl	Well completed											
Congo	Marine XI	Vido appraisal	17	18.75%	Soco	Well completed											
	Marine XI	Sendji	73	18.75%	Soco	Well completed											
Kenya	Block 9	Bogal	327	30%	CNOOC	Well completed											

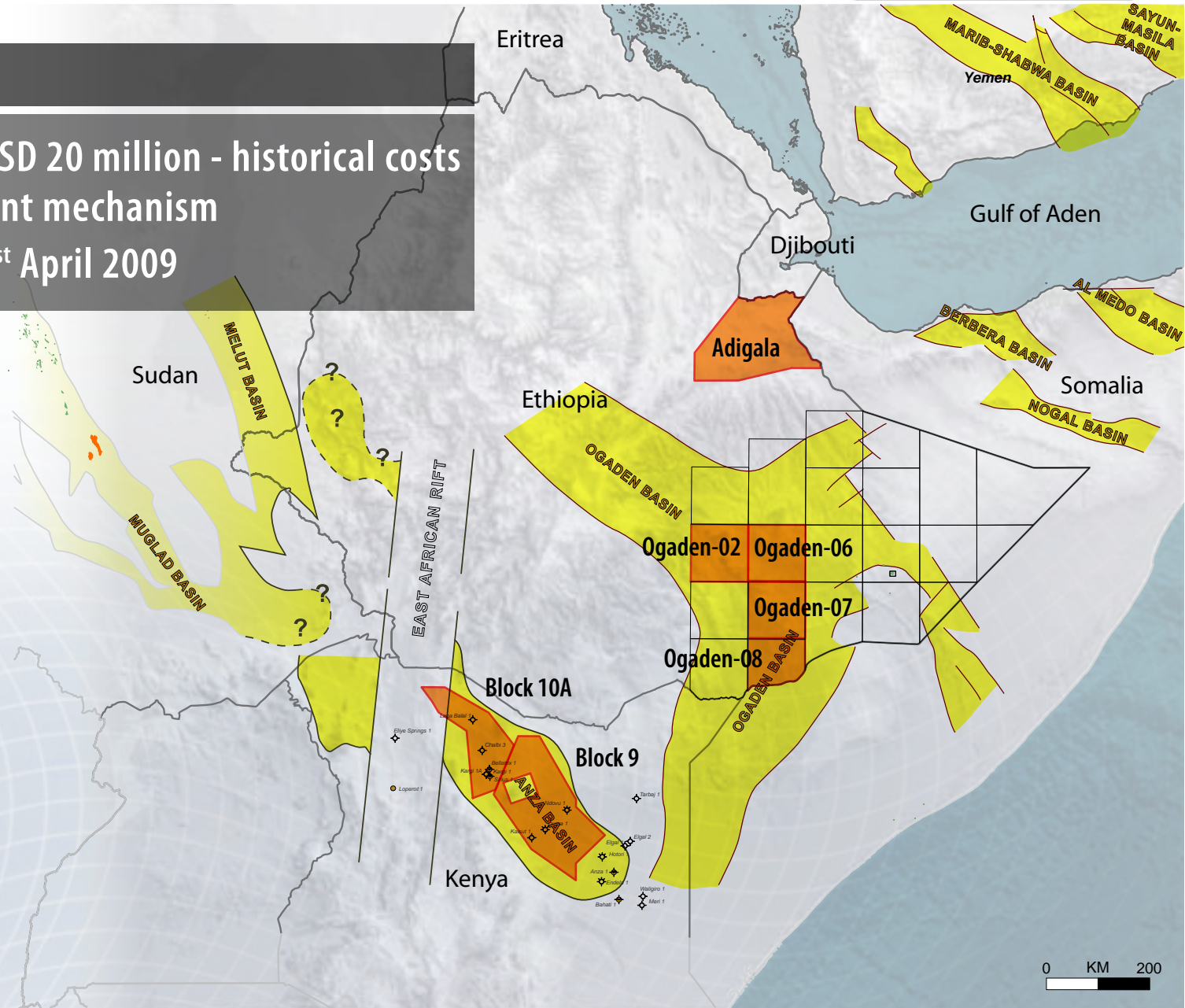
Well completed (1) Net Unrisked MMboe (2) Assumed Gazprom exercises option (3) Mid Case 240 MMboe

Sale of Kenya / Ethiopia Assets to Africa Oil Corporation

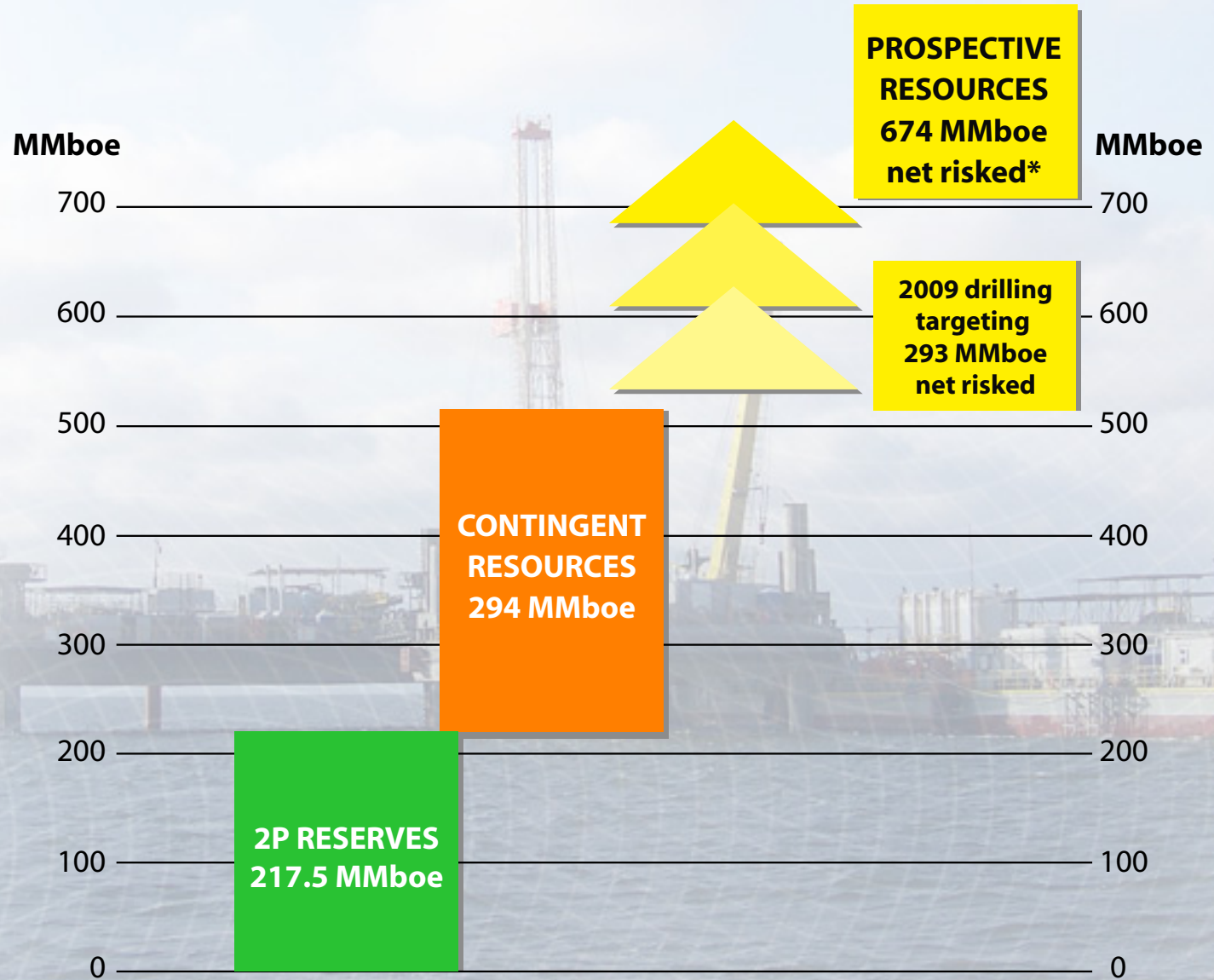


Summary of Deal

- ➔ Consideration USD 20 million - historical costs
- ➔ Deferred payment mechanism
- ➔ Effective as of 1st April 2009



Reserves Upside Potential



*(including 2009 Drilling)

Financial Presentation - Year End 2008

