

*Financial Presentation – Year End 2013*



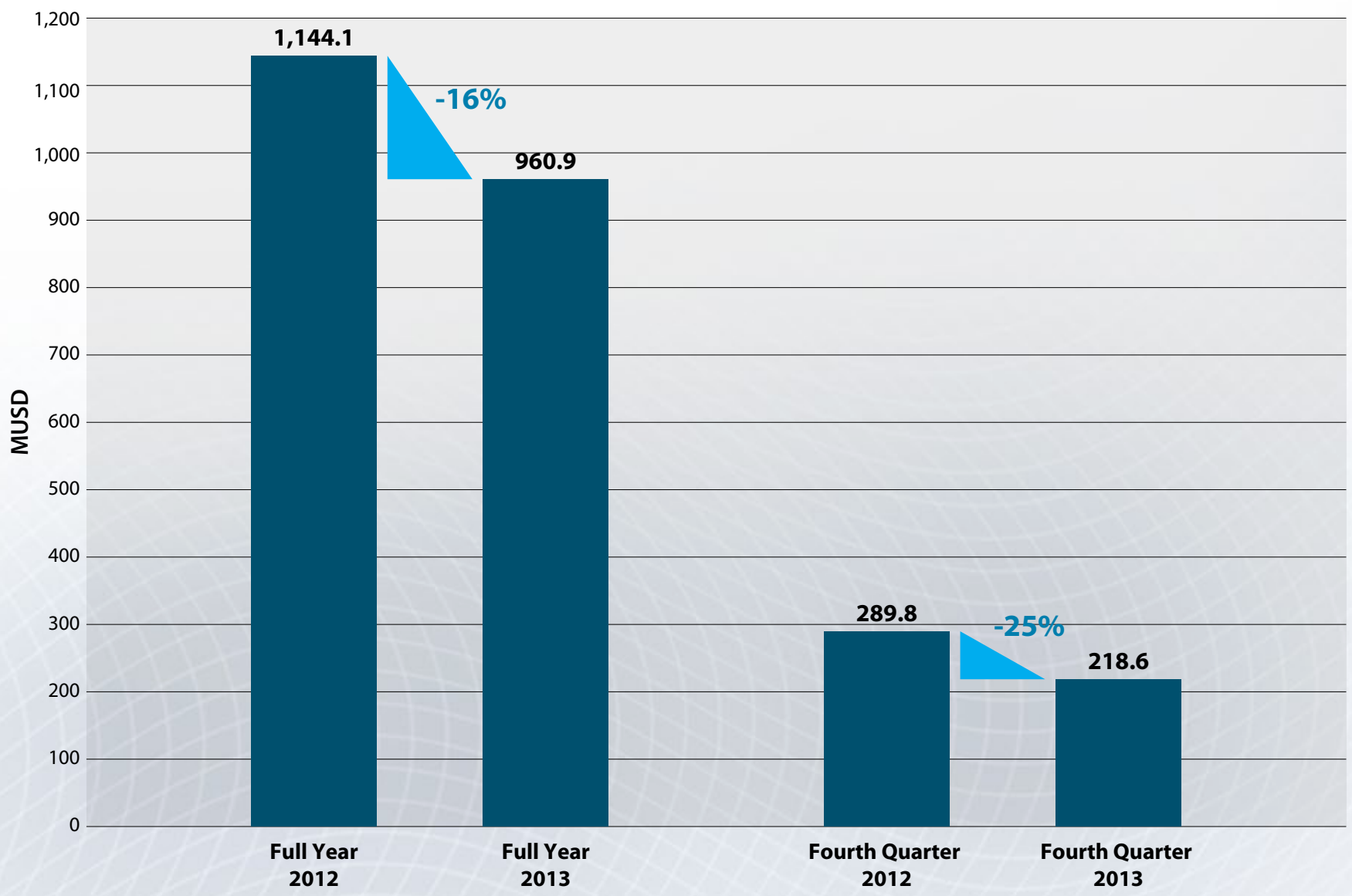
*C. Ashley Heppenstall, President & CEO; Mike Nicholson, CFO  
5 February 2014*

## Financial Results - 2013 Highlights



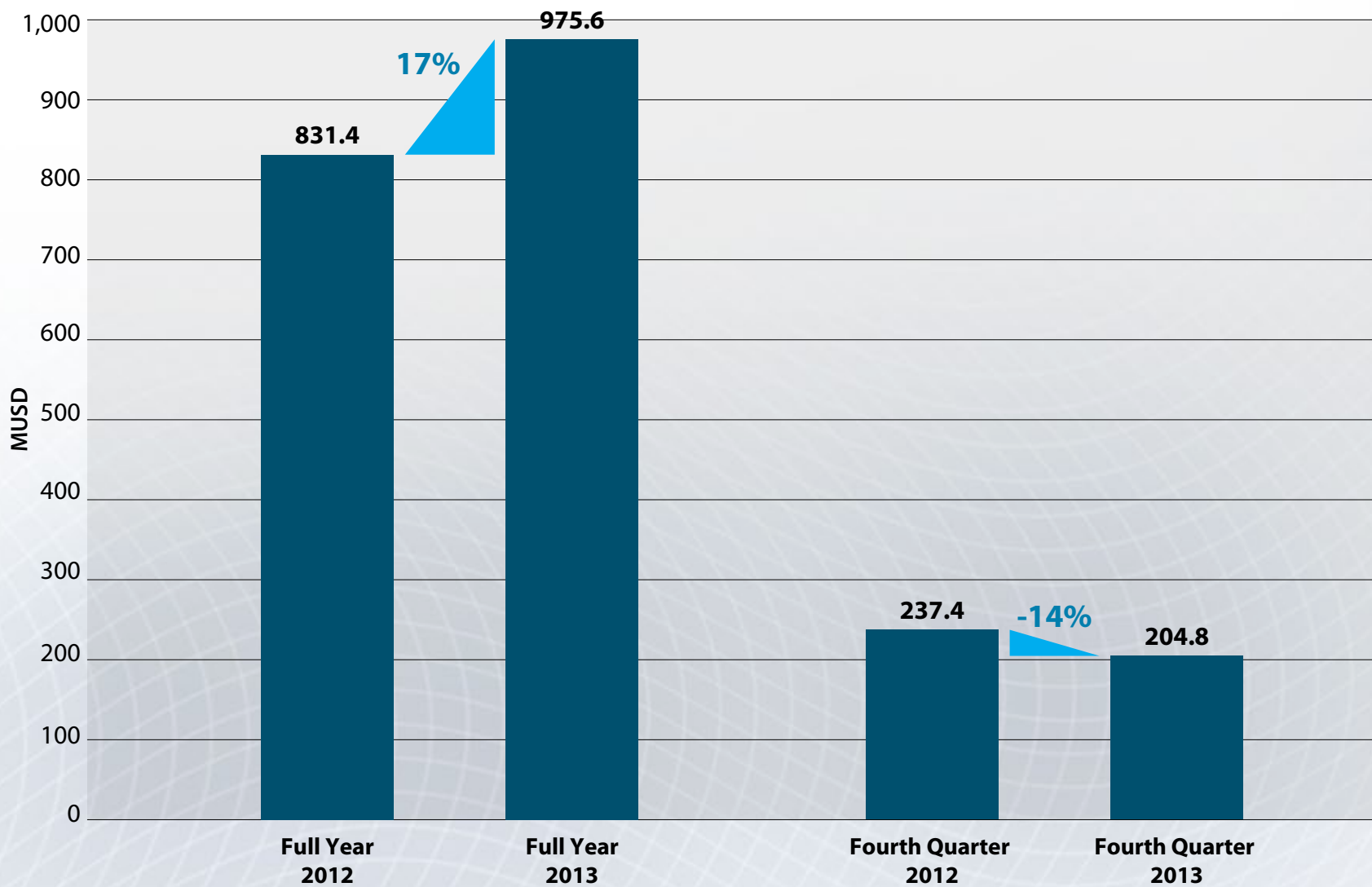
	Fourth Quarter 2013	Full Year 2013
Production (boepd)	31,100	32,700
Average Brent oil price (USD/boe)	109.24	108.66
Cost of operations (USD/boe)	11.39	9.60
EBITDA (MUSD)	218.6	960.9
Operating cash flow (MUSD)	204.8	975.6
Net result (MUSD)	23.0	72.9

# Financial Results - EBITDA

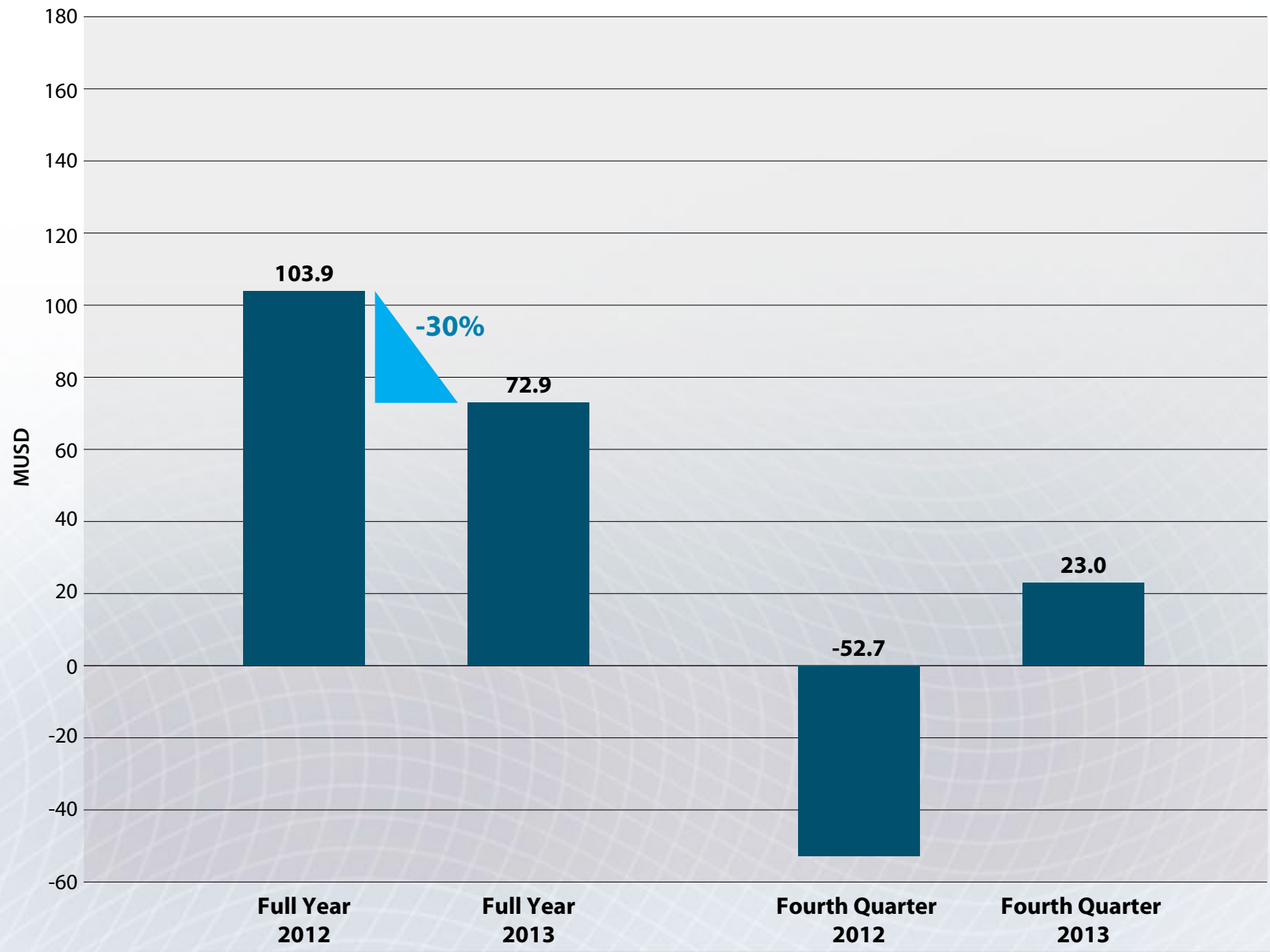


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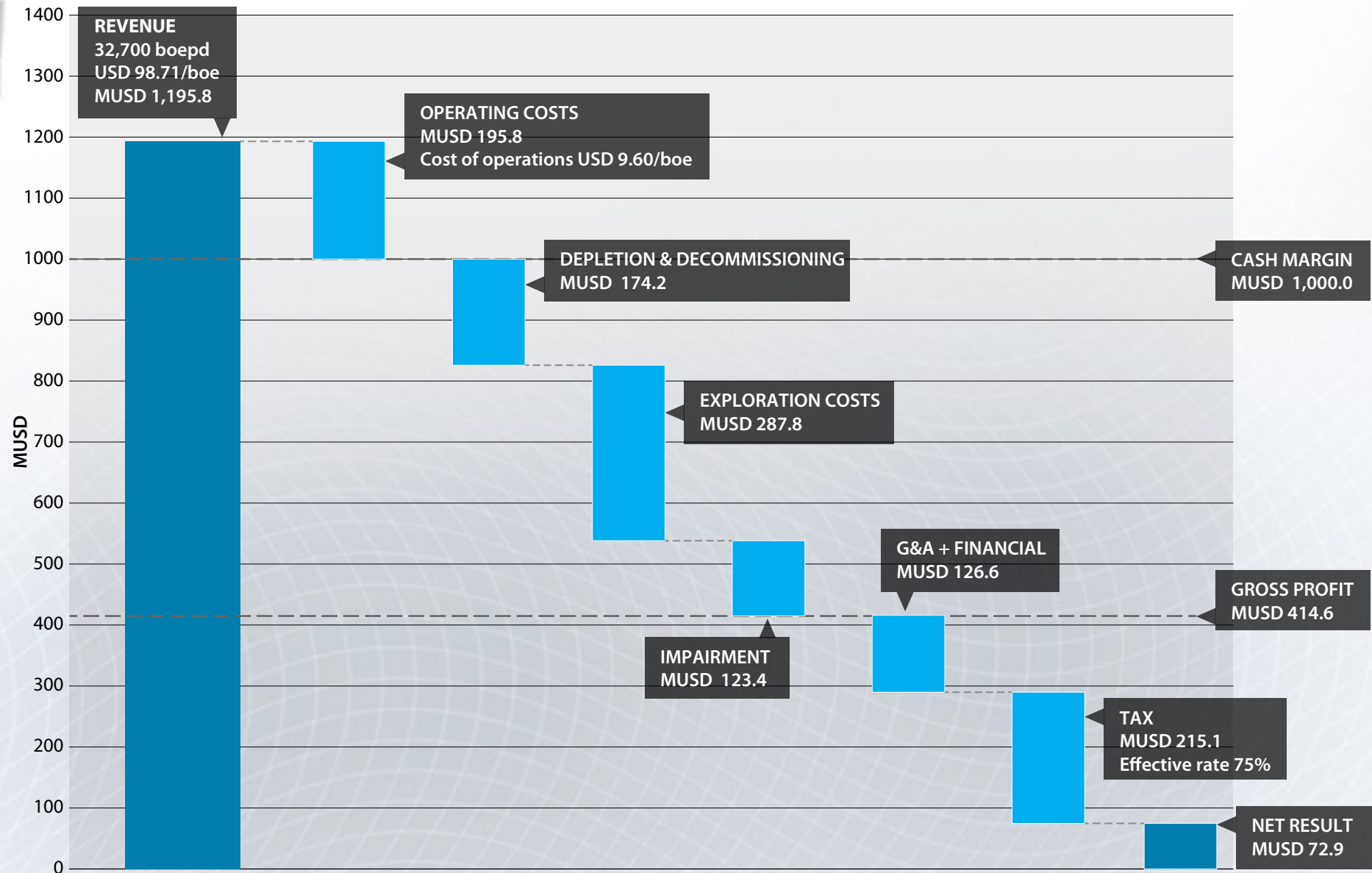
# Financial Results - Operating Cash Flow



# Financial Results - Net Result



# Financial Results - Full Year 2013



## Financial Results – Netback<sup>(1)</sup> (USD/boe)

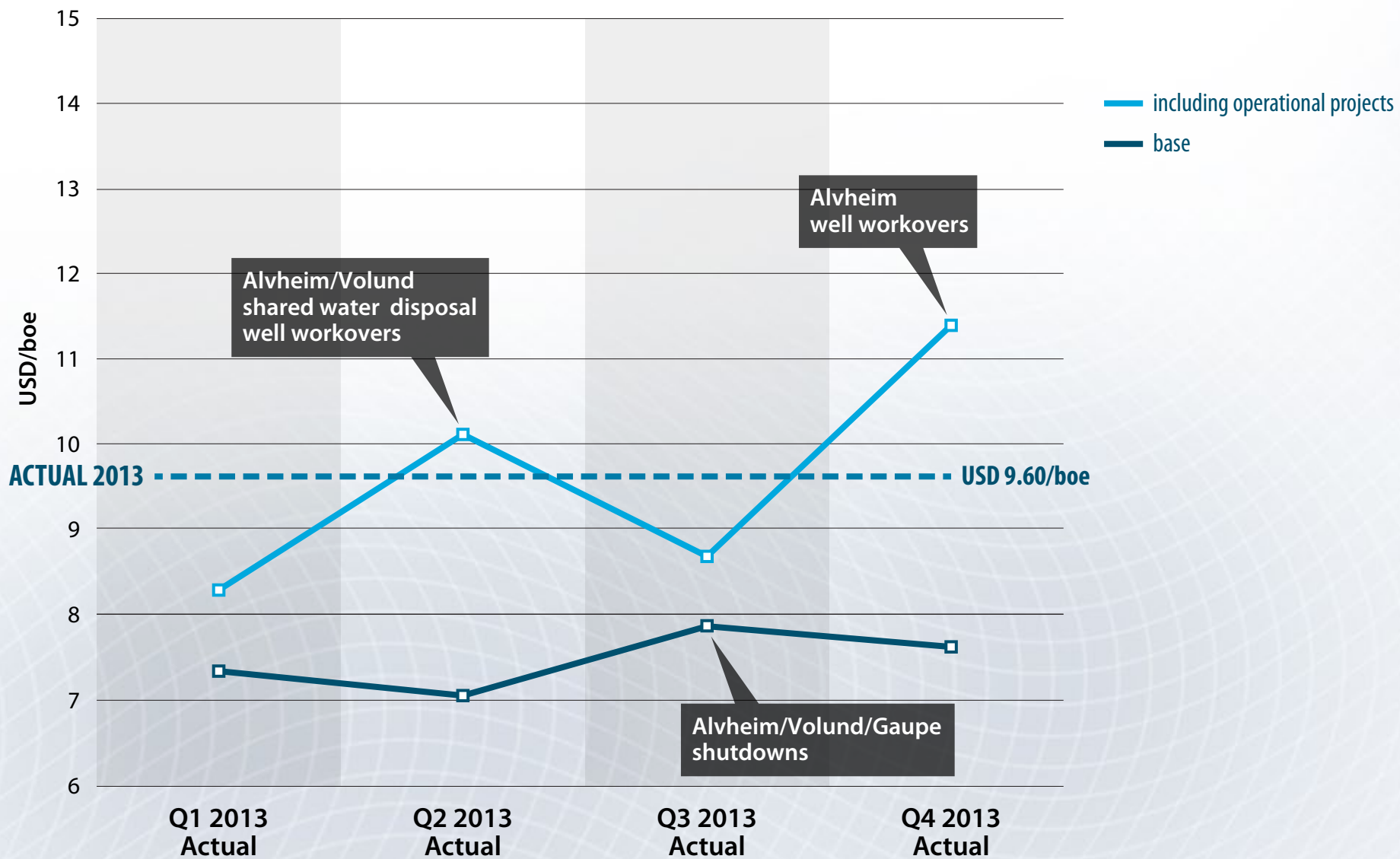


	Fourth Quarter 2013	Full Year 2013
<i>Average Brent oil price USD/boe</i>	109.24	108.66
Revenue	100.77	100.16
Cost of operations - Base	-7.62	-7.44
- Projects	-3.77	-2.16
Tariffs	-2.05	-2.15
Production taxes	-3.52	-3.69
Stock movement	0.67	0.16
Other	-4.19	-1.12
Cash Margin	80.29	83.76
Cash taxes	-8.70	-2.05
Operating Cash Flow	71.59	81.71
General and administration costs <sup>(2)</sup>	-3.83	-3.28
EBITDA	76.46	80.48

<sup>(1)</sup> Netback based on production volumes

<sup>(2)</sup> Adjusted for depreciation

## Financial Results - Cost of Operations





## Financial Results - Exploration Costs



	Fourth Quarter 2013 MUSD	Fourth Quarter 2013 after Tax MUSD	Full Year 2013 MUSD	Full Year 2013 after Tax MUSD
Norway <sup>(1)</sup>	134.8	29.7	285.4	62.8
Others	0.2	0.1	2.4	2.0
<b>Exploration Costs</b>	<b>135.0</b>	<b>29.8</b>	<b>287.8</b>	<b>64.8</b>

- (1) - PL453S (Ogna) - PL265 (Cliffhanger)  
 - PL338 (Jorvik) - PL544 (Biotitt)  
 - PL495 (Carlsberg) - PL330 (Sverdrup prospect), Q4 2013  
 - 22nd Licensing Round - PL410 (Luno II South), Q4 2013

## Financial Results - Impairment Costs



	Full Year 2013	
	Pre-tax MUSD	Post-tax MUSD
Norway - Peik, Skalle, Salina Q2 2013	81.7	30.4
Malaysia - PM308A (Janglau/Ara) Q3 2013	41.7	39.6
	123.4	70.0

## Financial Results - G&A / Financial Items



	Fourth Quarter 2013 MUSD	Full Year 2013 MUSD
<b>General &amp; Administration Expenses</b>		
General & administration cash charge	12.3	35.9
Non-cash provision - Long Term Incentive Plan	-1.4	3.3
Non-cash depreciation	1.2	4.4
	<b>12.1</b>	<b>43.6</b>
<b>Net Financial Expenses</b>		
Foreign exchange loss	13.3	46.5 <sup>(1)</sup>
Interest expense	1.5	5.3 <sup>(2)</sup>
Loan commitment fees	3.4	17.1
Amortisation of loan fees	2.2	8.7
Other	1.4	5.4
	<b>21.8</b>	<b>83.0</b>

<sup>(1)</sup>Net of MUSD 5.5 gain on settled FX hedges

<sup>(2)</sup>An additional amount of interest expense of MUSD 18.0 has been capitalised

## Financial Results – Tax



	Full Year 2013 MUSD
Current tax charge	24.5
Deferred tax charge	190.6
	215.1

- Effective tax rate - Full Year 75%
- Operational tax rate 55%

## Financial Results - Liquidity (MUSD)



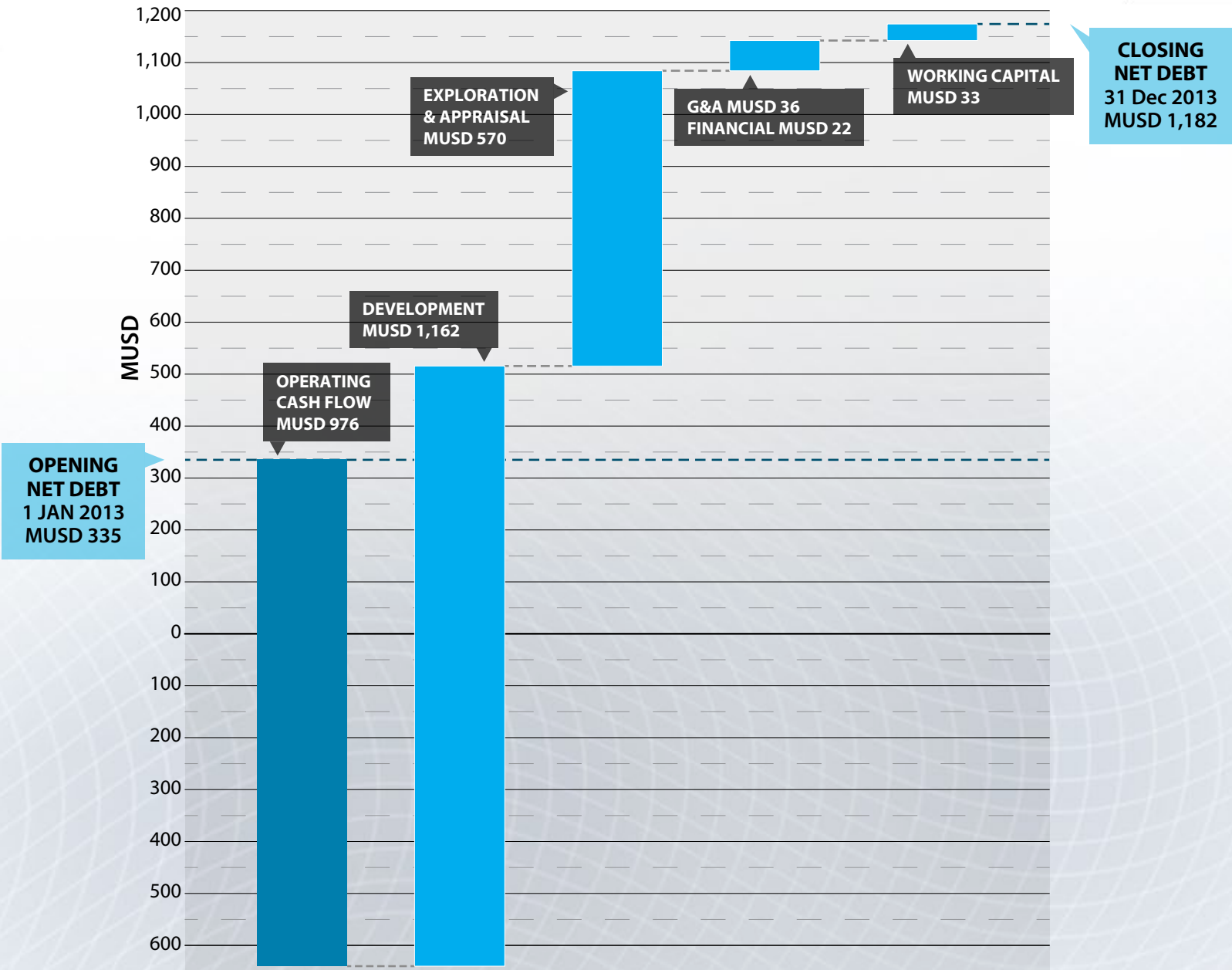
→ at 31 December 2013

<b>Debt Outstanding</b>	<b>1,275</b>
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<b>Cash Balances</b>	<b>93</b>
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<b>Net Debt Position</b>	<b>1,182</b>
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# Financial Results - Debt Position



## Financial Results - Funding



- Increased existing credit facility from USD 2.5 billion to USD 4.0 billion
- Strong support from all 25 banks in the facility
- Pricing unchanged: LIBOR + 2.75% to 3.25%
- Strong operating cash flow: ~USD 1 billion in 2013
- Provides flexibility to fund Norwegian and Malaysian developments and other opportunities

## Operational Highlights



### ➤ Full Year 2013 Production => 32,700 boepd

- ➔ Q4 2013 production 31,100 boepd
- ➔ 2014 production guidance 30,000 – 35,000 boepd
- ➔ Forecast 2015 at ~50,000 boepd

### ➤ Developments

- ➔ Malaysia – Bertam development commenced; First oil Q2 2015
  - ➔ Norway – Brynhild
    - Bøyla
    - Edvard Grieg
- } *Activity progressing well*
- ➔ Will double current production to over 75,000 boepd

### ➤ Appraisal

- ➔ Johan Sverdrup appraisal substantially complete. 7 appraisal wells drilled in 2013.
- ➔ 6 appraisal wells planned in 2014 with potential to close to double 2P reserves

### ➤ Exploration

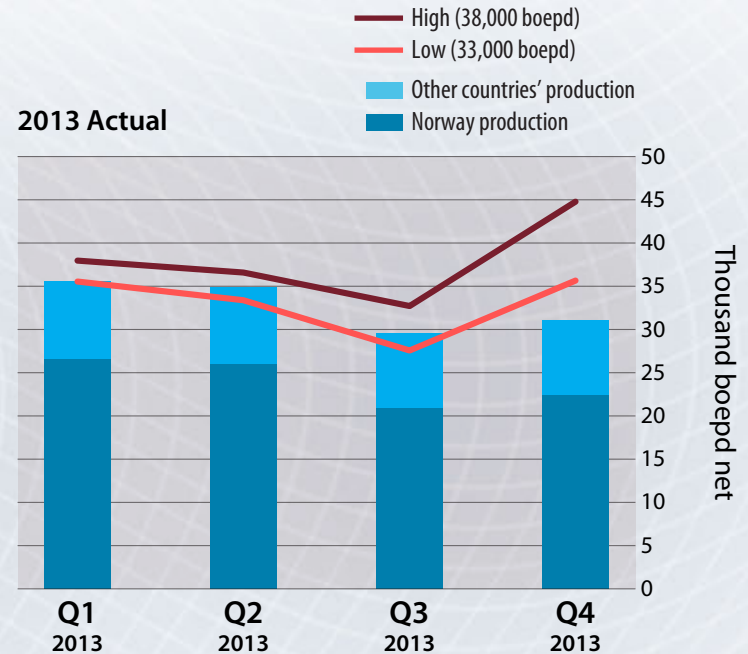
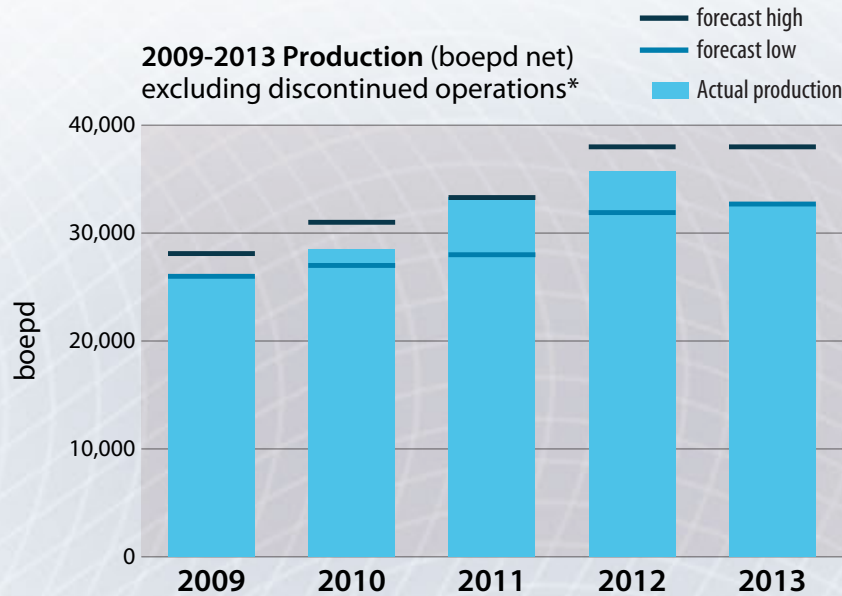
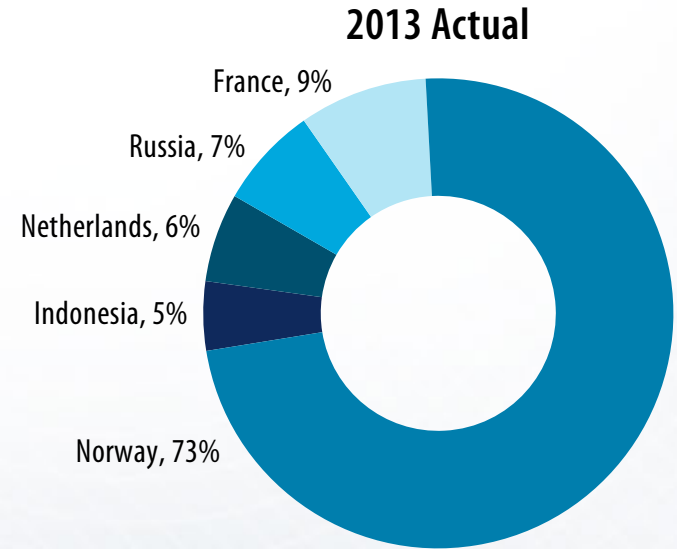
- ➔ 2 significant discoveries in 2013 – Gohta and Luno II
- ➔ 19 exploration wells in 2014 – targeting net unrisked prospective resources of 620 MMboe
- ➔ 9 new licences awarded through APA 2013, particular focus on Barents Sea



# 2013 Production



- **2013 production: 32,700 boepd**
  - ➔ Slightly below guidance due to delayed Brynhild startup
  - ➔ Strong performance from Volund offset impact of 3 wells offline in Alvheim

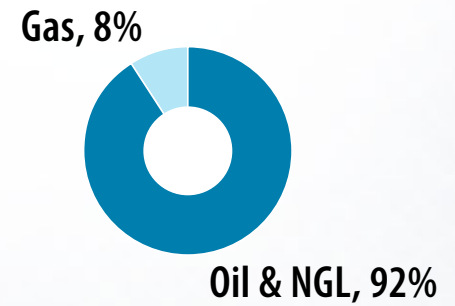
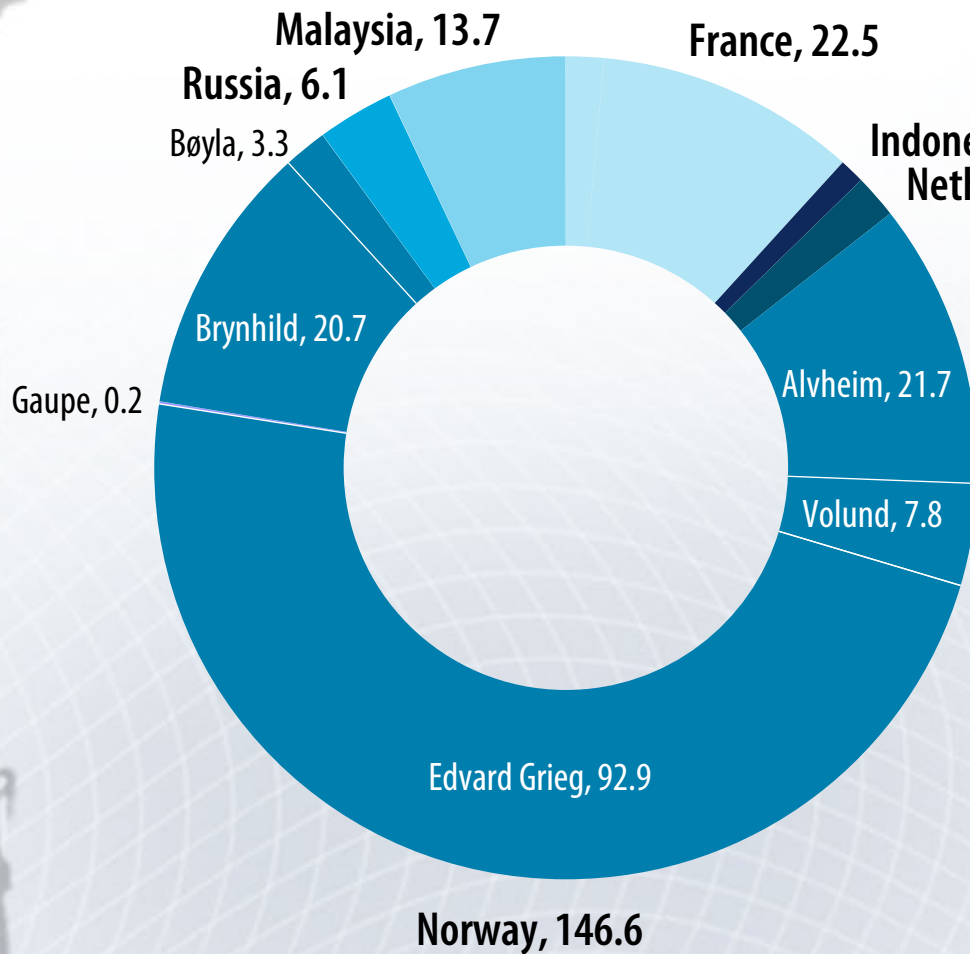


\*Discontinued operations include United Kingdom, Salawati Basin & Island in Indonesia

# 31 December 2013 2P Reserves



**Total 194.1 MMboe**



	MMboe
End 2012	201.5
- 2013 Production (forecast)	-11.9
+ Reserve additions (excl. sales/acquisitions)	4.5
<b>End 2013</b>	<b>194.1</b>

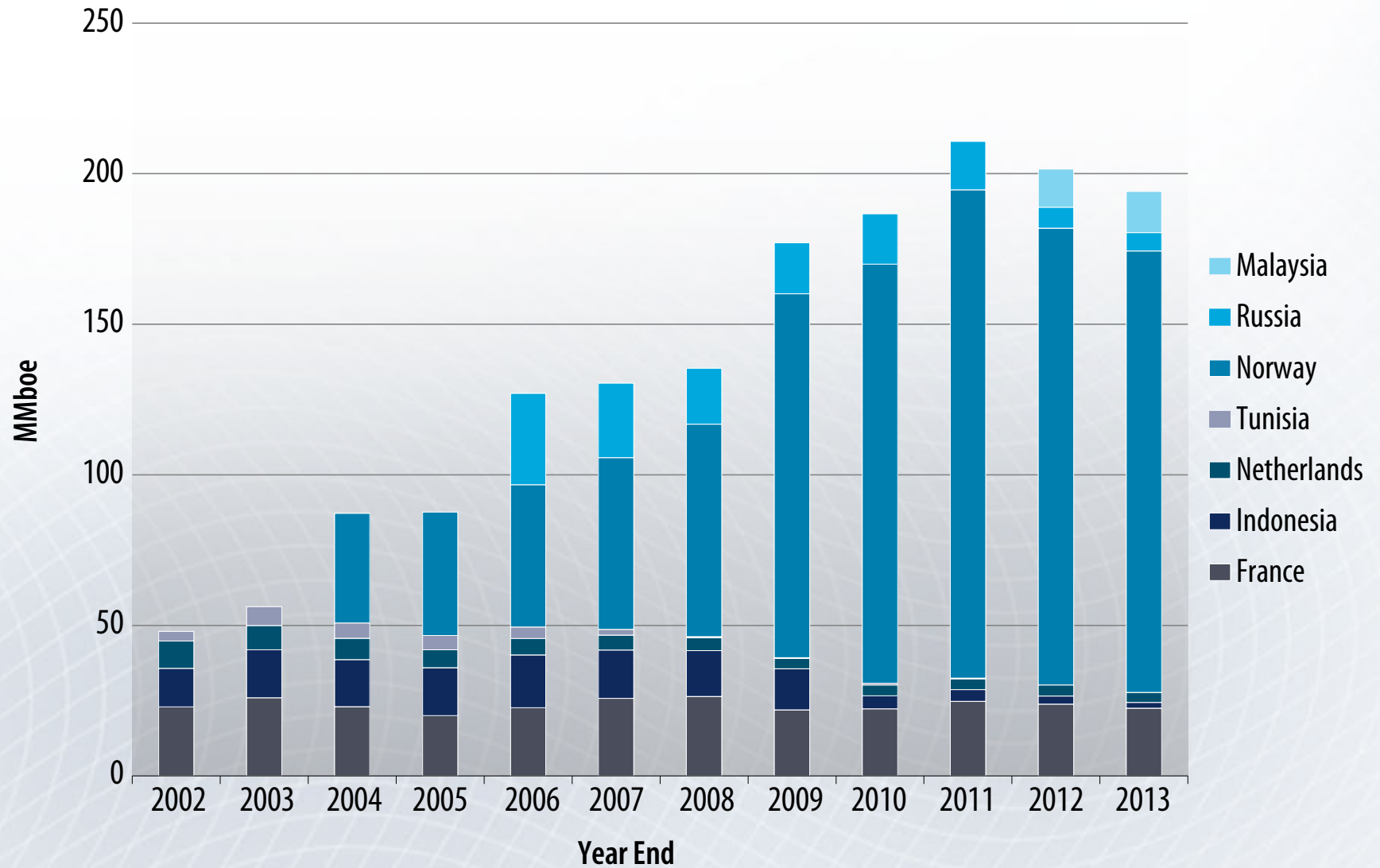
**Reserves increase 2%**

**Reserves replacement ratio 38%**

Oil Price (Brent) USD 100/bbl + 2% escalation on oil price and costs

Numbers in chart may not add up due to rounding

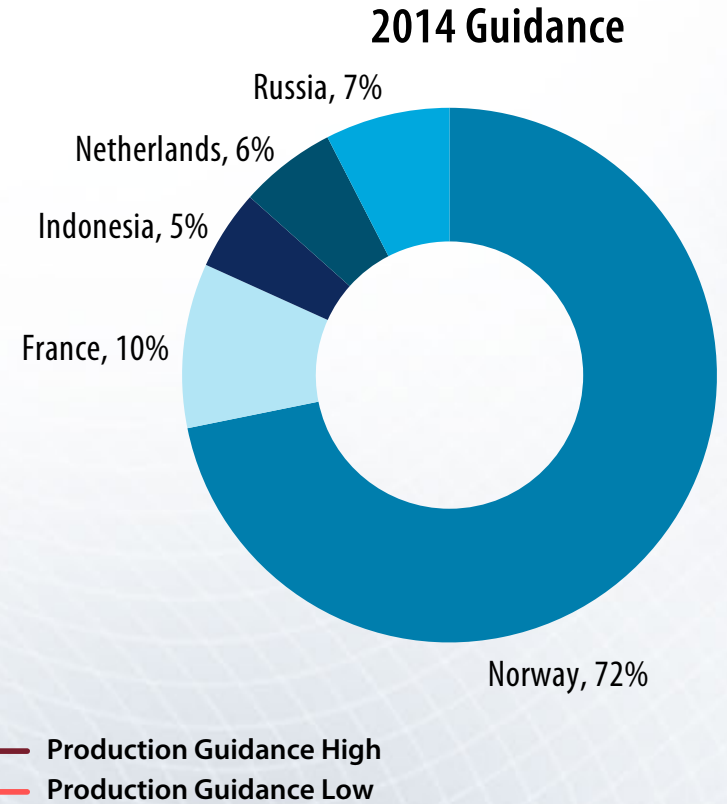
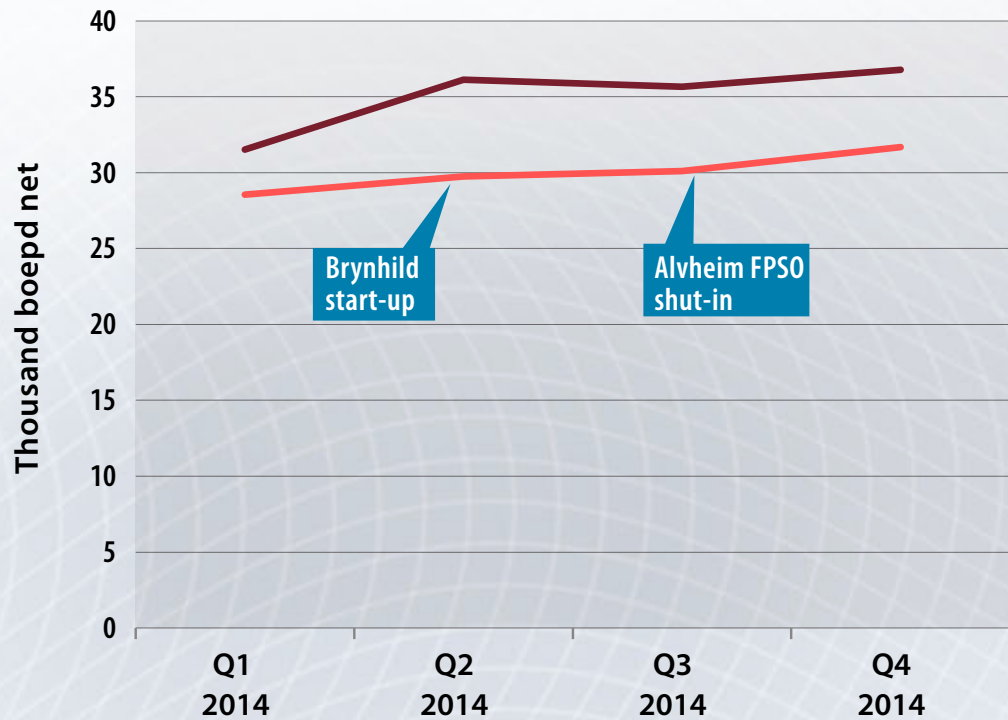
## 2P Reserves



# 2014 Production Guidance



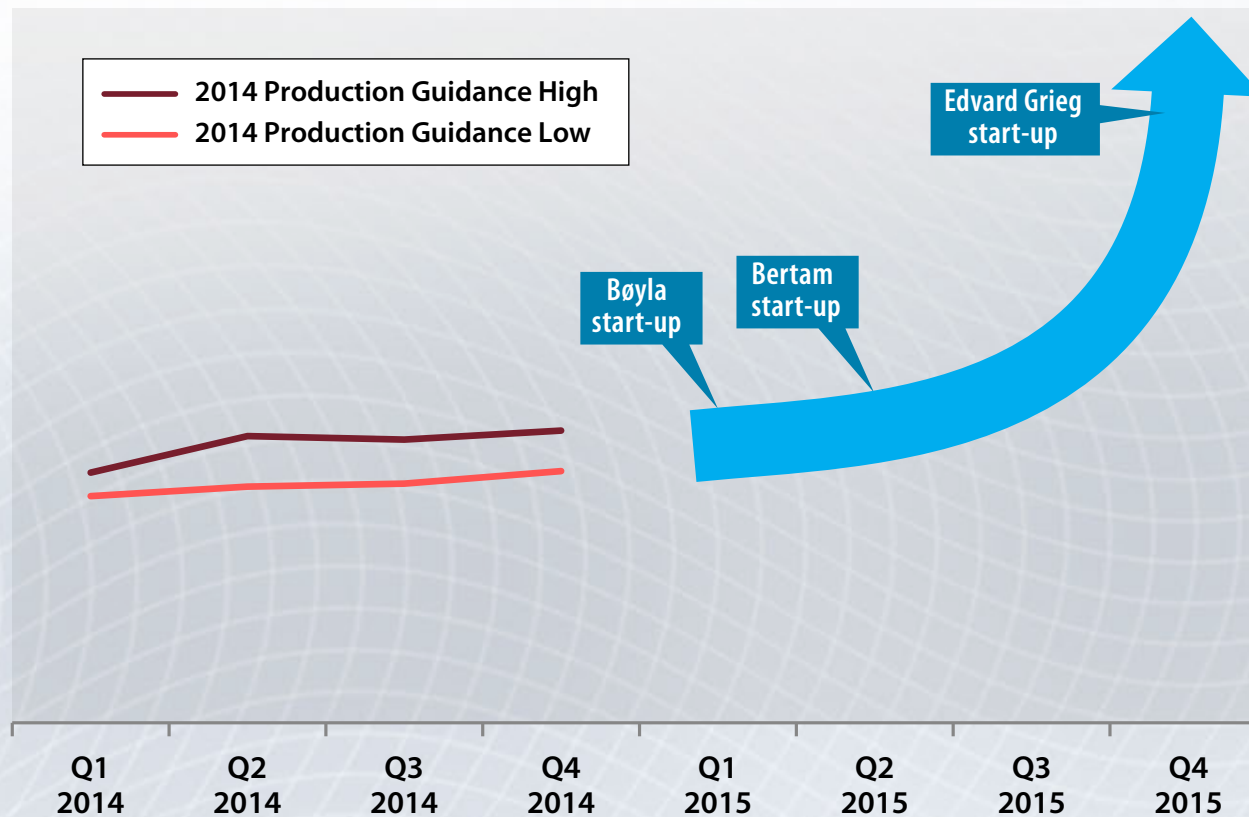
- ➔ 2014 production guidance: 30,000 - 35,000 boepd
- ➔ Norway - production factors
  - ➔ Alvheim & Volund reservoir performance
  - ➔ Brynhild first oil expected Q2 2014



## 2015 Production Forecast



- 2015 average approximately 50,000 boepd
    - ➔ Bøyla first oil Q1 2015
    - ➔ Bertam field first oil in Q2 2015
    - ➔ Edvard Grieg first oil Q4 2015
- } To exceed 75,000 boepd by end 2015



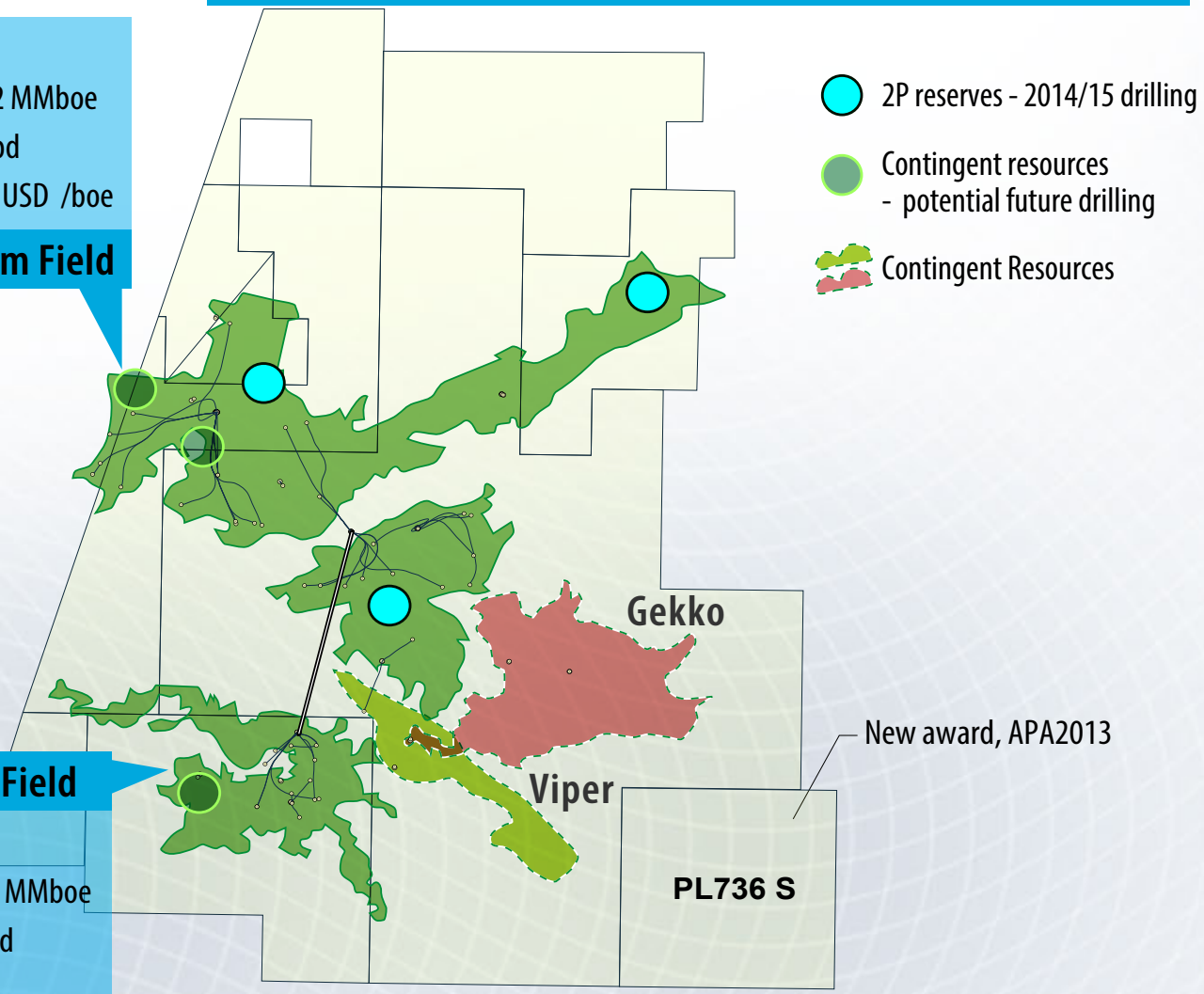
# Norway - Continued Solid Production



**Greater Alvheim Area 2013 Net Production: 22,700 boepd**

- 2P Reserves (net): 21.7 MMboe
  - 2C Contingent Resources (net): 6.2 MMboe
  - 2013 net production : 10,500 boepd
  - Alvheim cost of operations(1) ~5 USD /boe
- Alvheim Field**

- 2P Reserves (net): 7.8 MMboe
  - 2C Contingent Resources (net): 1.6 MMboe
  - 2013 net production : 12,200 boepd
  - Operating cost for 2013
    - Cost of operations < 2.5 USD/boe
    - Tariff to Alvheim < 2.5 USD/boe
- Volund Field**



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(1) Excluding well intervention and project specific cost

## Development Projects



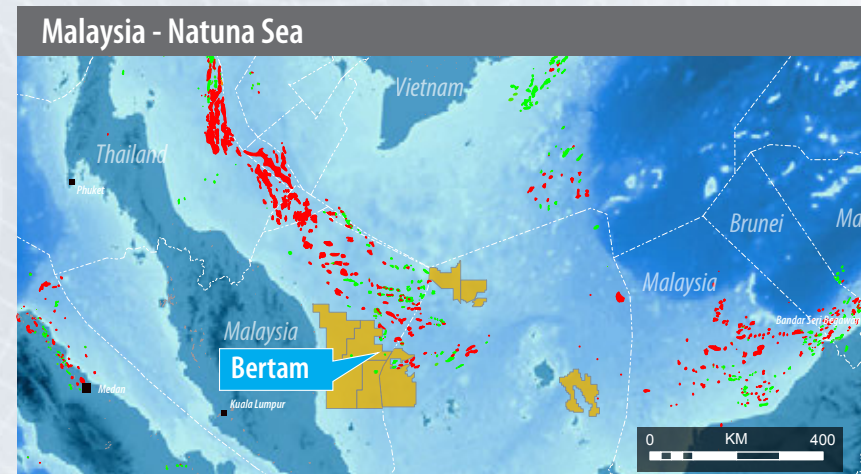
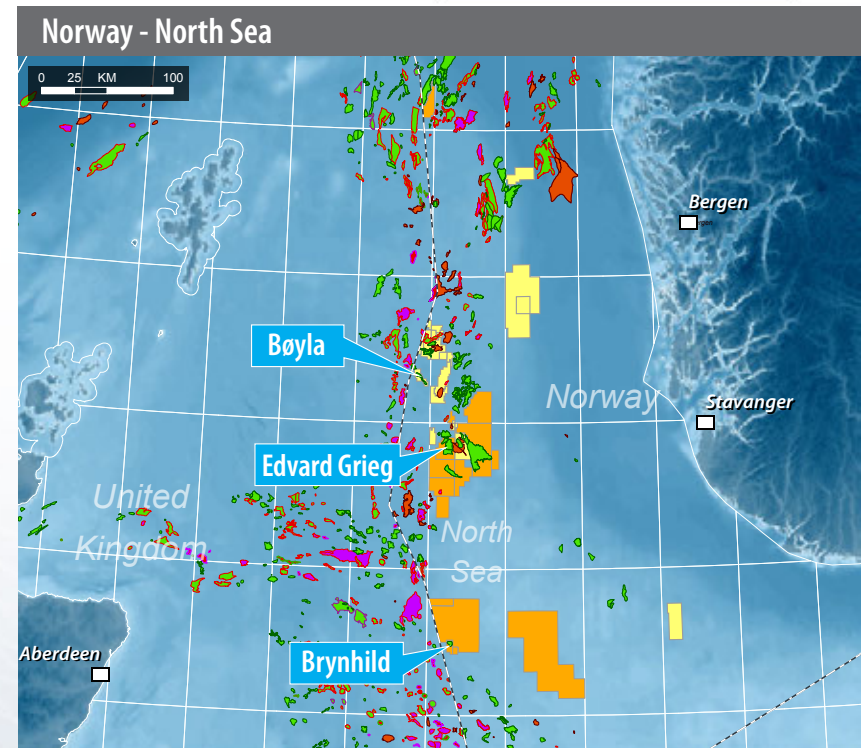
### ➤ Ongoing Norwegian Developments

- ➔ Brynhild (Lundin 90% operator)
- ➔ Bøyla (Lundin 15%)
- ➔ Edvard Grieg (Lundin 50% operator)

### ➤ Ongoing Malaysian Development

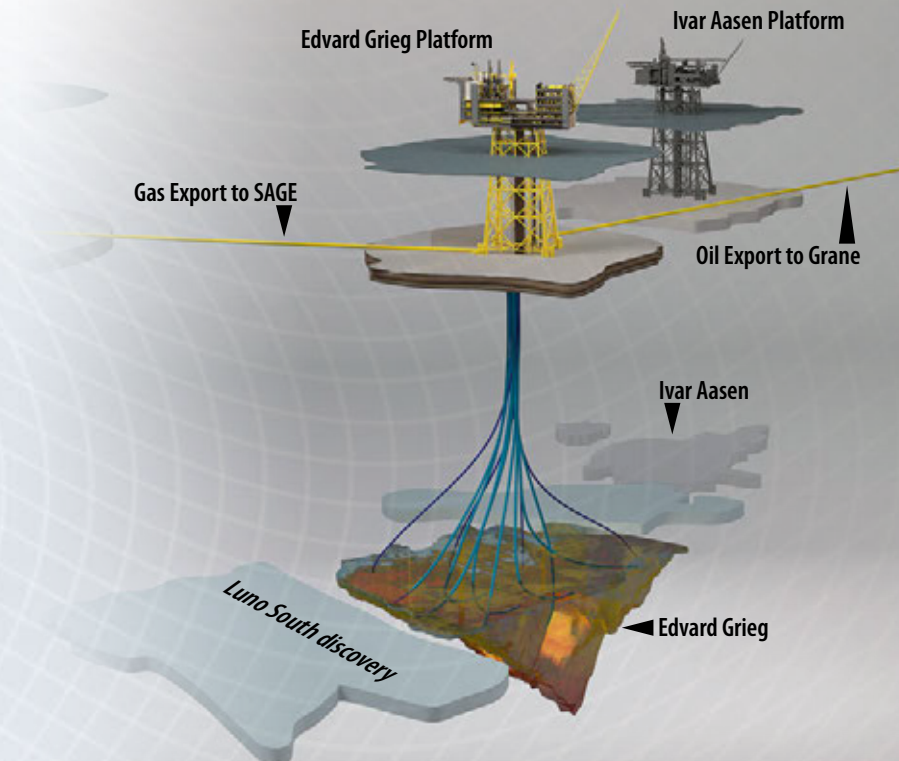
- ➔ Bertam (Lundin 75% operator)

**2014 Budget USD 1.4 Billion**



## Edvard Grieg Project Overview

- ➔ **Lundin Petroleum interest PL338: 50% (operator)**
  - ➔ OMV 20%, Wintershall 15%, Statoil 15%
- ➔ **2P reserves: 186 MMboe gross**
- ➔ **Plateau production: 100,000 boepd gross**
- ➔ **Production startup Q4 2015**
- ➔ **Capital costs: NOK 25 billion**
- ➔ **Development concept:**
  - ➔ Platform development
  - ➔ 15 wells from jack-up rig
  - ➔ Oil export to Grane, gas export to SAGE (UK)
- ➔ **Jacket & facilities construction ongoing**
- ➔ **Luno South discovery**
  - ➔ Oil discovery in fractured basement
  - ➔ Potential long reach well from Edvard Grieg platform

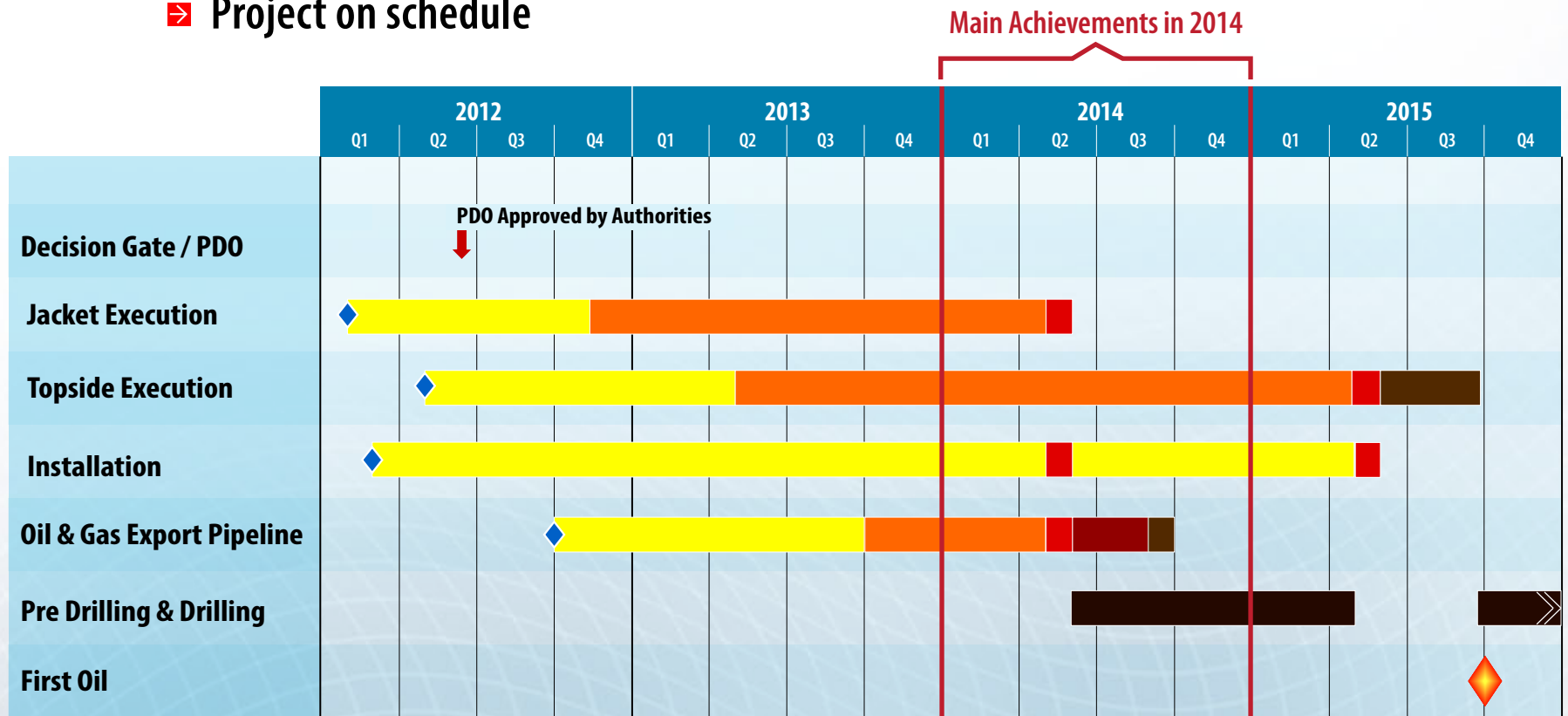




# Edvard Grieg Project Schedule



## ➤ Project on schedule

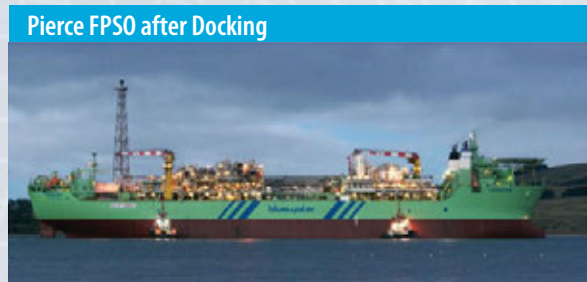
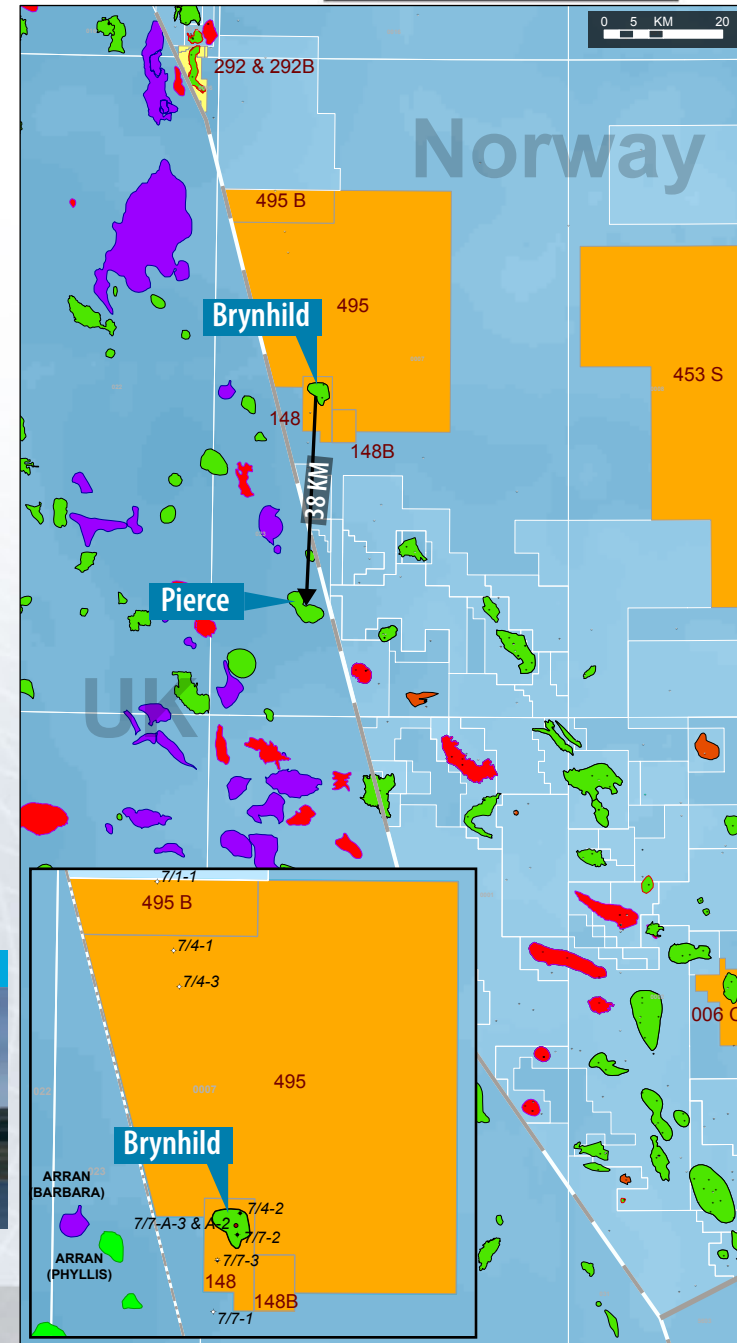


- Engineering/Procurement
- Construction/Assembly
- Load out/Seafastning & Marine Operations
- Pipelaying
- Offshore Hook-up/Commissioning
- Drilling
- Contract Award

# Brynild Project Overview



- Licence: PL148 (Brynild development)
- Blocks: 7/4 and 7/7
- Operator: Lundin Petroleum 90%
- Partner: Talisman Energy Norge 10%
- Dev. concept: PDO approved Nov. 2011  
Subsea tie-in to Shell operated Pierce field (UK)  
Base case changed from 3 to 4 wells
- Prod Start Up: Q2 2014
- Reserves: 23 MMbo (gross)
- Production: 12,000 barrels of oil per day (gross)

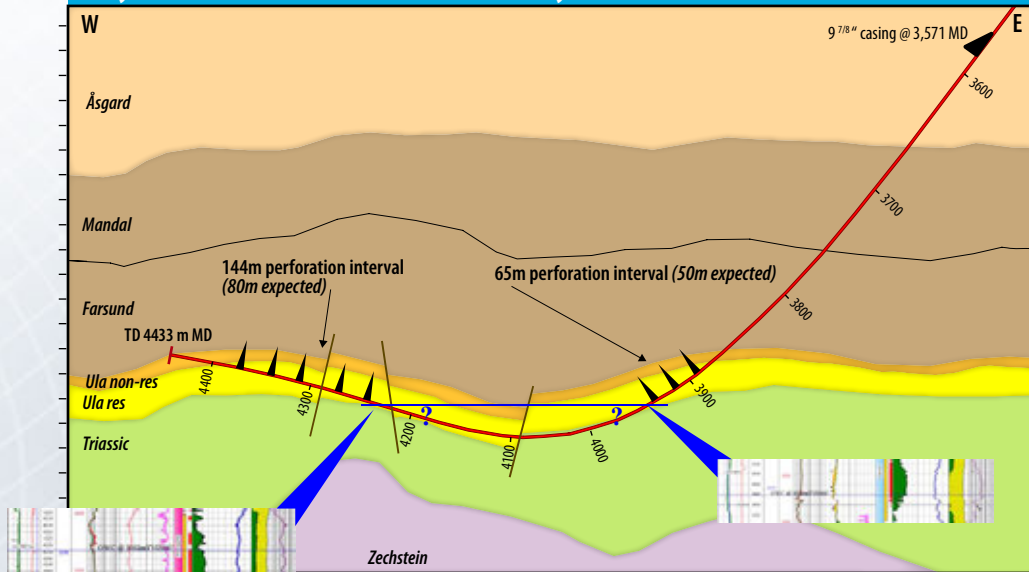


# Brynhild Development

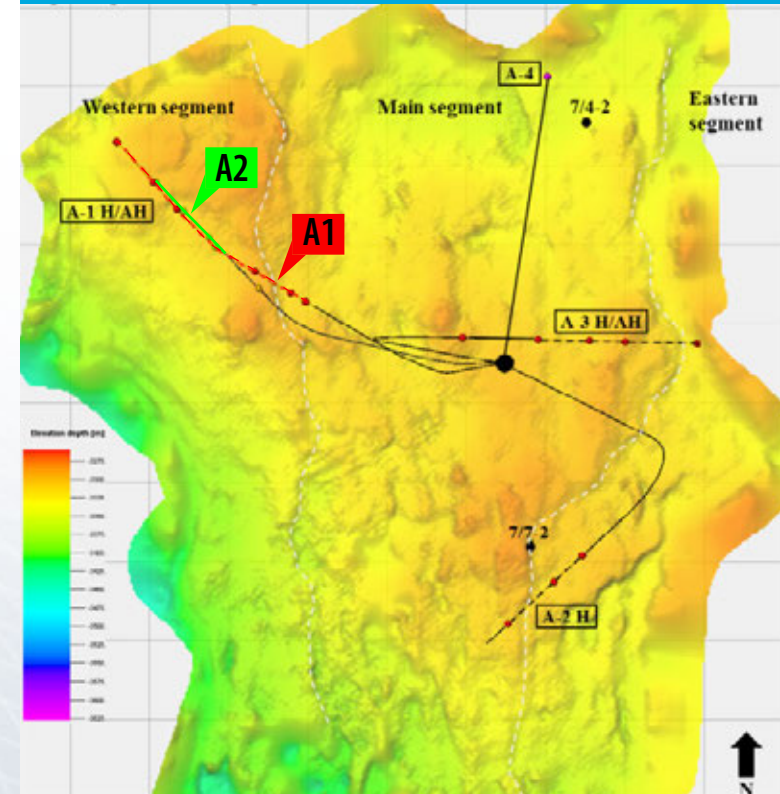


- Completed top-hole for horizontal producer 7/7-A-3
- Ongoing completion of 7/7-A-2 H (A2)

## Brynhild Horizontal Well - Preliminary A2



## Brynhild Depth Map

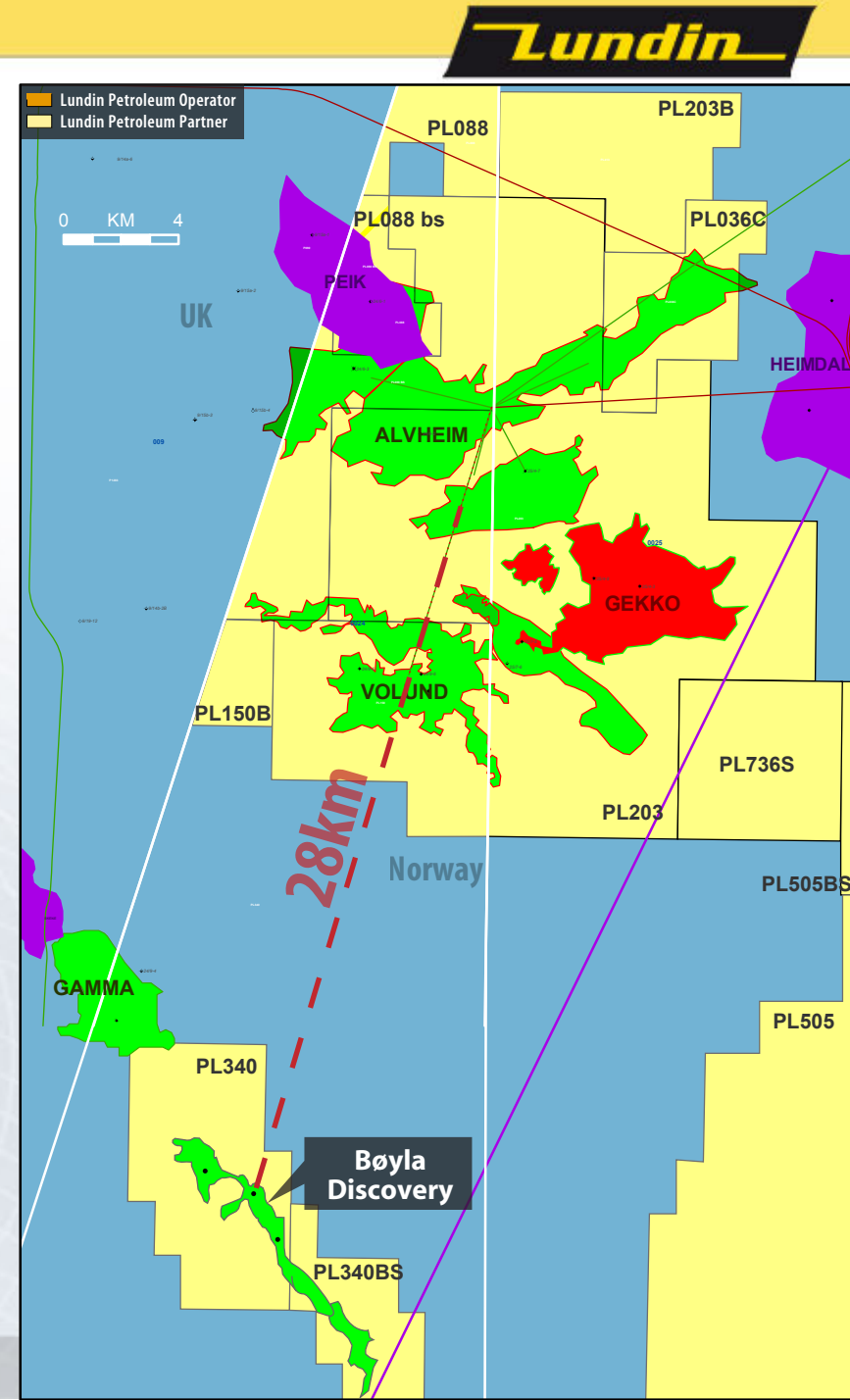


- Perforation intervals 209 m vs. Prognosis 130 m
- Reservoir quality as prognosed
- An OWC at 3,332 m TVD MSL is currently interpreted

# Bøyla Development

- ➔ **Lundin Petroleum interest: 15%**
  - ➔ Marathon 65% (Operator), Core Energy 20%
- ➔ **2P gross reserves of 22 MMboe**
- ➔ **Subsea tie-back to Alvheim**
  - ➔ 2 producers, 1 injector
- ➔ **First oil Q1 2015**
- ➔ **Plateau rate 20,000 boepd gross**

Bøyla Manifold



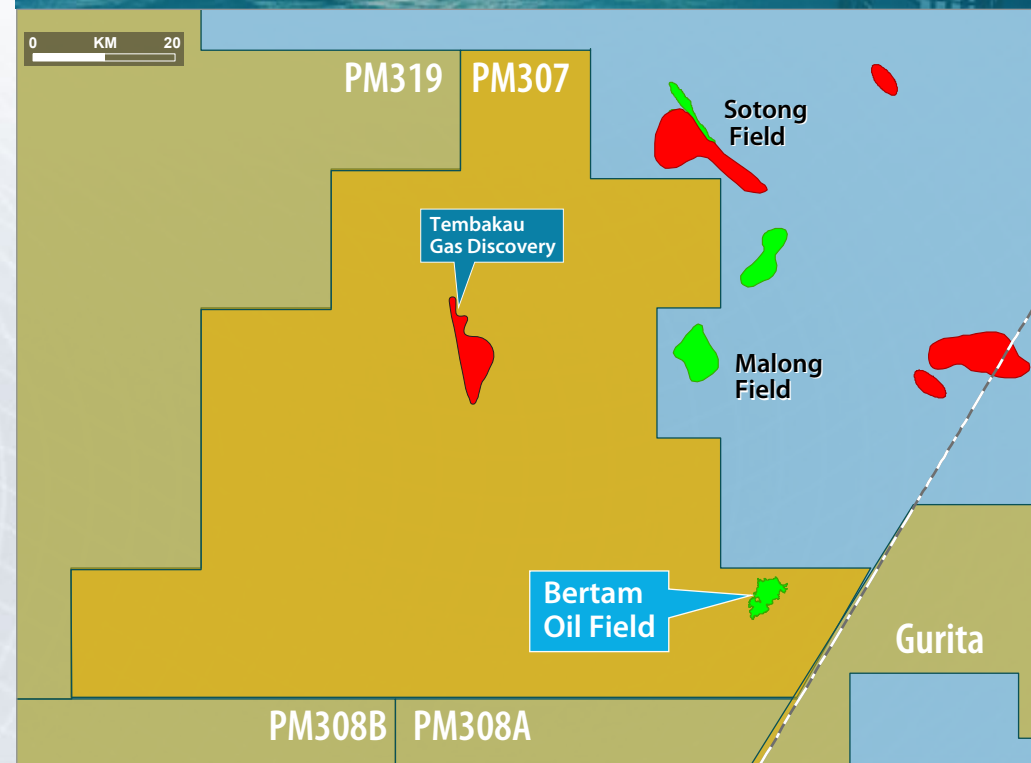
## Bertam Development - Peninsular Malaysia



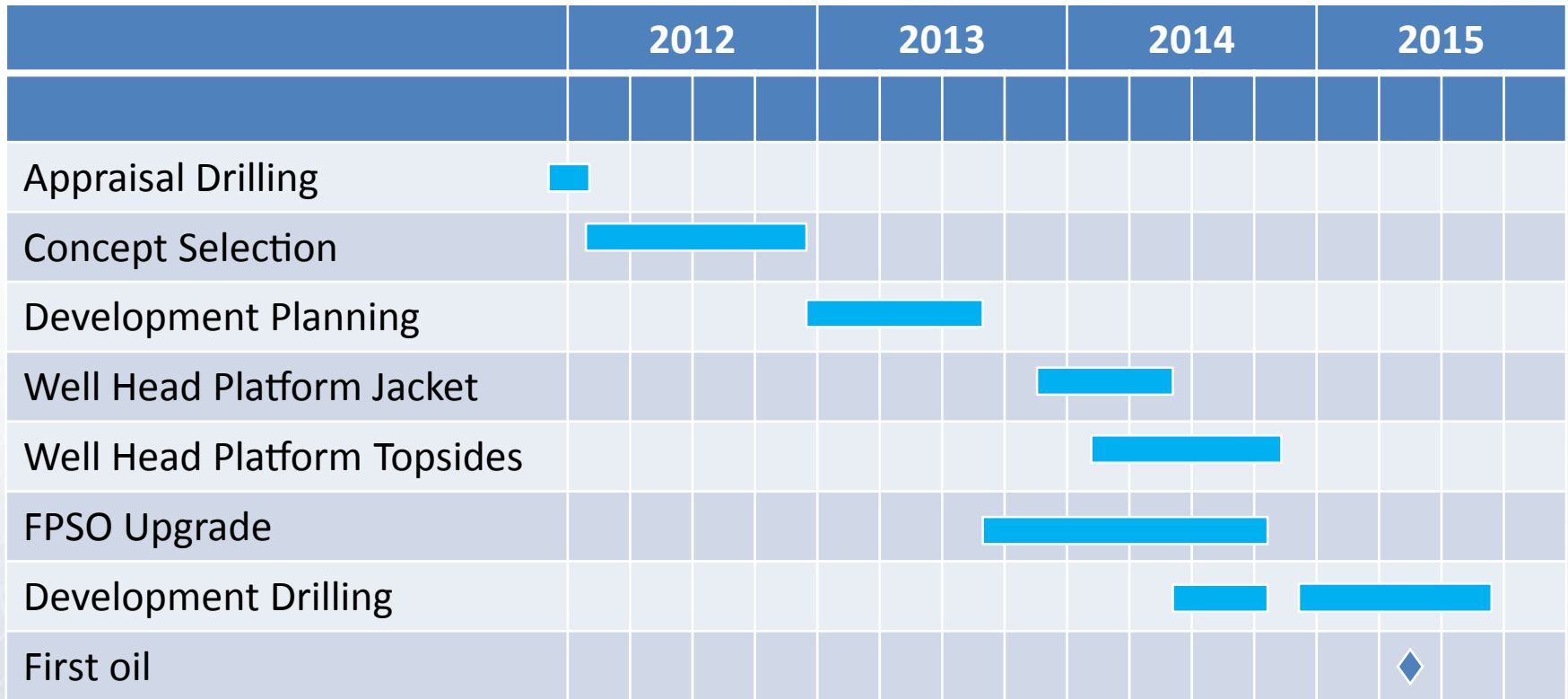
- PM307 - Lundin Petroleum 75% (operator), PETRONAS Carigali 25%
- Field Development Plan (FDP) approved September 2013
- Facilities installation and initial pre-drilling in 2014
- 2P gross reserves 18.2 MMboe
- Gross plateau production 15,000 bopd in 2015
- First oil: Q2 2015
- Development plan
  - ➔ Well Head Platform & Leased FPSO
  - ➔ 14 Horizontal wells with ESP's
  - ➔ Re-use of 100% -owned FPSO "IKDAM" from Tunisia
  - ➔ 2013-2015 Gross CAPEX MUS\$ 400 (FDP) (excluding IKDAM)
- Enhanced fiscal terms
  - ➔ Marginal field incentives



Bertam Development Facilities



# Bertam Development Schedule



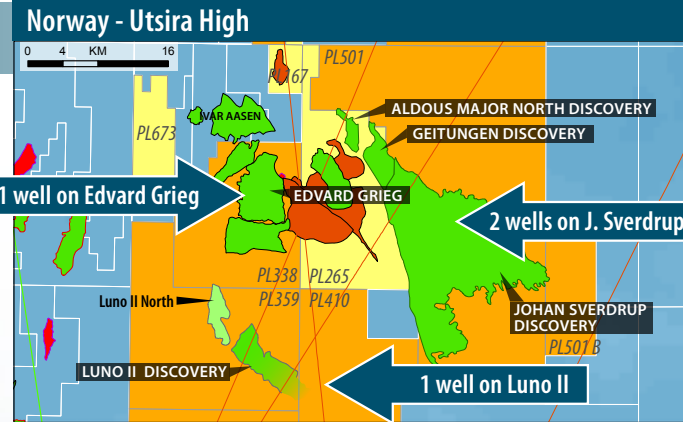
# Appraisal Programme 2014 - 6 Wells



## Norway - 5 wells

### Utsira High

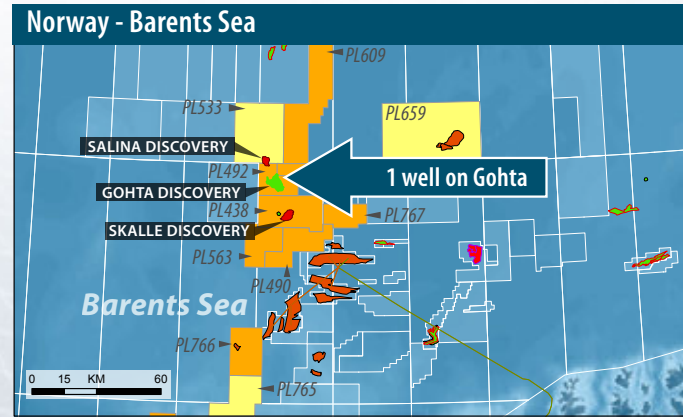
- 1 well in Edvard Grieg
- 1 well in Luno II
- 2 wells in Johan Sverdrup



**2014 Budget  
USD 300 Million**

### Barents Sea

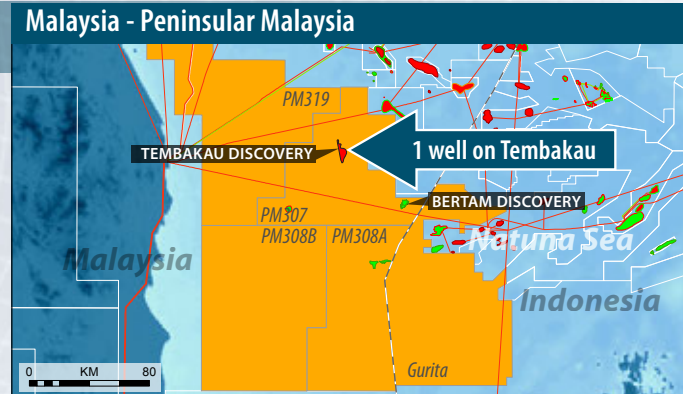
- 1 well in Gohta



## Malaysia - 1 well

### Peninsular Malaysia

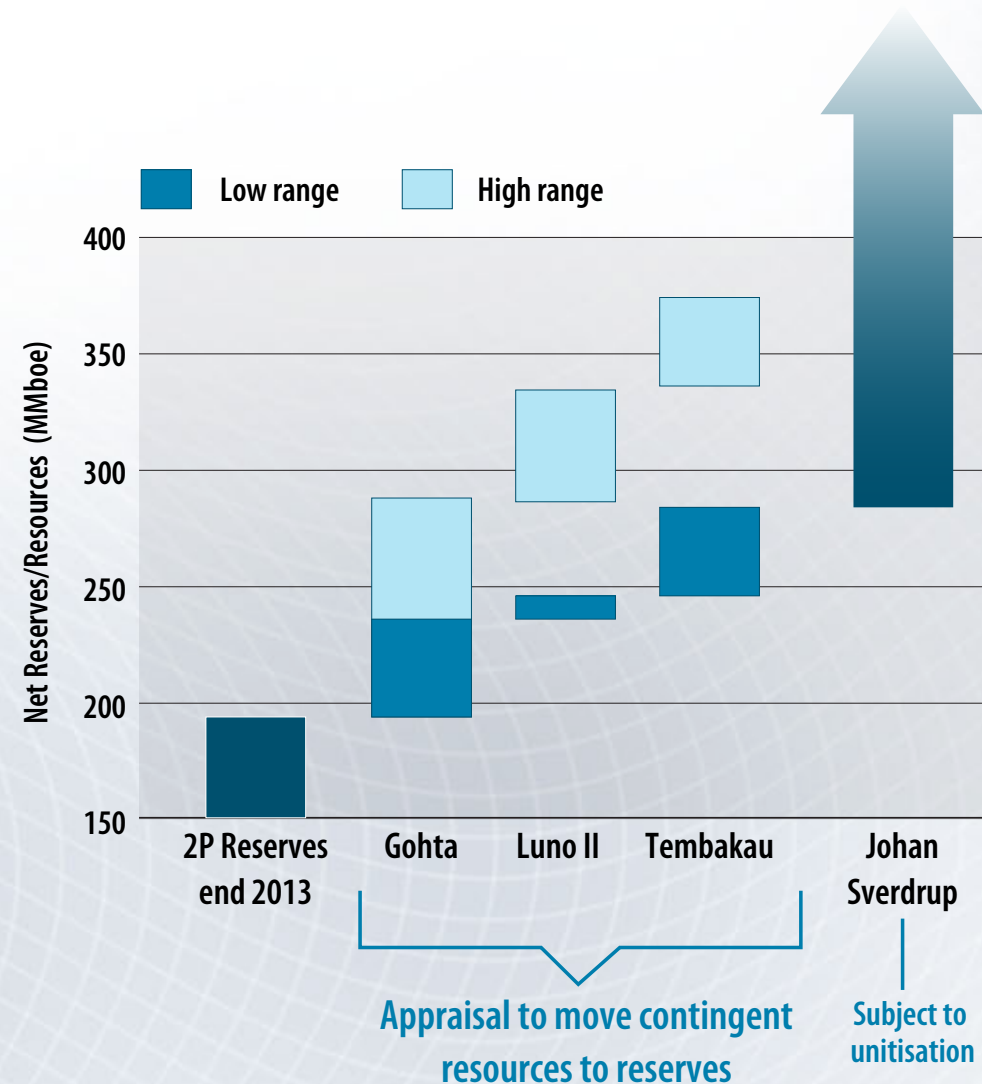
- 1 well in Tembakau (75%)



## Targetted Contingent Resources to Reserves



- Aggressive 2014 drilling programme
- 90-180 MMboe of resources to reserves through appraisal of Gohta, Luno II & Tembakau
- Johan Sverdrup comes in addition
  - ⇒ Gross Contingent Resources: 1,800 - 2,900 MMboe<sup>(1)</sup>



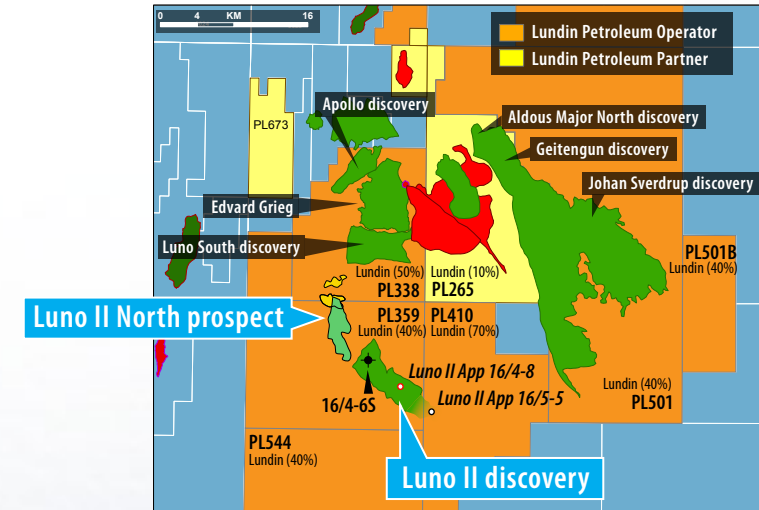
<sup>(1)</sup> Statoil working operator estimates Dec 2013



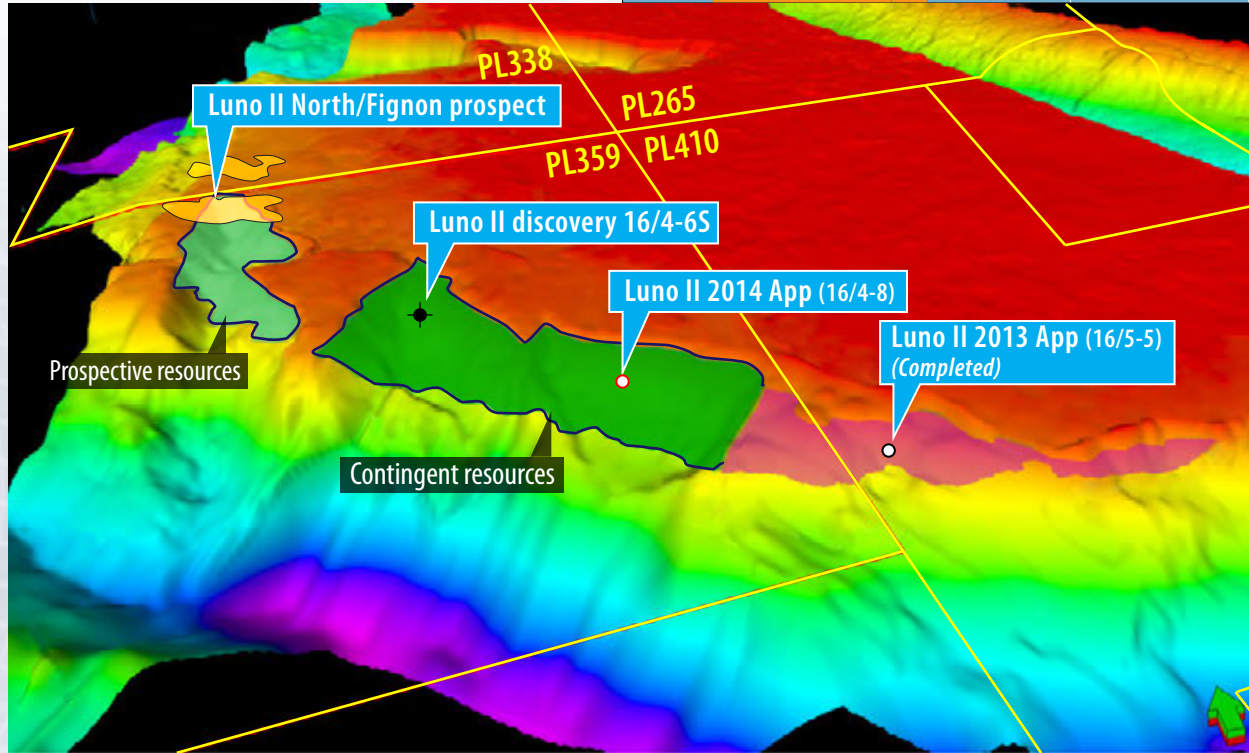
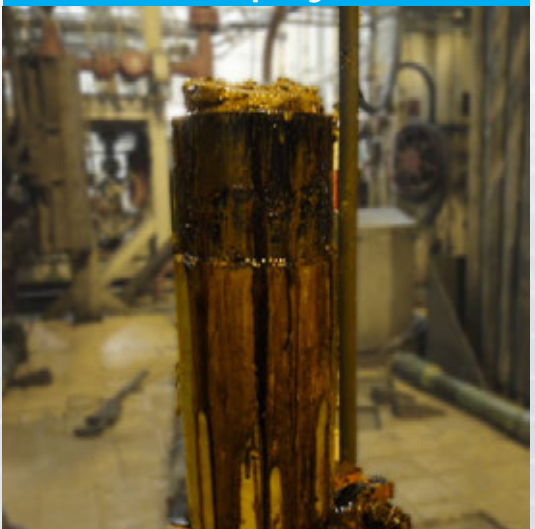
# Norway - 2014 Appraisal Activities - Luno II



- PL359, 40% (operator)
  - Tested over 2,000 boepd
    - ➔ Good quality oil
- Luno II discovery
  - ➔ Gross contingent resources estimate : 26-121 MMboe<sup>(1)</sup>
  - ➔ 1 appraisal well on PL359 in Q2 2014
- 1 exploration well stacked target
  - ➔ Luno II North gross prospective resources: 24 MMboe
  - ➔ Fignon gross prospective resources: 23 MMboe



Luno II core sampling



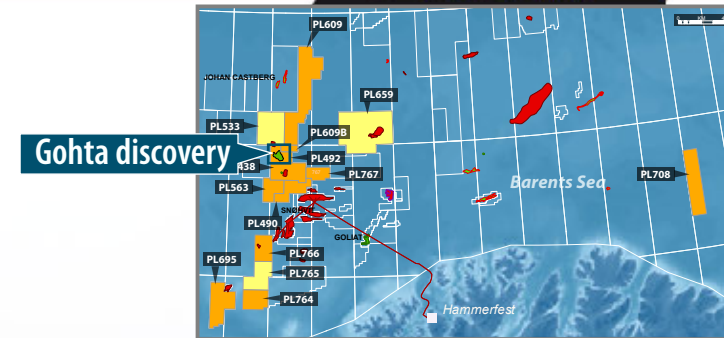
<sup>(1)</sup> the resource range quoted is effective May 2013 prior to the drilling of the 16/5-5 appraisal well in PL410. The 16/5-5 well encountered poor quality reservoir in the southern segment indicating that this segment is non-commercial.

# Norway - 2014 Appraisal Activities - Gohta Appraisal

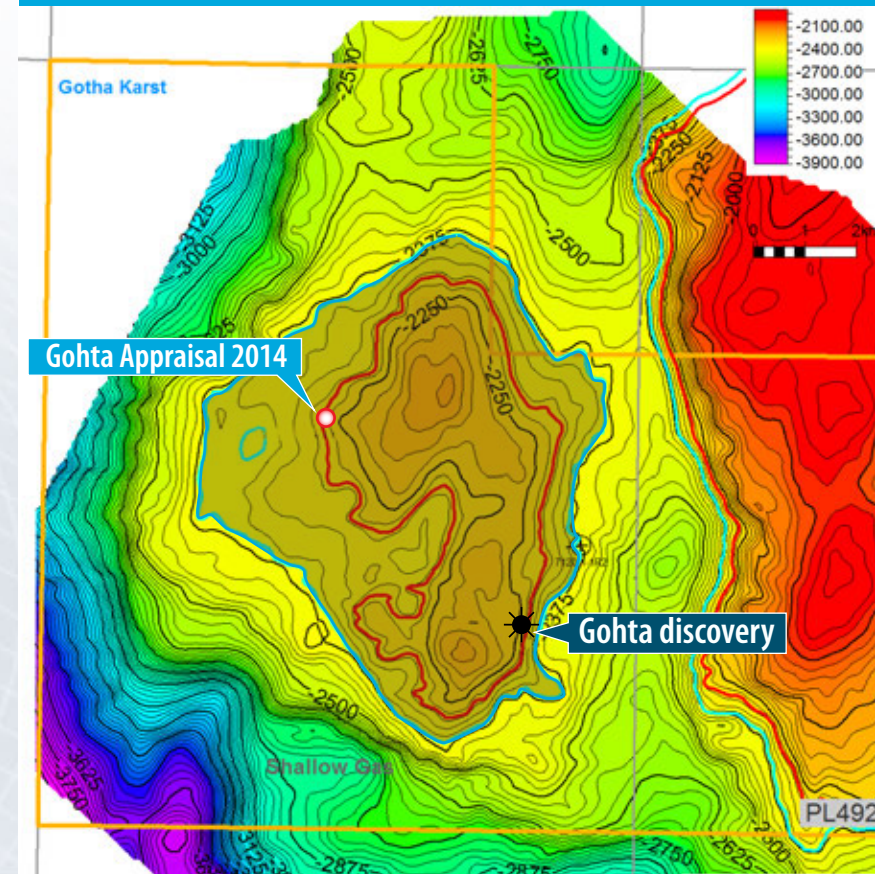
**Lundin**

## Gohta Discovery

- ➔ **PL492 (Lundin 40%, operated)**
  - ➔ Gross Contingent Resources: 111 - 232 MMboe
    - 61 - 141 MMbbl Oil
    - 304 - 546 Bcf Gas
  - ➔ Robust and well defined 4-way closure
    - ~ 50 km<sup>2</sup>
  - ➔ Reservoir consisting of karstified carbonate
  - ➔ 75m oil & 25m gas gross columns in Permian carbonate reservoir
- ➔ **Tested 4,300 bopd**
- ➔ **Gohta appraisal in 3Q 2014**



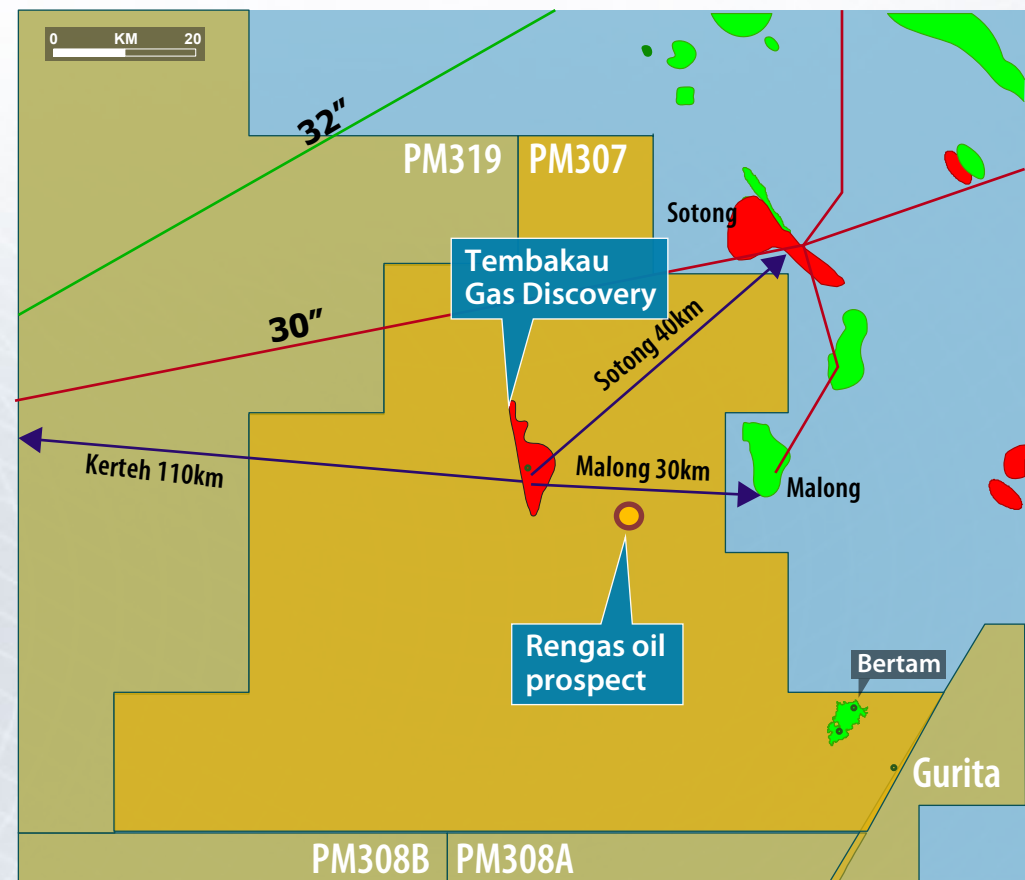
## Gohta Karst – Top Permian Karstified Carbonate Map



## Malaysia – 2014 Appraisal Activities – Tembakau Appraisal



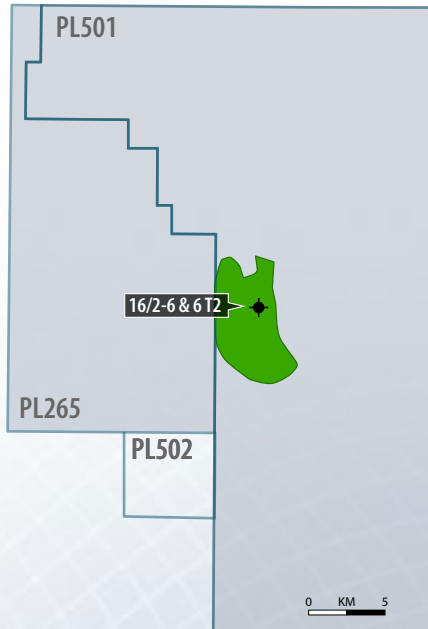
- PM307 - Lundin Petroleum 75% operator (Petronas Carigali 25%)
- Discovered November 2012
- Gross 2C gas resources 306 Bcf
- Appraisal objective to move gross resources to 500 Bcf
- Close to infrastructure and Kerteh gas plant



# Johan Sverdrup Appraisal

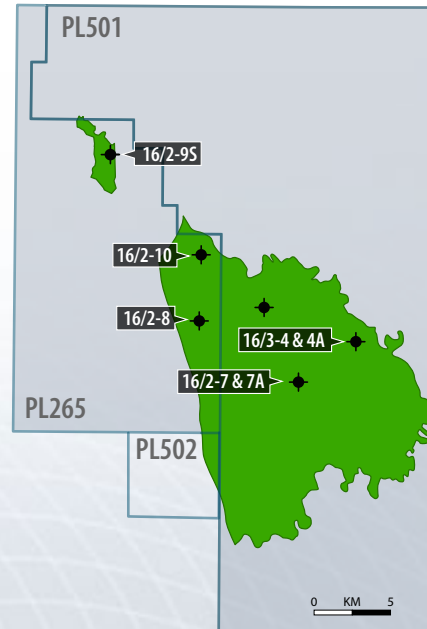


## 2010



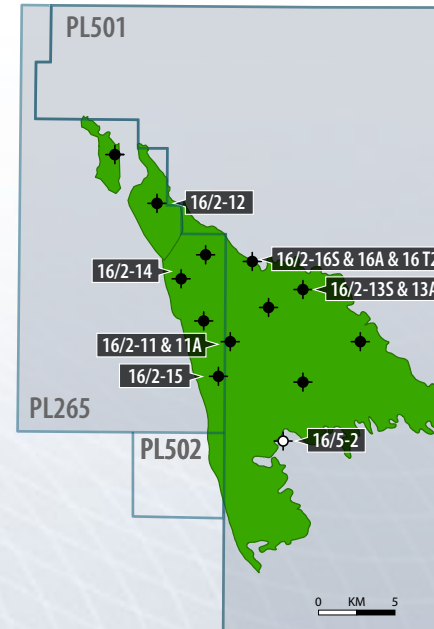
- **Avaldsnes discovery**
- ➔ 1 well + 1 sidetrack

## 2011



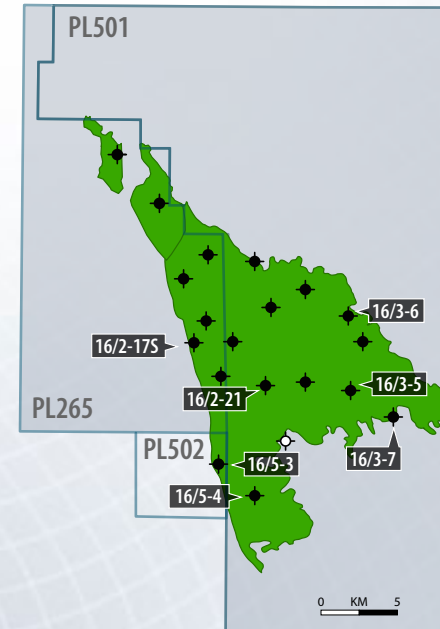
- **Aldous Major South discovery**
- ➔ 5 wells + 2 sidetracks

## 2012



- **Avaldsnes and Aldous MS renamed Johan Sverdrup**
- ➔ 7 wells + 3 sidetracks

## 2013



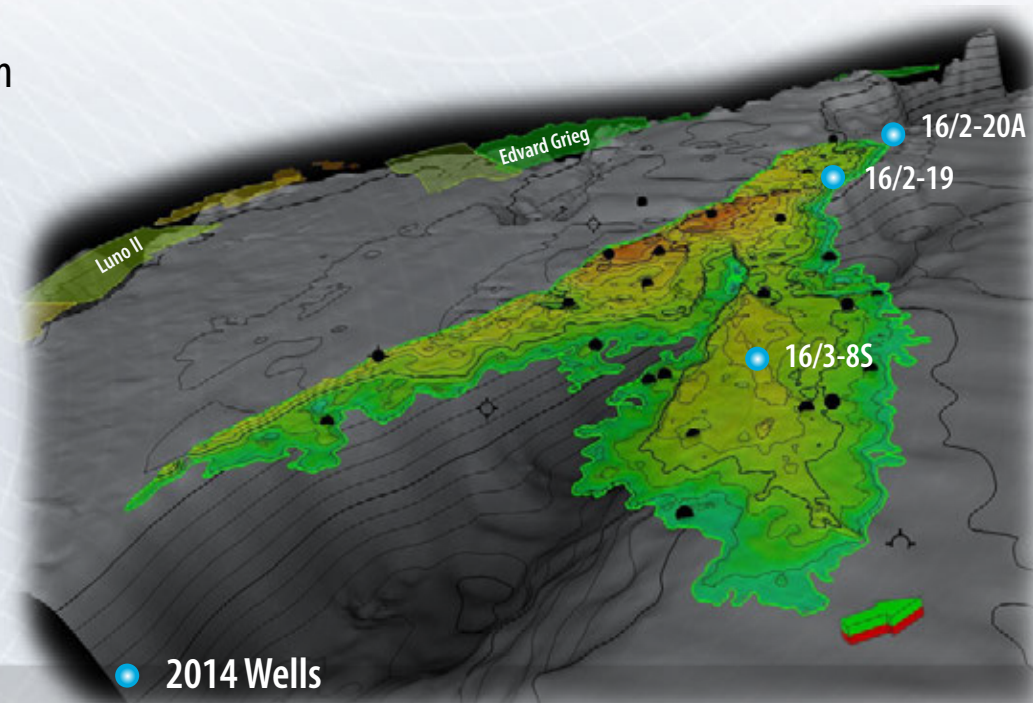
- ➔ 7 wells

**20 wells + 6 sidetracks drilled to date on Johan Sverdrup**

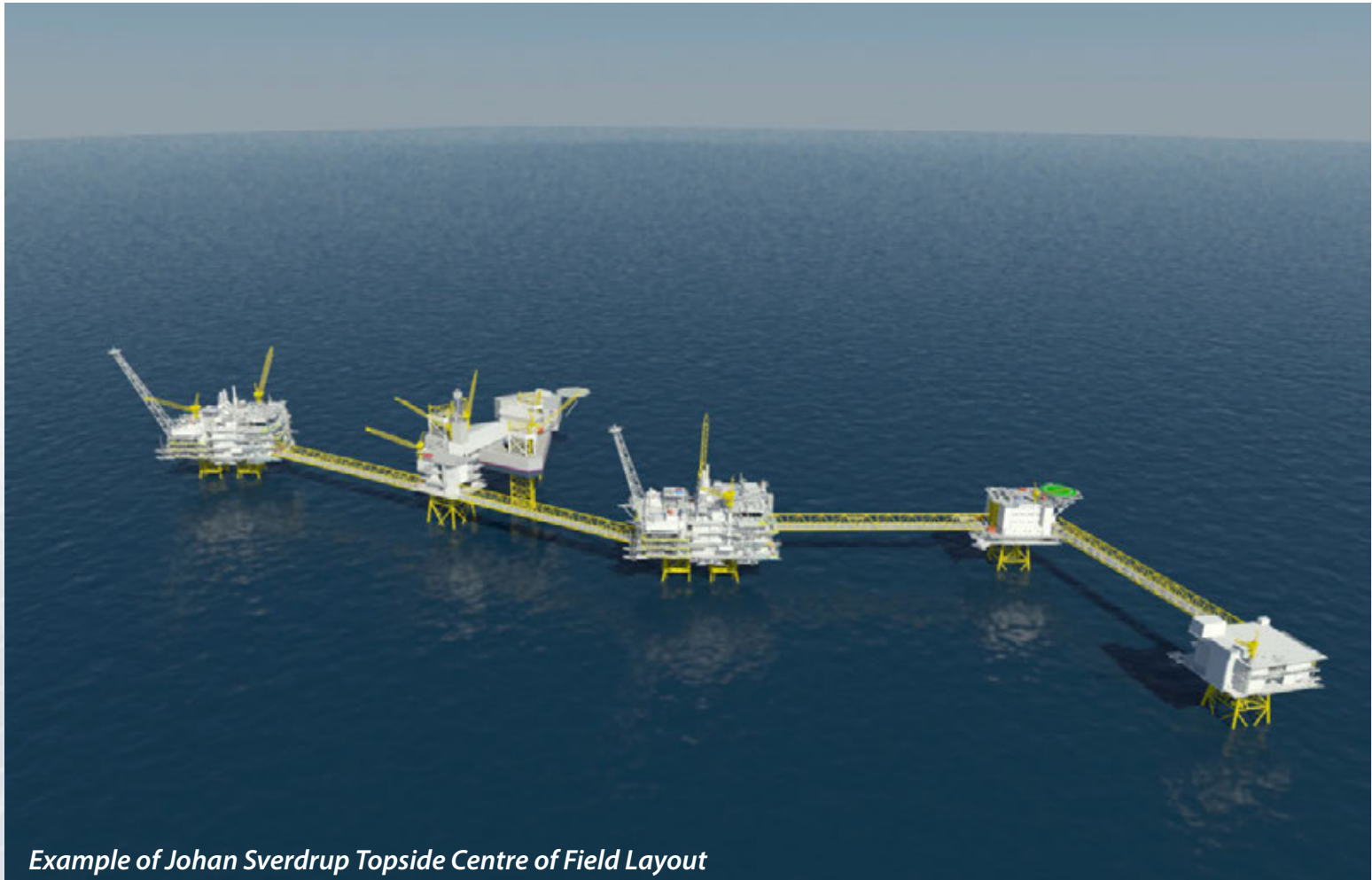
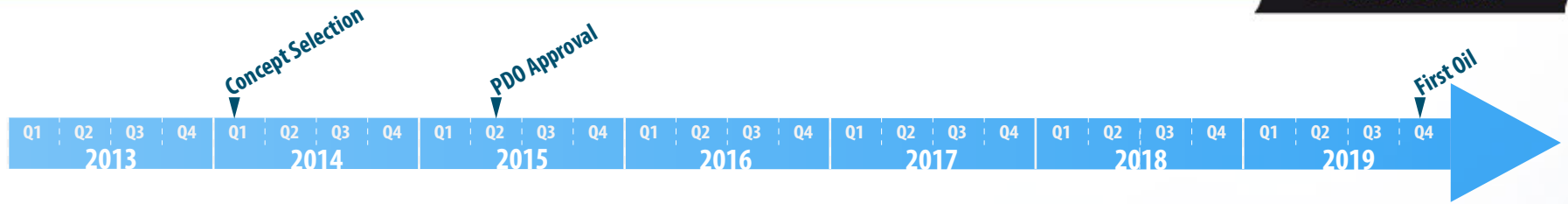
**Gross Contingent Resources: 1,800-2,900 MMboe<sup>(1)</sup>**

## Exploration and Appraisal Programme

- ➔ **Torvastad (16/2-20S and 20A) exploration - investigate the presence of hydrocarbon bearing Jurassic reservoir rocks north of the established Johan Sverdrup discovery**
  - ➔ Poor quality reservoir
  
- ➔ **Avaldsnes Crest appraisal well (Avaldsnes High: 16/3-8S)**
  - ➔ Determine Zechstein as a viable play and ensure production optimisation of the Upper Jurassic Draupne reservoir sandstone (sst) in this area.
  
- ➔ **Geitungen appraisal well 16/2-19**
  - ➔ Delineate the north–eastern part of Geitungen (northern part of Johan Sverdrup discovery)
  - ➔ Spud in February 2014



# Johan Sverdrup - Possible Topside Layout Schematic



Example of Johan Sverdrup Topside Centre of Field Layout

# Exploration Activity 2014



**NORWAY – USD 285 million**

- 7 exploration wells
  - 2 wells Utsira High
  - 2 wells in Barents Sea
  - 2 wells in Norwegian Sea
  - 1 well in Møre Basin
- 3D seismic

**NETHERLANDS**

- 5 exploration wells

**FRANCE**

- 1 exploration well

**SE ASIA – USD 85 million**

- Offshore Peninsular Malaysia - 1 well
- Offshore Sabah Malaysia - 2 wells
- Offshore Indonesia - 3 wells

	Budget 2014
Drilling	265
Seismic/G&G	116
<b>Total</b>	<b>381</b>

→ **Exploration Budget 2014 USD 381 million**

→ **Targetting Net Unrisked 620 MMboe of PR**

# Operated Rig Capacity for Exploration & Appraisal Activity



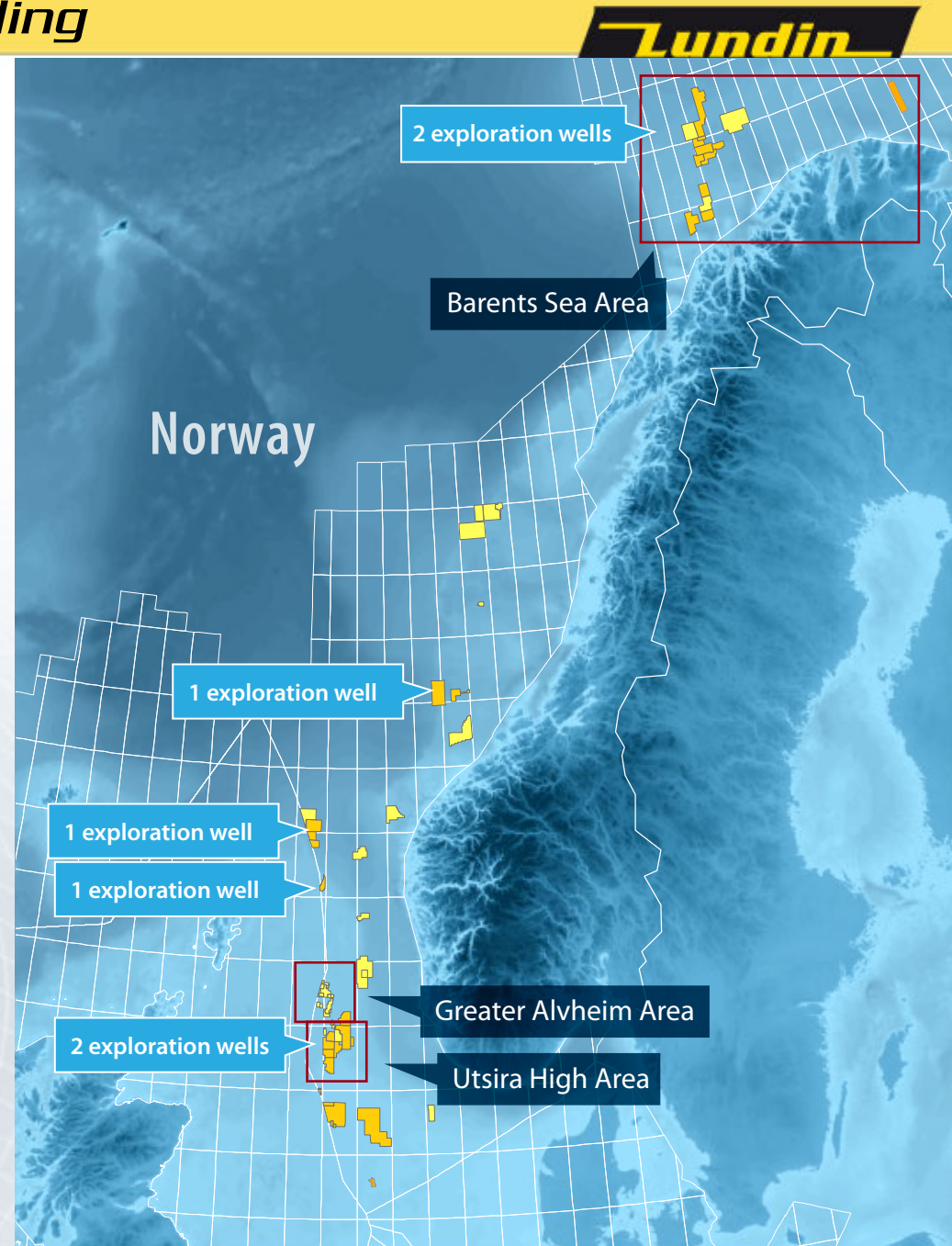
		2014				2015				2016				2017
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
NORWAY	Bredford Dolphin	1	1	1	4					2		1		
	Transocean Artic	1			1	1								
	Island Innovator	6			6	6				6				3
	Rowan Drilling Rig					2								
SE ASIA	Malaysia Rig Tender process ongoing		4											
	Indonesia Hakuryu-11	2												
Total slots		16				14				9				3

➔ Rig capacity secured in Norway for forward programme



## Norway - 2014 Exploration Drilling

- ➔ **7 exploration wells**
  - ➔ 6 operated wells
  - ➔ 1 non-operated wells
  - ➔ Rigs secured for all wells
  - ➔ Targeting ~390 MMboe net unrisks prospective resources



# Utsira High Area - Luno II North / Fignon / Kopervik



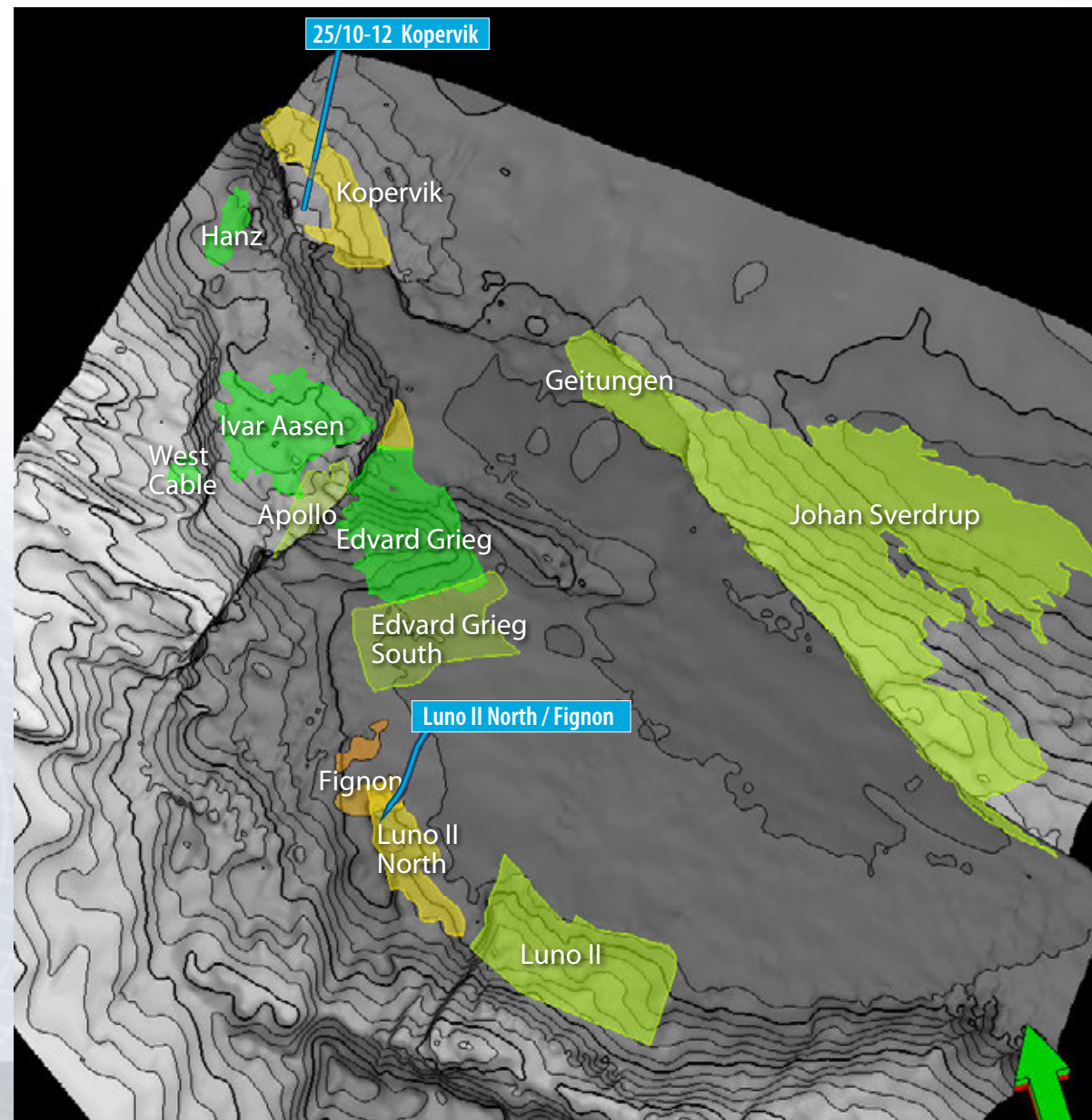
## PL359 (40%, operator)

- Luno II North / Fignon Prospect
- Drilling in Q3 2014
- Gross prospective resources: 46 MMboe
- Dual target well aiming at Luno II North and the overlying Fignon prospect

## PL625 (40%, operator)

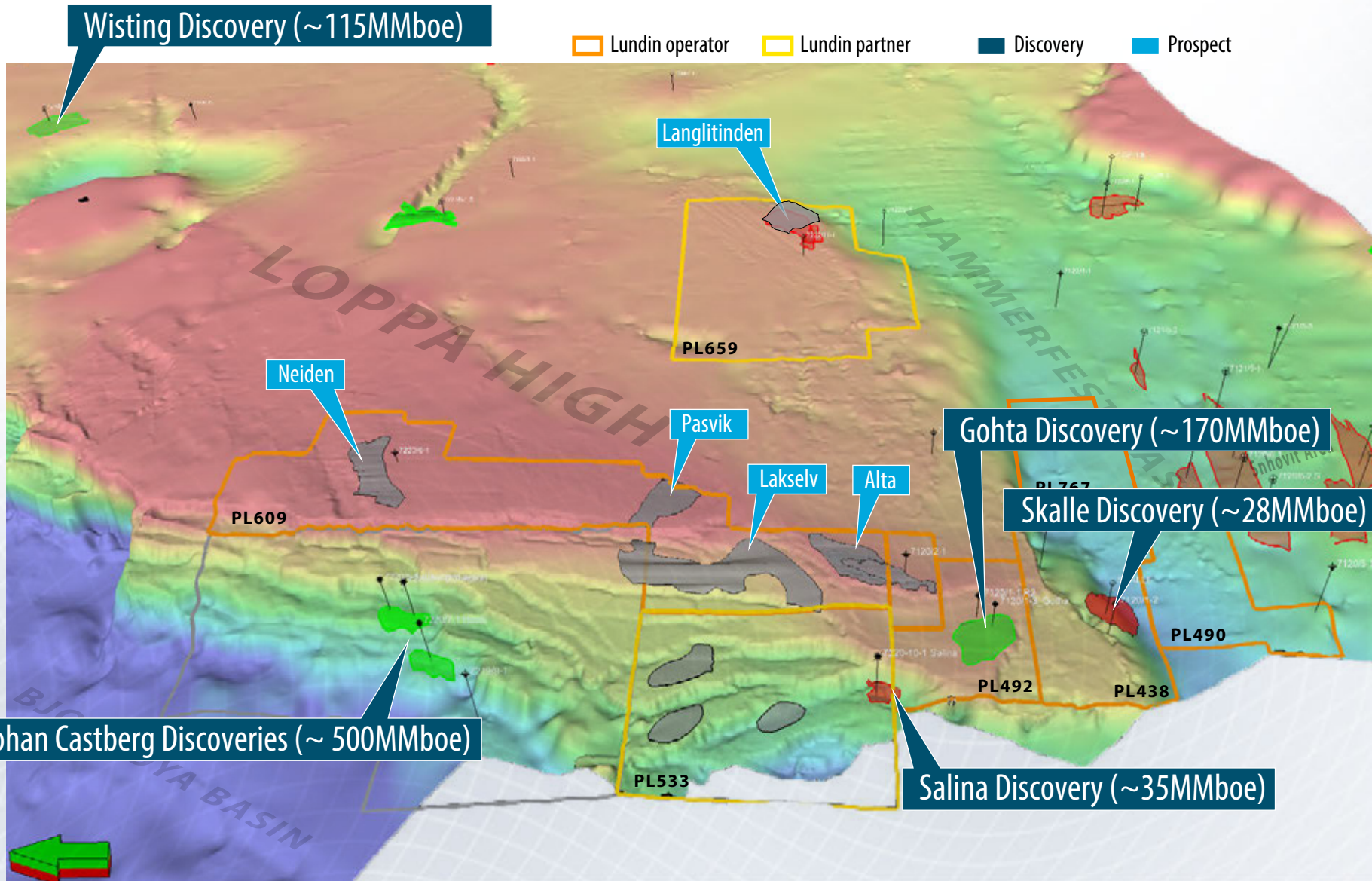
- Kopervik Prospect
- Drilling in Q1 2014
- Gross prospective resources: 163 MMboe<sup>(1)</sup>
- Stratigraphic pinchout, targeting Jurassic sands

Field      Discovery      Prospect



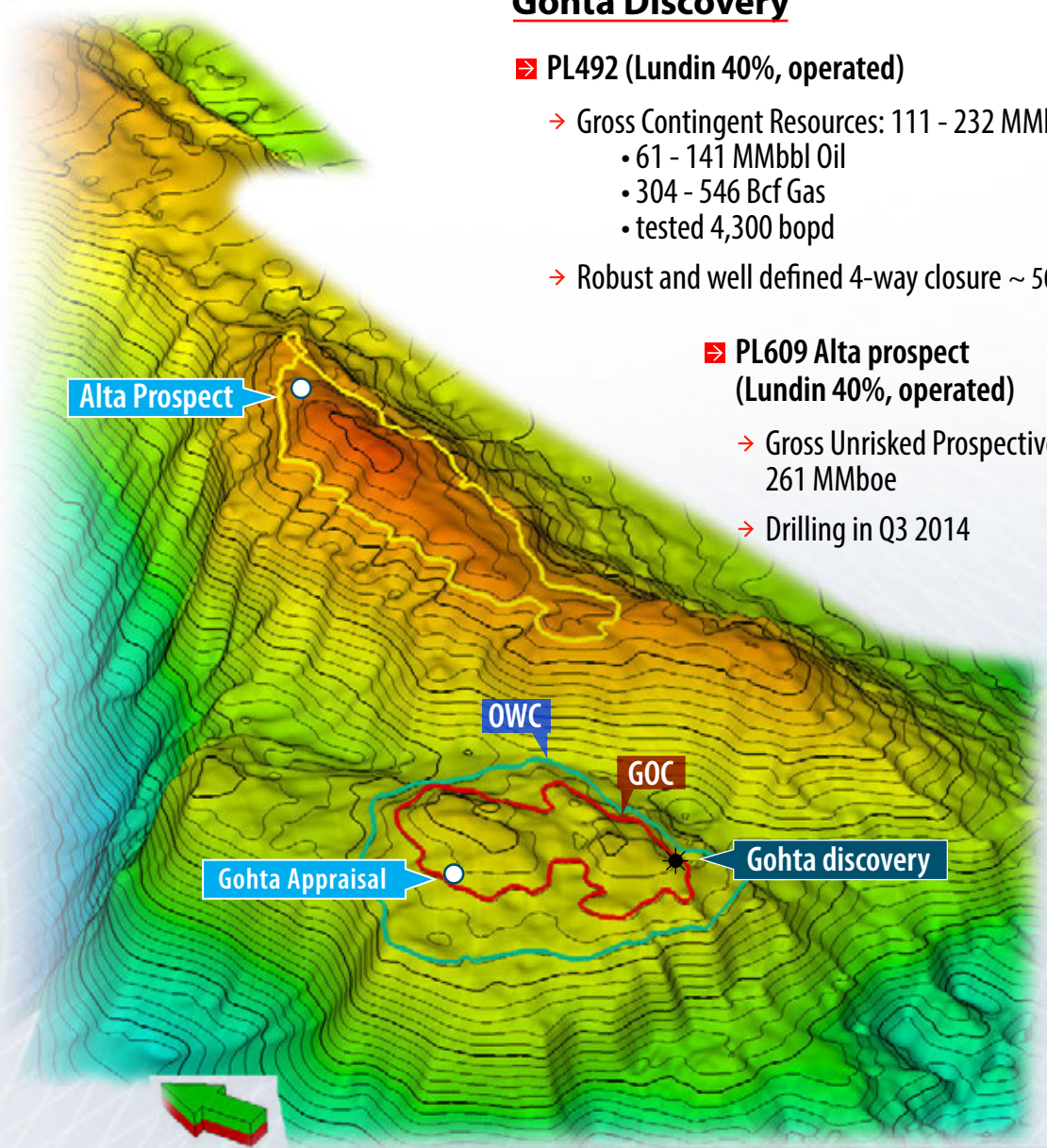
<sup>(1)</sup> includes prospective resources on PL167 (20% W.I.)

# Barents Sea - Diversity of Play Models on the Loppa High



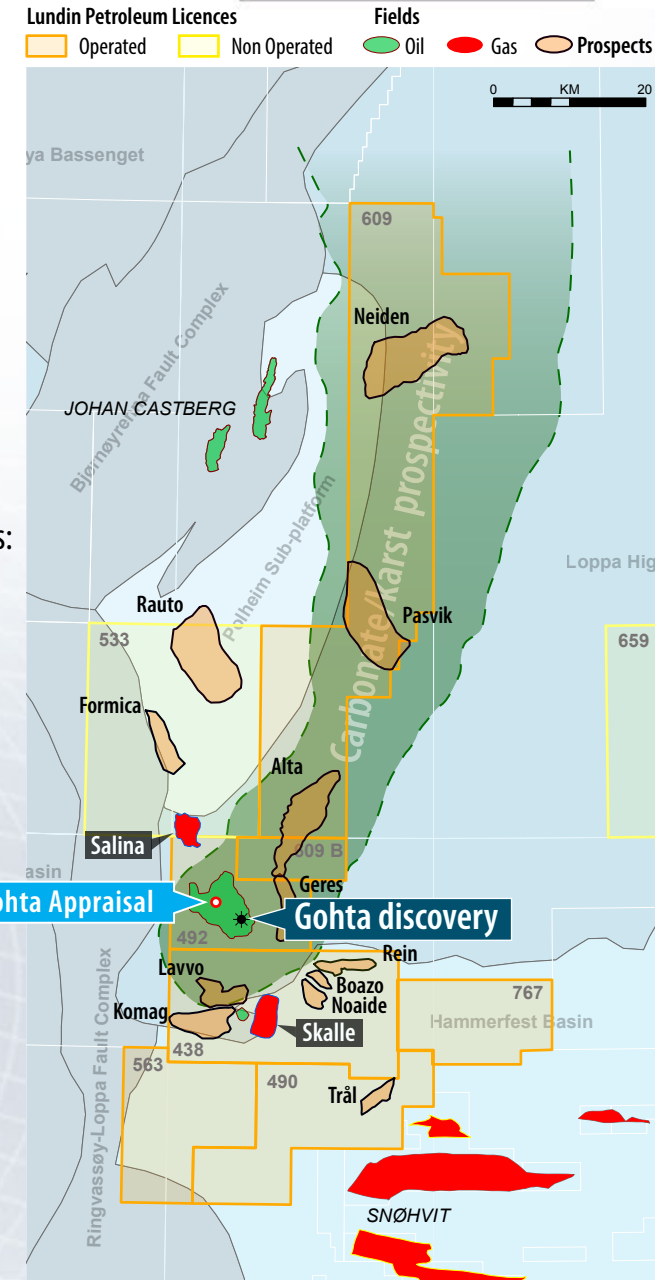
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# Barents Sea - Gohta Discovery & PL609 Prospects/Leads



## Gohta Discovery

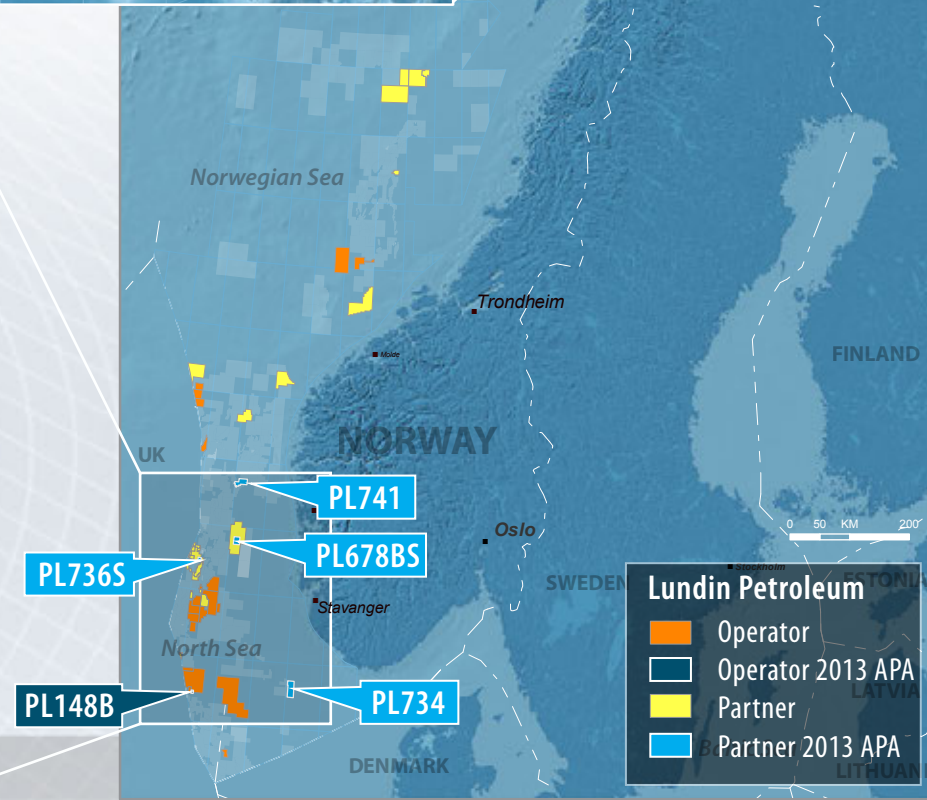
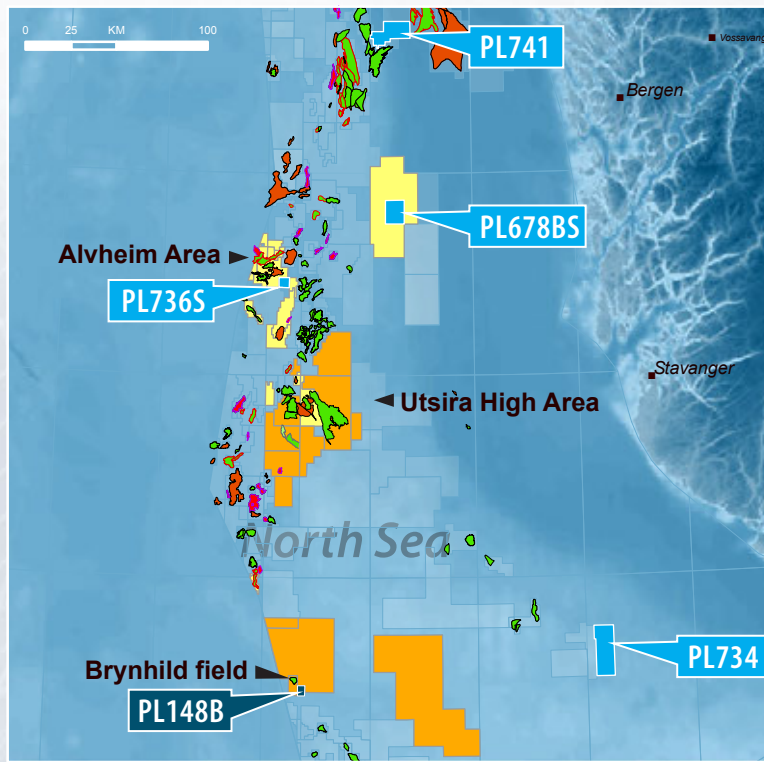
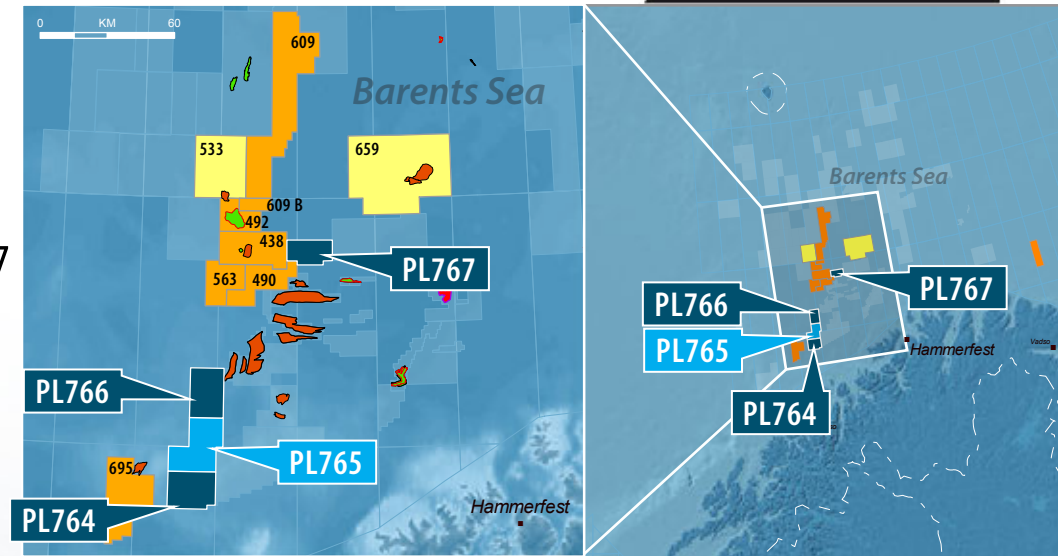
- **PL492 (Lundin 40%, operated)**
  - ➔ Gross Contingent Resources: 111 - 232 MMboe
    - 61 - 141 MMbbl Oil
    - 304 - 546 Bcf Gas
    - tested 4,300 bopd
  - ➔ Robust and well defined 4-way closure ~ 50 km<sup>2</sup>
- **PL609 Alta prospect (Lundin 40%, operated)**
  - ➔ Gross Unrisked Prospective Resources: 261 MMboe
  - ➔ Drilling in Q3 2014



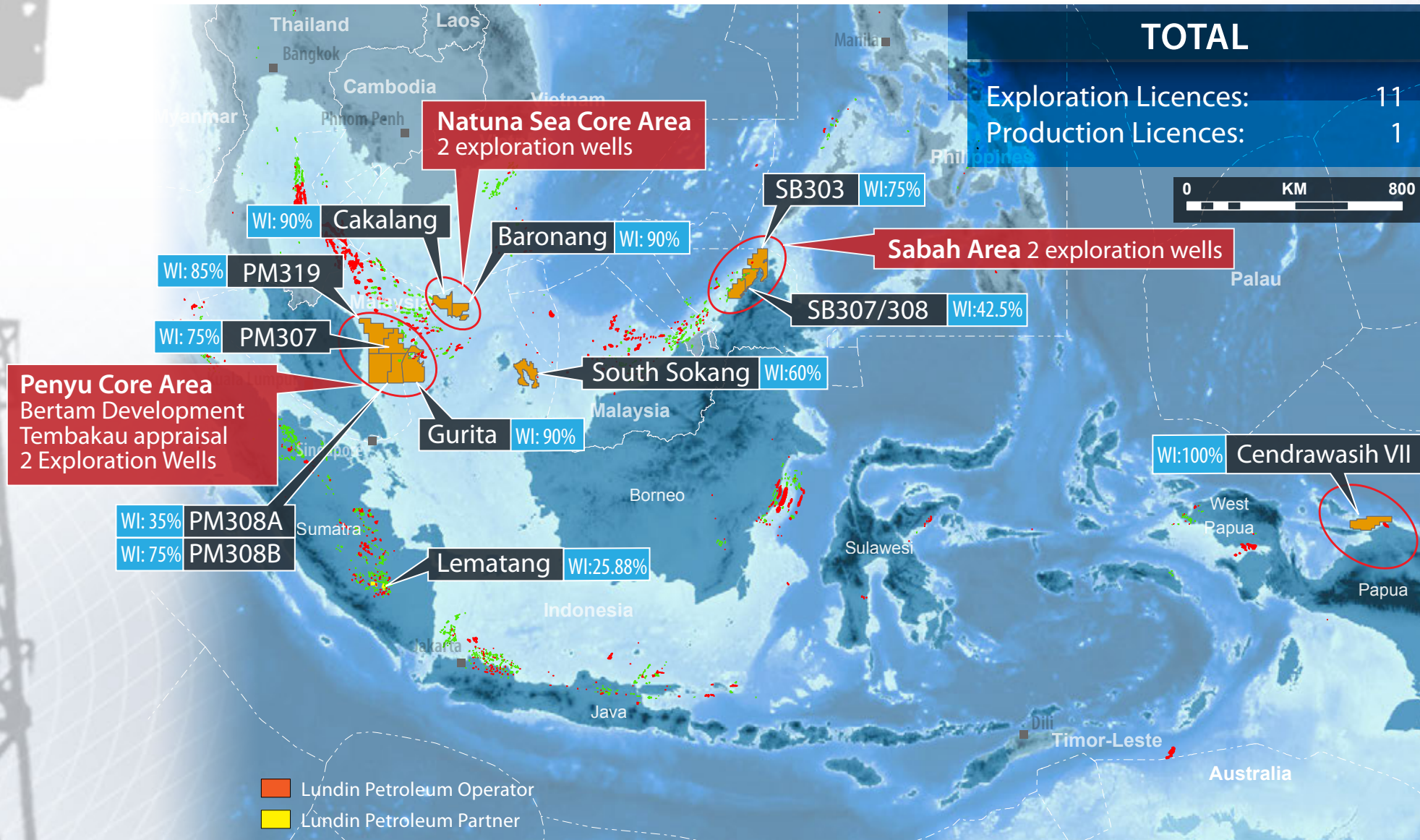
# Norway - 2013 APA Awards



- ➔ **APA 2013, 9 new licences for Lundin Petroleum**
  - ➔ 4 as operator: PL148B, PL764, PL766, PL767
  - ➔ 5 as partners: PL678BS, PL734, PL736S, PL741, PL765
- ➔ **Joint second largest licence winner in the 2013 APA**



# South East Asia 2014 Highlights



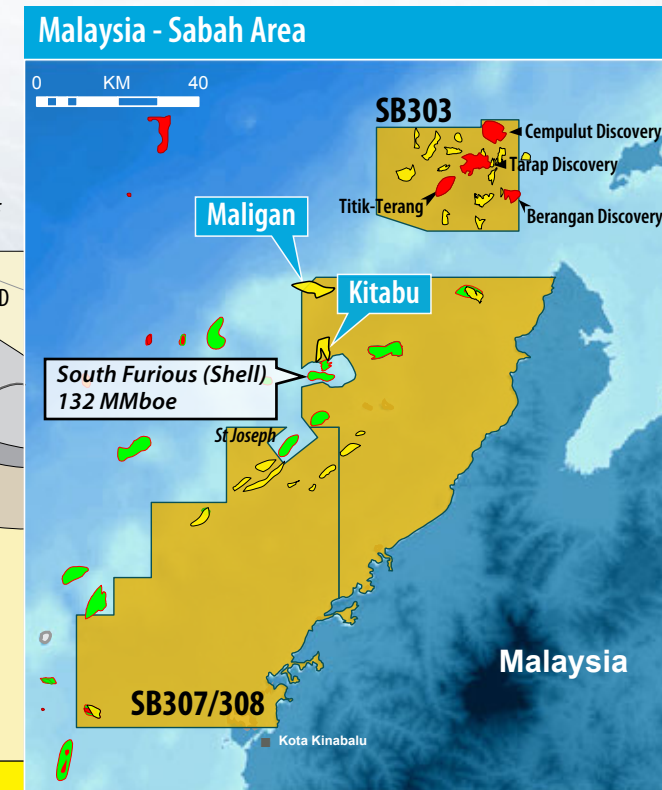
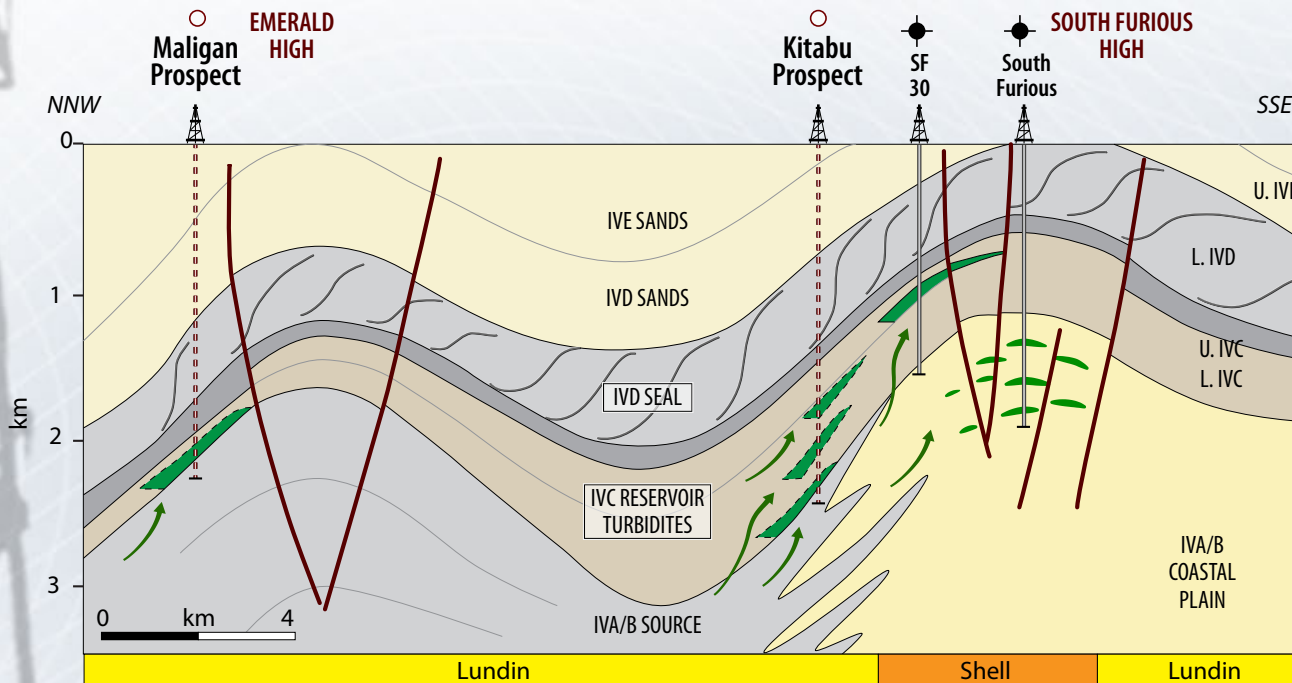
# Malaysia - Sabah Area - SB307/308 Prospects



## SB307/308 (42.5%, Operator)

- Prospect: Kitabu
- Drilling in Q3 2014
- Gross prospective resources: 71 MMboe
- Trap: stratigraphic onlap and pinchout
- Reservoir: Miocene turbidite sands

- Prospect: Maligan
- Drilling in Q4 2014
- Gross prospective resources: 133 MMboe
- Trap: stratigraphic onlap and pinchout
- Reservoir: Miocene turbidite sands



# 2014 Exploration & Appraisal Drilling Schedule



Country	Licence - Prospect	Well type	Operator	LUPE%	NUPR <sup>(1)</sup>	CoGS% <sup>(2)</sup>	NRPR <sup>(3)</sup>	2013	2014					
								Q4	Q1	Q2	Q3	Q4		
1 Norway	PL501 - Johan Sverdrup 16/3-7	app	Lundin	40.00	–	–	–	Completed successfully						
2 Norway	PL410 - Luno II App. South (16/5-5)	app	Lundin	70.00	–	–	–	Dry						
3 Norway	PL501 - Johan Sverdrup 16/3-8 (central)	app	Lundin	40.00	–	–	–		Ongoing					
4 Norway	PL359 - Luno II App. Central 16/4-8	app	Lundin	40.00	–	–	–							
5 Norway	PL584 - Lindardormen	exp	Lundin	60.00	86	23%	20							
6 Norway	PL501 - Torvastad	exp	Lundin	40.00	–	–	–	Ongoing						
7 Norway	PL338 - E. Grieg SE App.	app	Lundin	50.00	–	–	–							
8 Norway	PL625 - Kopervik	exp	Lundin	40.00	54	43%	23							
9 Norway	PL492 - Gohta Appraisal	app	Lundin	40.00	–	–	–							
10 Norway	PL609 - Alta	exp	Lundin	40.00	104	23%	24							
11 Norway	PL359 - Luno II North - Fignon	exp	Lundin	40.00	19	36-40%	7							
12 Norway	PL631 - Vollgrav	exp	Lundin	60.00	34	25%	9							
13 Norway	PL555 - Storm	exp	Lundin	60.00	52	20%	10							
14 Norway	PL330 - Sverdrup prospect	exp	RWE Dea	30.00	–	–	–	Dry						
15 Norway	PL659 - Langlitinden prospect	exp	Det Norske	20.00	44	24%	11							
16 Norway	PL265 - Geitungen appraisal	app	Statoil	10.00	–	–	–							
17 Indonesia	Baronang - Balqis-1 & Boni-1	exp	Lundin	90.00	92	26-7%	14							
18 Indonesia	Gurita - Gobi-1	exp	Lundin	90.00	22	24%	5							
19 Malaysia	PM307 - Tembakau appraisal	app	Lundin	75.00	–	–	–							
20 Malaysia	PM307 - Rengas prospect	exp	Lundin	75.00	16	32%	5							
21 Malaysia	SB307&308 - Kitabu	exp	Lundin	42.50	30	30%	9							
22 Malaysia	SB307&308 - Maligan	exp	Lundin	42.50	56	21%	12							
23 France	Est-Champagne - Hoplites-1 (Nettancourt)	exp	Lundin	100.00	14	14-35%	5							

operated non operated

Netherlands 5 exploration wells not included

<sup>(1)</sup> Net Unrisked Prospective Resources (MMboe)

<sup>(2)</sup> Chance of Geological Success

<sup>(3)</sup> Net Risked Prospective Resources (MMboe)



## Conclusion



- **Solid production has resulted in continued strong cashflow and EBITDA**
  
- **Ongoing developments will double production**
  
- **Existing discoveries will quadruple production**
  
- **Continued focus on exploration. Drilling 19 exploration wells in 2014 with exposure to 620 MMboe**
  
- **Strong balance sheet to fund ongoing and future developments**
  - **USD 4 billion credit facility**

# 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.

## Reserves and Resources

Unless otherwise stated, Lundin Petroleum's reserve and resource estimates are as at 31 December 2013, 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"). Unless otherwise stated, all reserves estimates contained herein are the aggregate of "Proved Reserves" and "Probable Reserves", together also known as "2P Reserves". For further information on reserve and resource classifications, see "Reserves, Resources and Production" in the Company's annual report.

## 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. Unless otherwise stated, all Prospective Resource estimates contained herein are reflecting a P50 Prospective Resource estimate. Risked Prospective Resources reported herein are partially risked. They have been risked for chance of discovery, but have not been risked for chance of development.

## 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.

