



Lundin Petroleum



C. Ashley Heppenstall, President and CEO
Stockholm, 18 May 2005

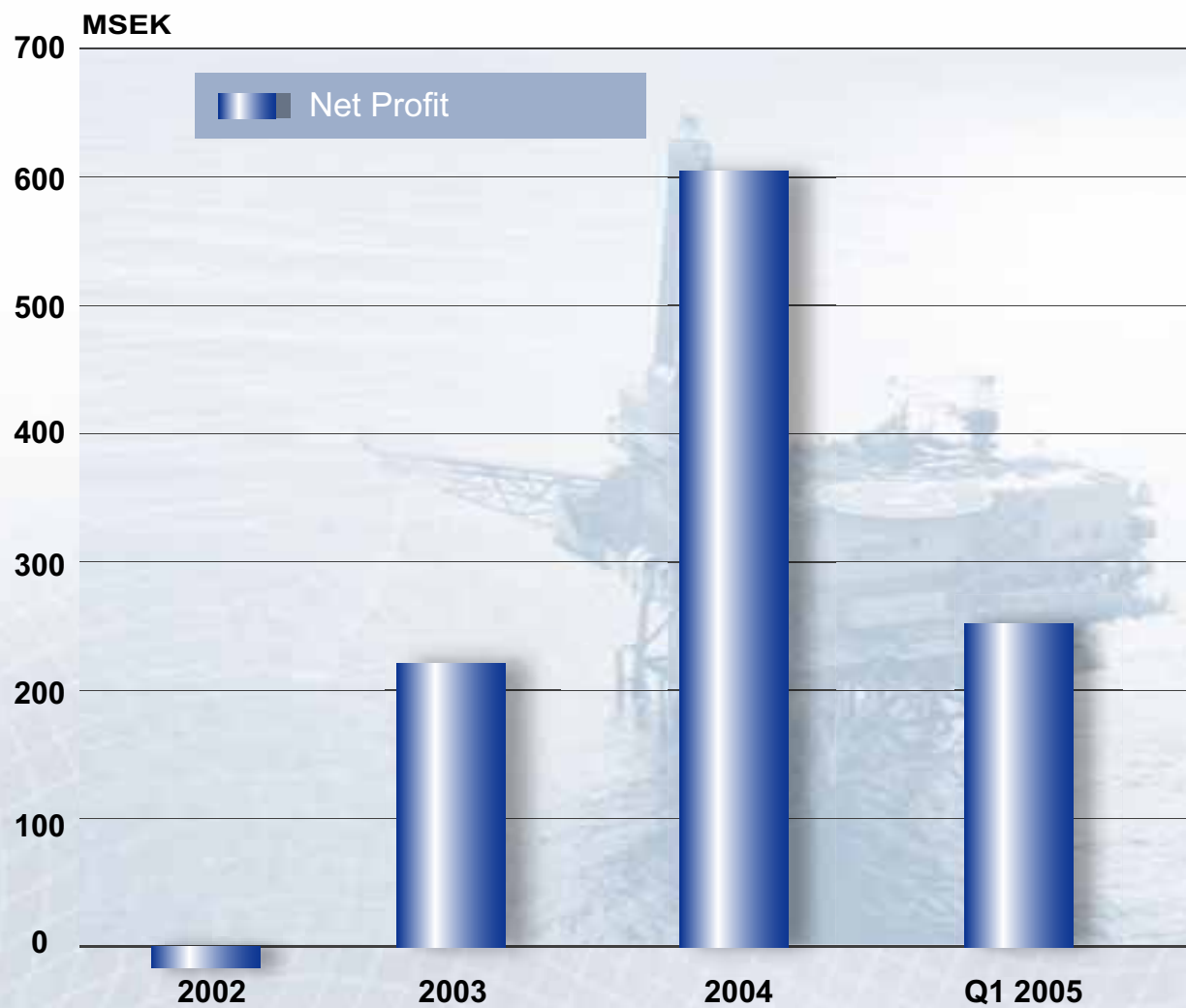


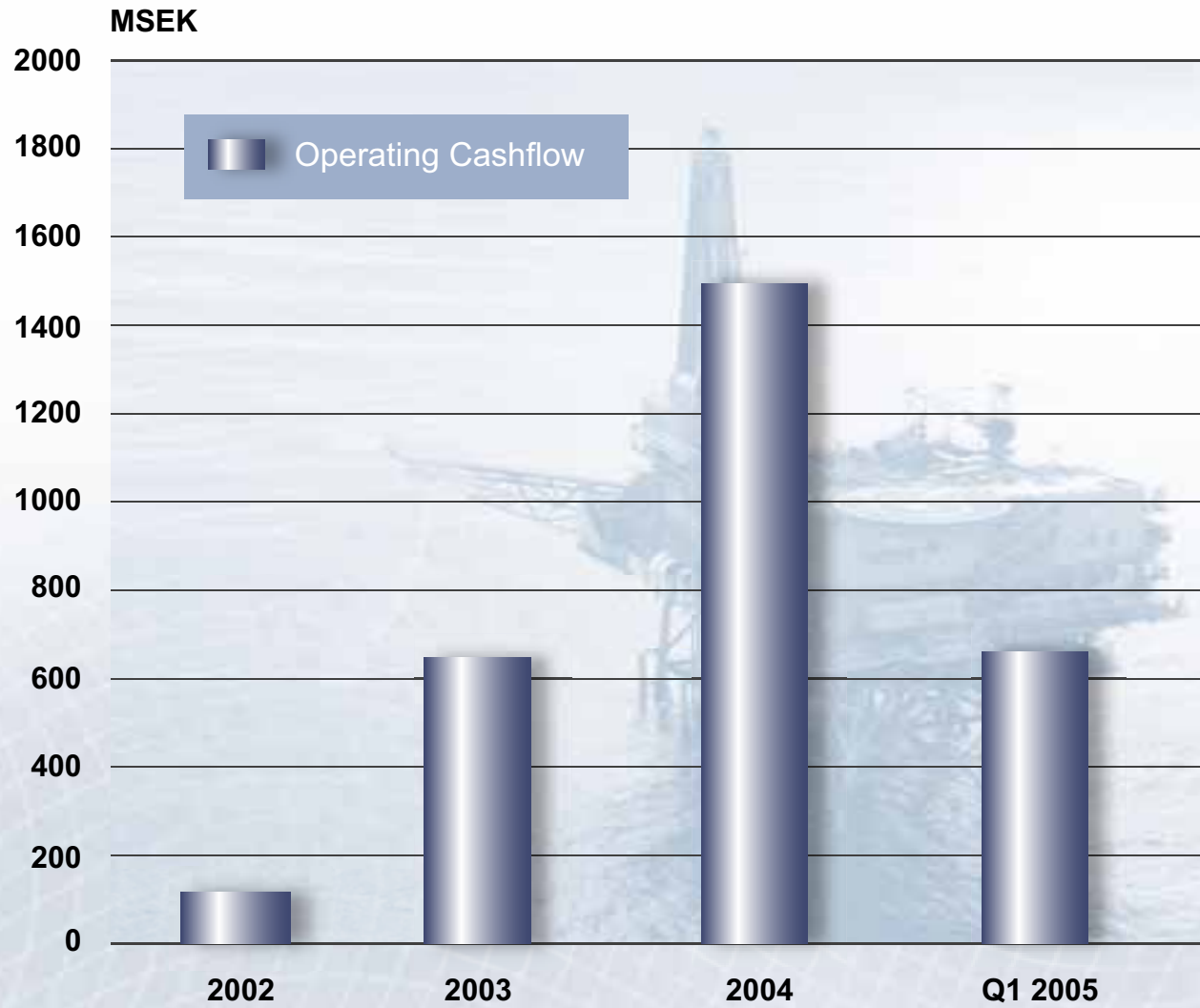
➤ Production	3.3 MMBBL / 36,135 BOEPD
➤ Oil Price	46.29 USD/BBL
➤ Turnover	954 million SEK (137.8 million USD)
➤ Net Profit	250 million SEK (35.6 million USD)
➤ Operating Cashflow	661 million SEK (95.5 million USD)

Financial Results Q1 2005 versus Q1 2004



	Q1 2005	Q1 2004	Increase
➤ Production MMBBL	3.3	1.8	+78%
➤ Oil Price USD/BBL	46.29	29.91	+55%
➤ Turnover Million SEK	954	393	+143%
➤ Net Profit Million SEK	250	76	+229%
➤ Operating Cashflow Million SEK	661	179	+269%





Balance Sheet



	31 March 2005	31 Dec 2004
➤ Fixed Assets	5,122	4,815
➤ Current Assets	1,030	769
➤ Cash	311	268
	<u>6,463</u>	<u>5,852</u>
➤ Shareholders Equity	2,397	2,370
➤ Provisions	1,518	1,498
➤ Bank Debt	1,413	1,343
➤ Current Liabilities	1,135	641
	<u>6,463</u>	<u>5,852</u>
➤ Net Debt/Equity ratio	46%	45%

all numbers in million SEK

- **Nigeria**
 - acquisition of offshore licence OML113
 - rig secured for 3Q exploration well

- **United Kingdom**
 - strong production, 22,000 boepd net
 - phase 2 of Broom project to proceed

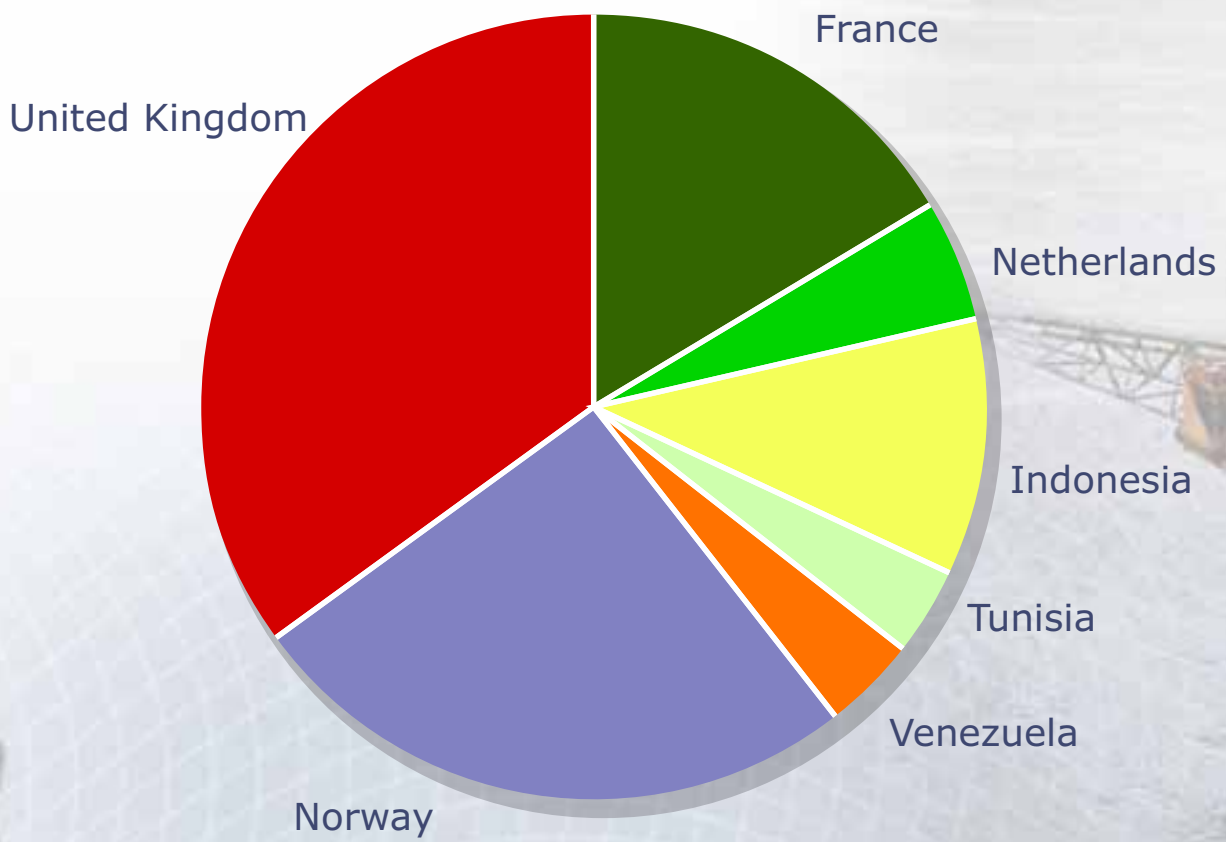
- **Norway**
 - Alvheim Project on budget/schedule

- **Tunisia**
 - Oudna field project approvals received

- **Indonesia**
 - successful TBA development wells
 - first production 3Q 2005

142.6 MMBOE

..... Proven and Probable Reserves at 1 January 2005



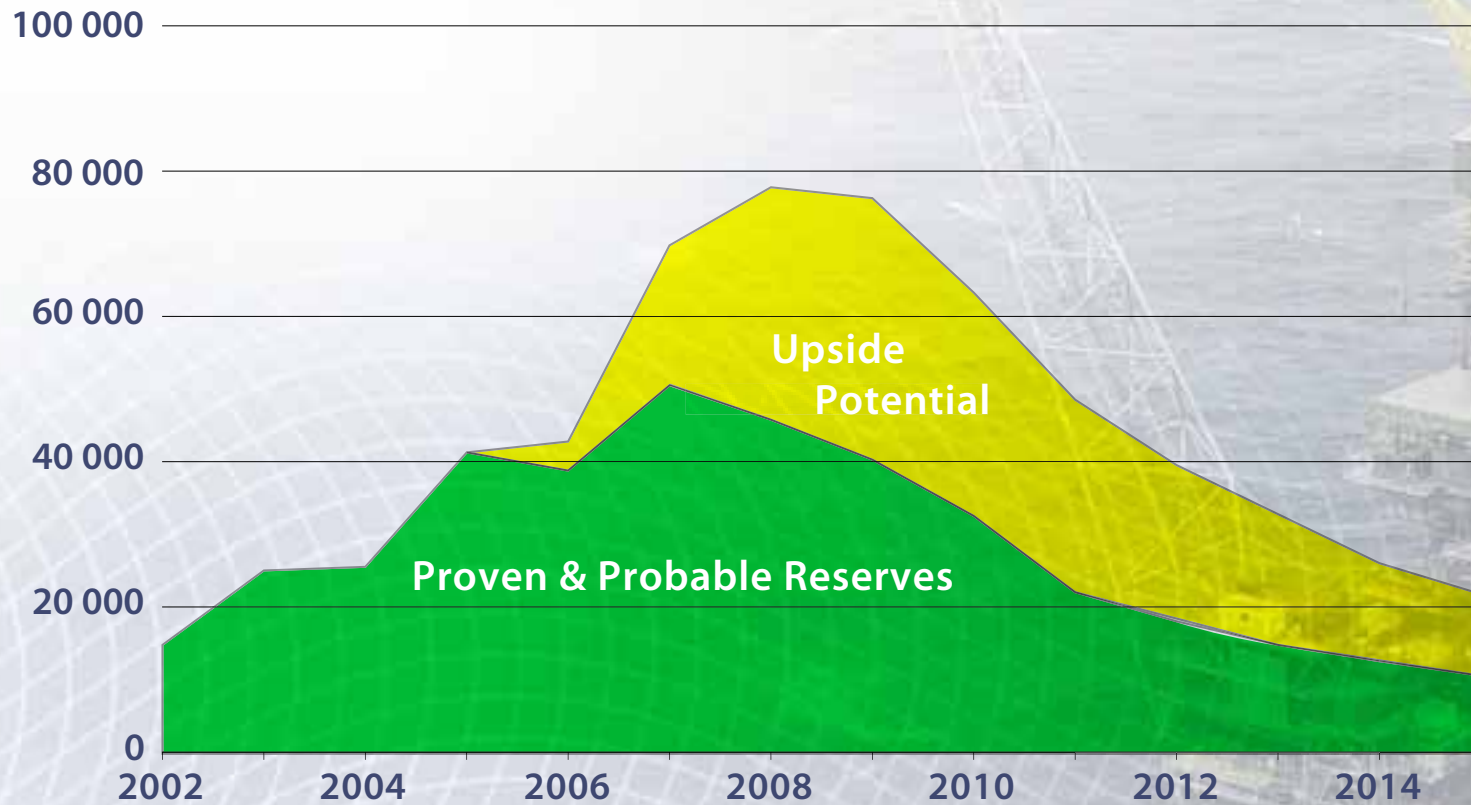
➔ **23 % annual increase**

➔ **274% reserves replacement ratio**

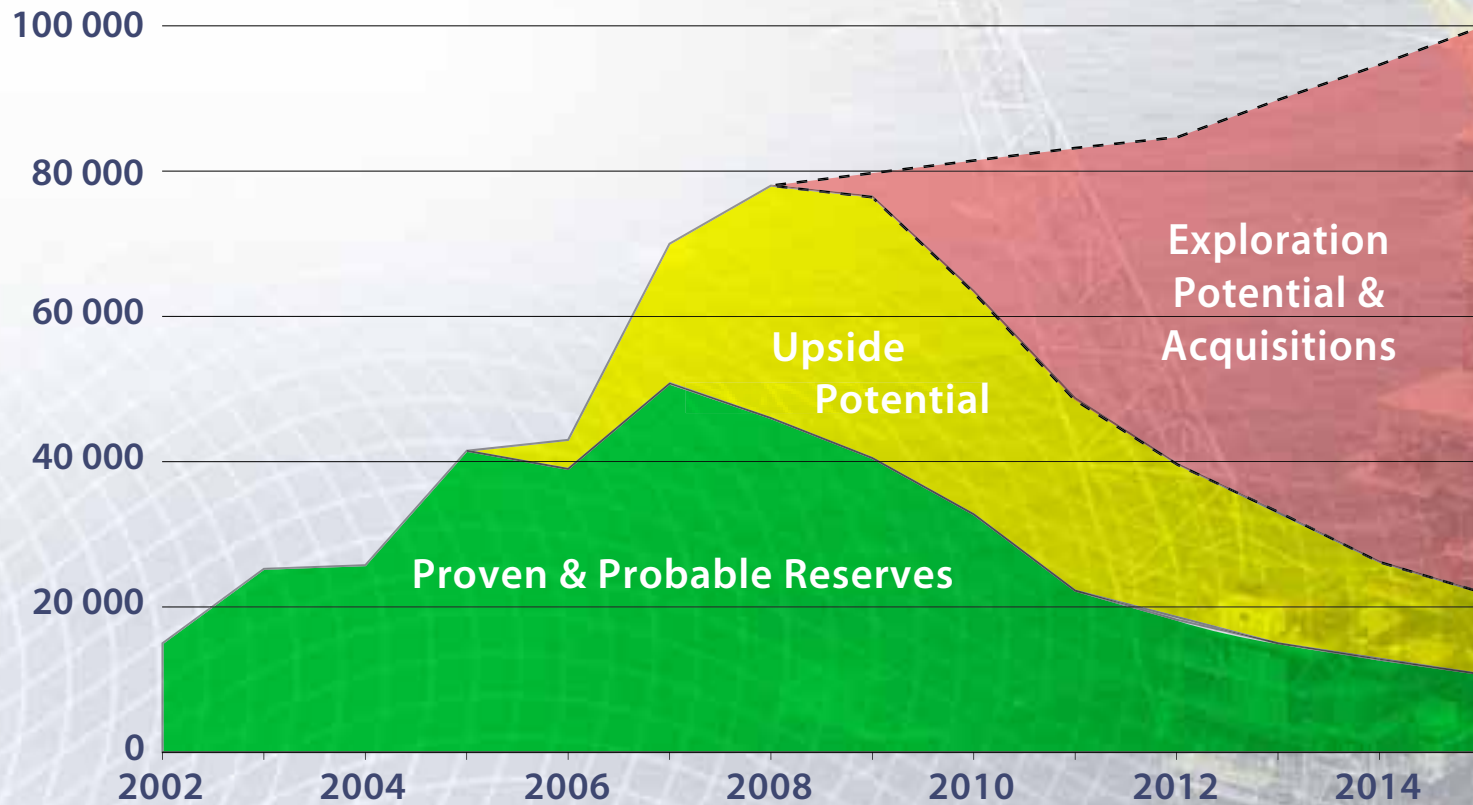
Proven & Probable Reserves (BOEPD)



Upside Potential (BOEPD) : Nigeria - Aje
Norway - Hamsun, Norway - PL292
UK - Heather/Thistle



Exploration and Acquisitions Potential (BOEPD)



SEK 1,372 million (USD 196 million) Capital Development Budget

- North Terrace / West Heather development offshore UK
- Alvheim development offshore Norway
- Oudna development offshore Tunisia

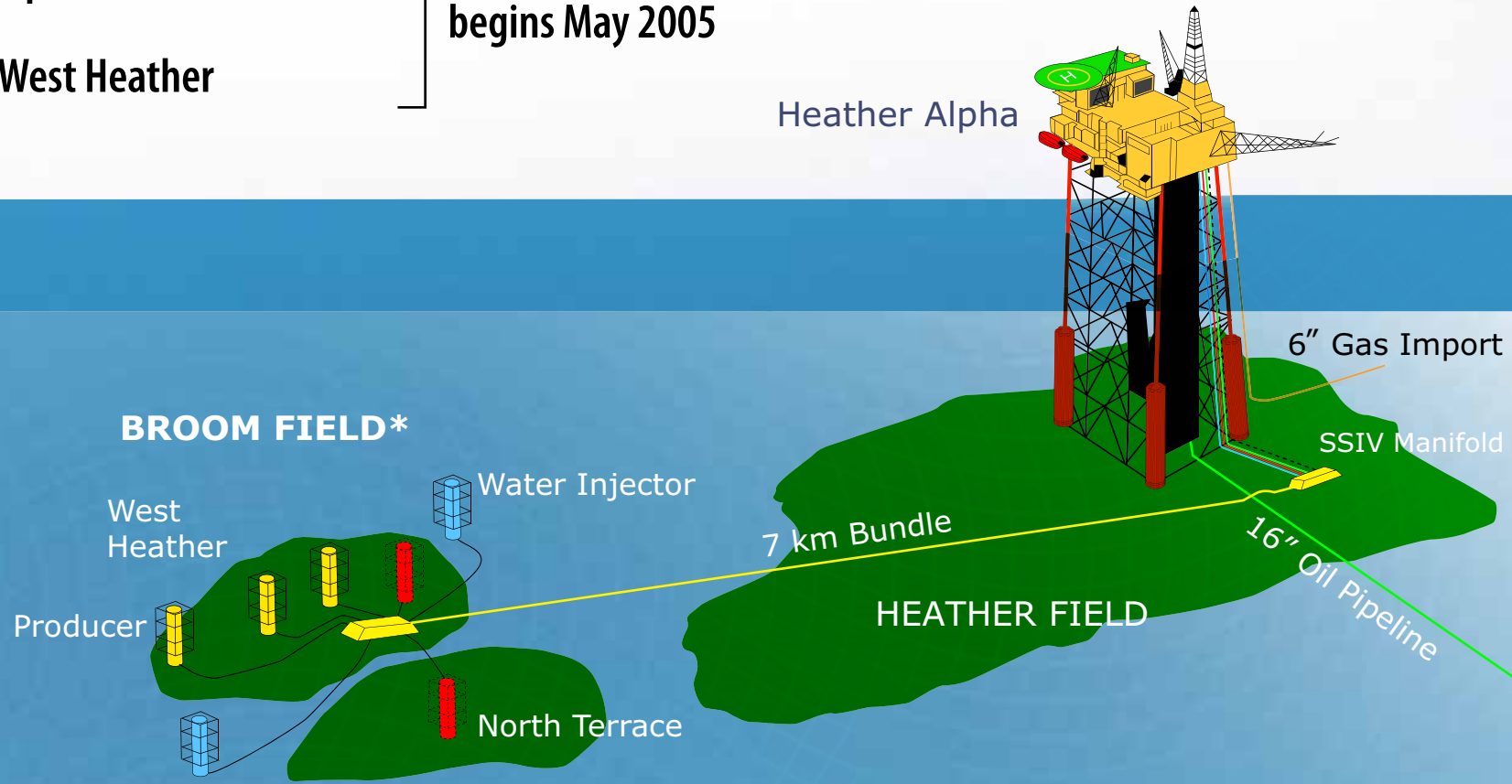
SEK 385 million (USD 55 million) Exploration Budget

- Drilling activities
- Indonesia
 - Nigeria
 - France
 - Norway
 - Netherlands

Broom Project Description

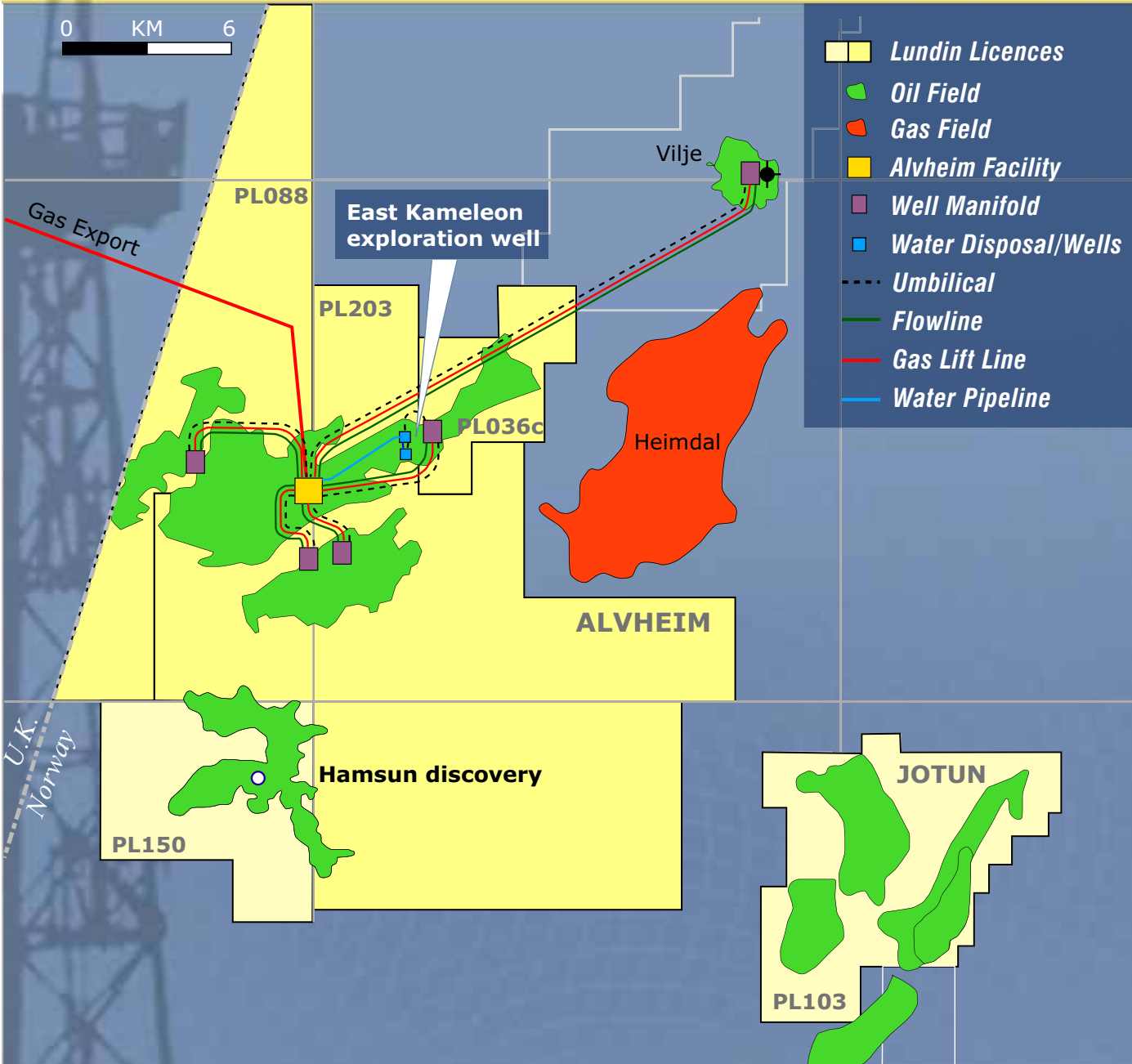


- ➔ First oil 3 August 2004
 - ➔ Current gross production >25,000 BOPD
 - ➔ Development of North Terrace
 - ➔ Infill West Heather
- begins May 2005



*(Lundin Petroleum WI 55%)

Alvheim Area / Hamsun / Jotun



- **Alvheim project (15%)**
 - development plan approved 2004
 - 15 wells (13 prod., 2 water disposal)
 - FPSO development - shuttle tanker oil export to Norway and gas pipeline to UK
 - first oil 2007 - 85,000 boepd (gross)
 - 180 MMboe reserves (gross)
 - East Kameleon exploration well 2005

- **Hamsun (35%)**
 - exploration discovery in 2004
 - development studies ongoing

Norway / UK - Offshore

PL304 - Lundin Petroleum 60% (operator)

- ➔ Marathon 40%
- ➔ Acquired from Exxon in December 2004

PL338 - Lundin Petroleum 100%

- ➔ Block awarded in December 2004

PL340 - Lundin Petroleum 15%

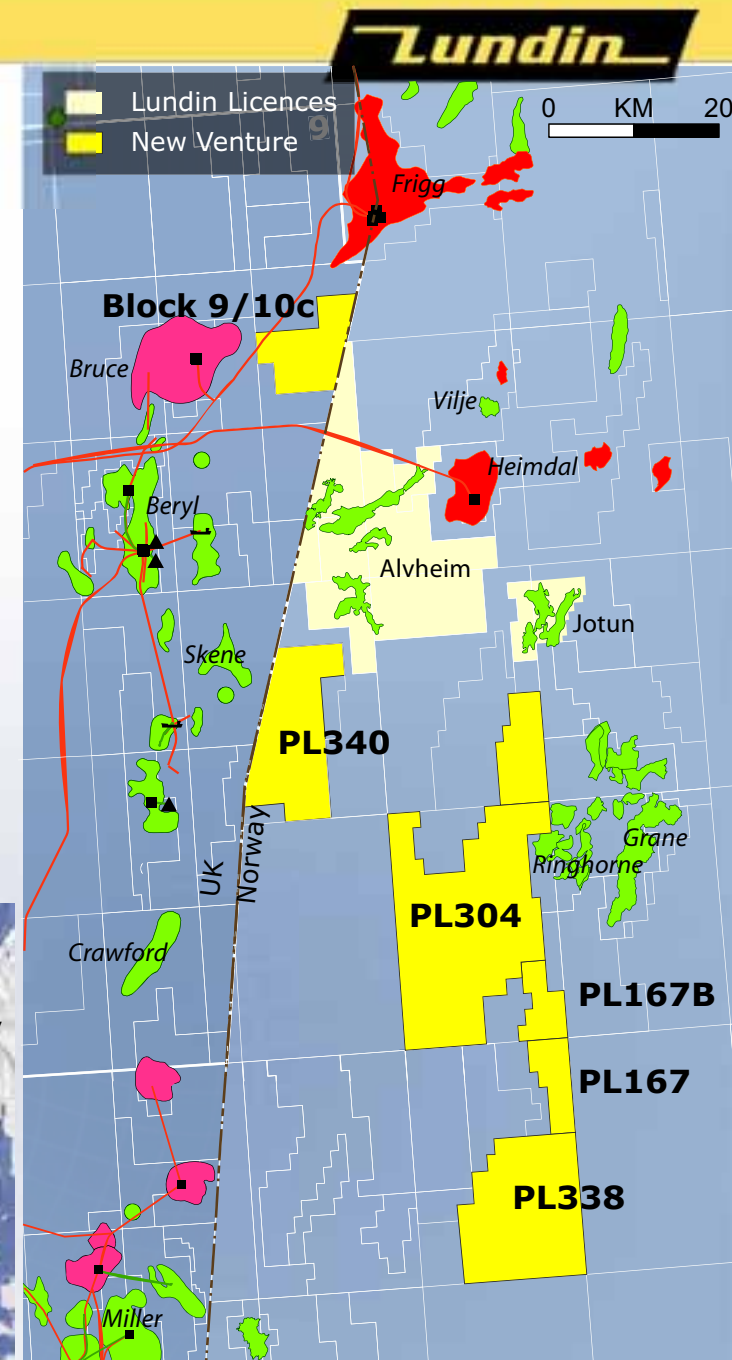
- ➔ Marathon 65%(operator), ConocoPhillips 20%
- ➔ Block awarded in December 2004

Block 9/10c - Lundin Petroleum 60%

- ➔ Genesis 40% (operator)



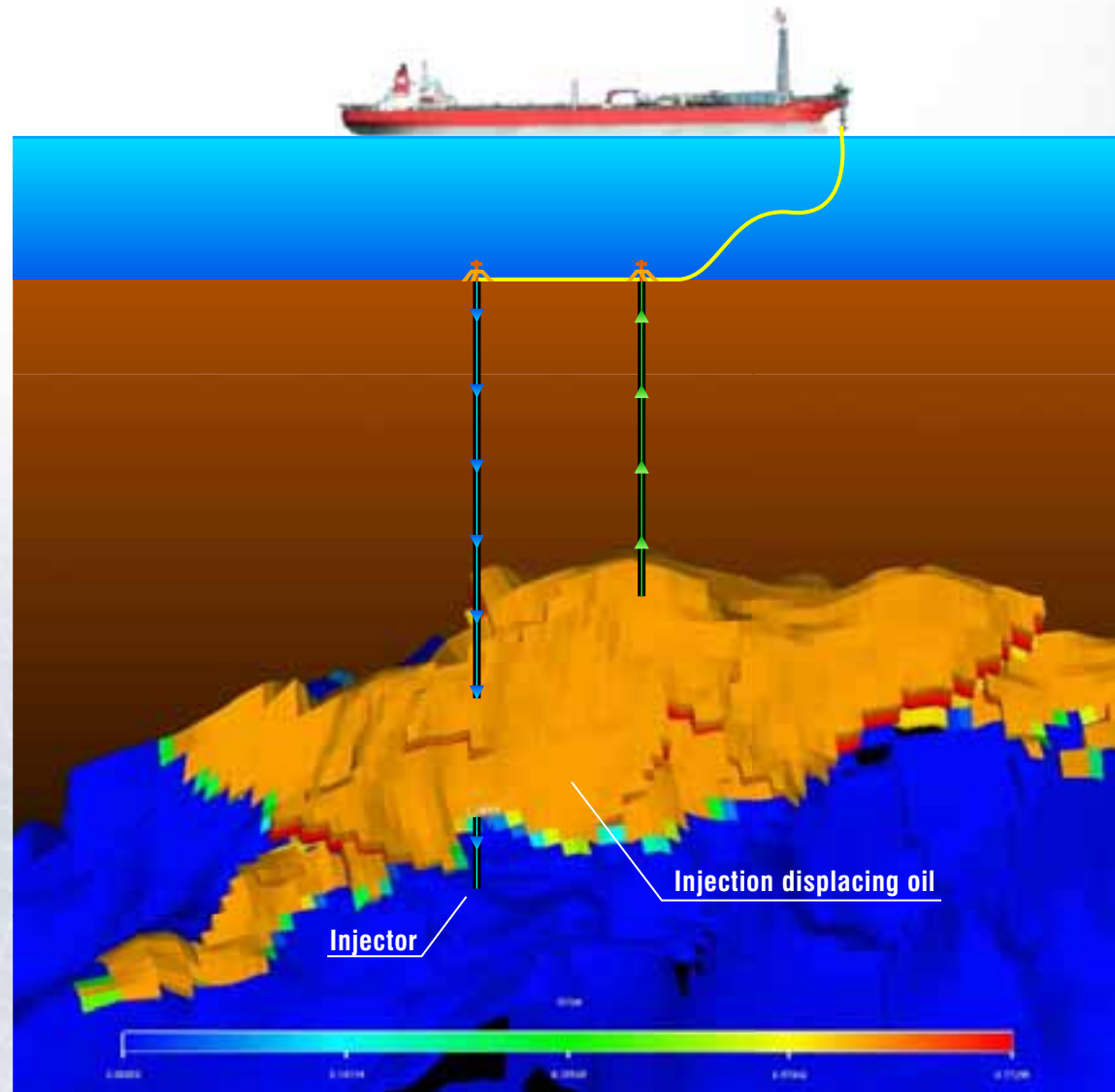
Active drilling programme in 2006



Oudna Field Development



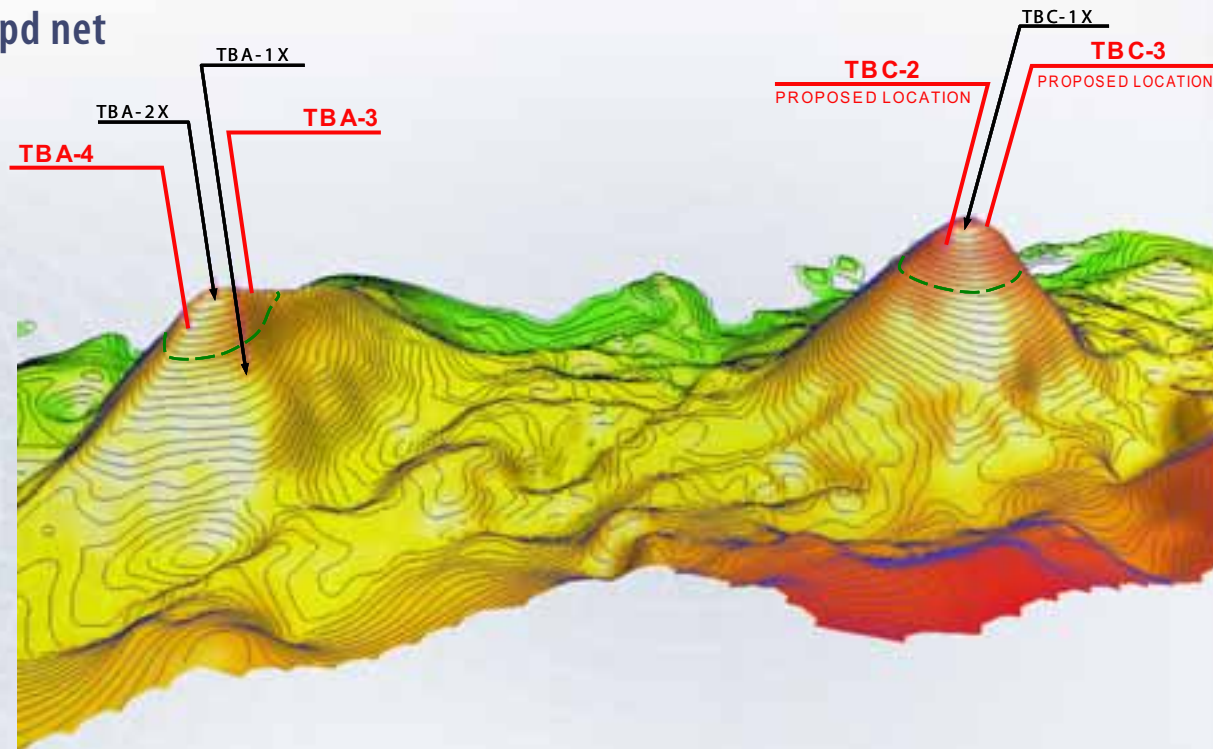
- Lundin Petroleum 50% (operator)
Atlantis 50%
- Development Plan approval received
- Drilling start up 2006
- First oil end 2006
- Initial production 20,000 bopd (gross)
- Gross reserves 9.5 MMBO
- Total project costs USD 93 MM (gross)
- Commercial issues resolved with ETAP



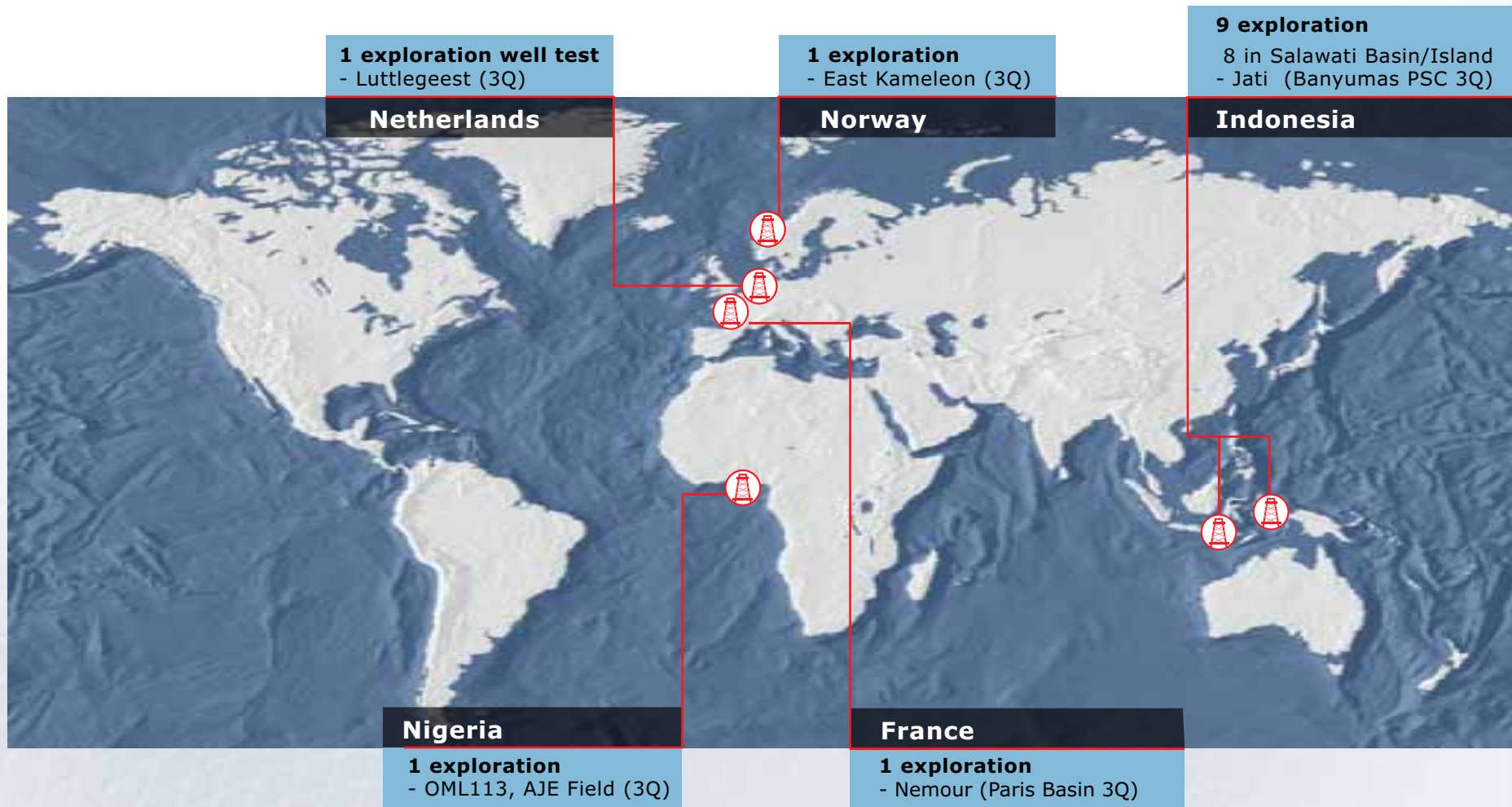
Development - Indonesia - TBA



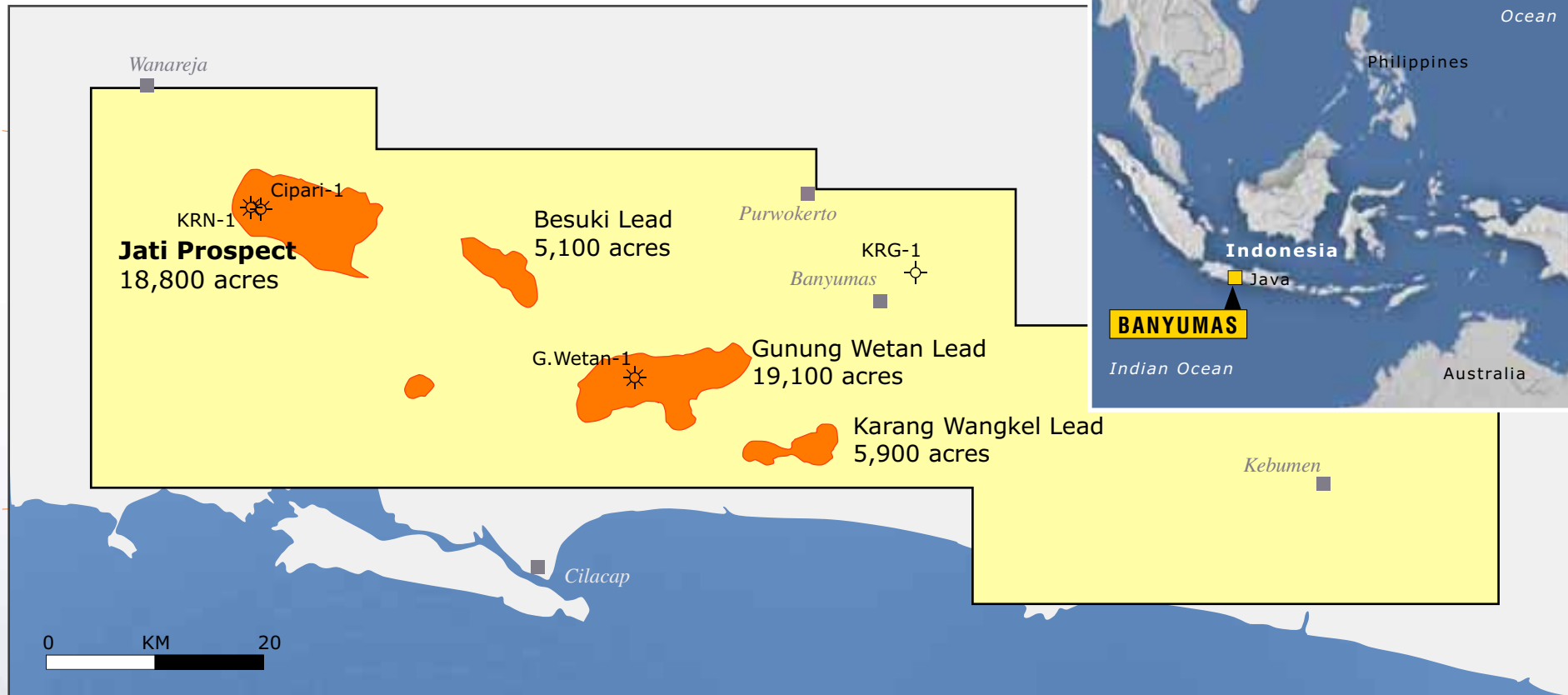
- ➔ Offshore Salawati Island (Lundin 14.5122%)
- ➔ TBA-3 and TBA-4 tested over 4,000 bopd from each well
- ➔ First production 3Q 2005
- ➔ Initial production rate over 1000 bopd net



Exploration - Activity Summary



Indonesia, Banyumas Block - Jati Prospect

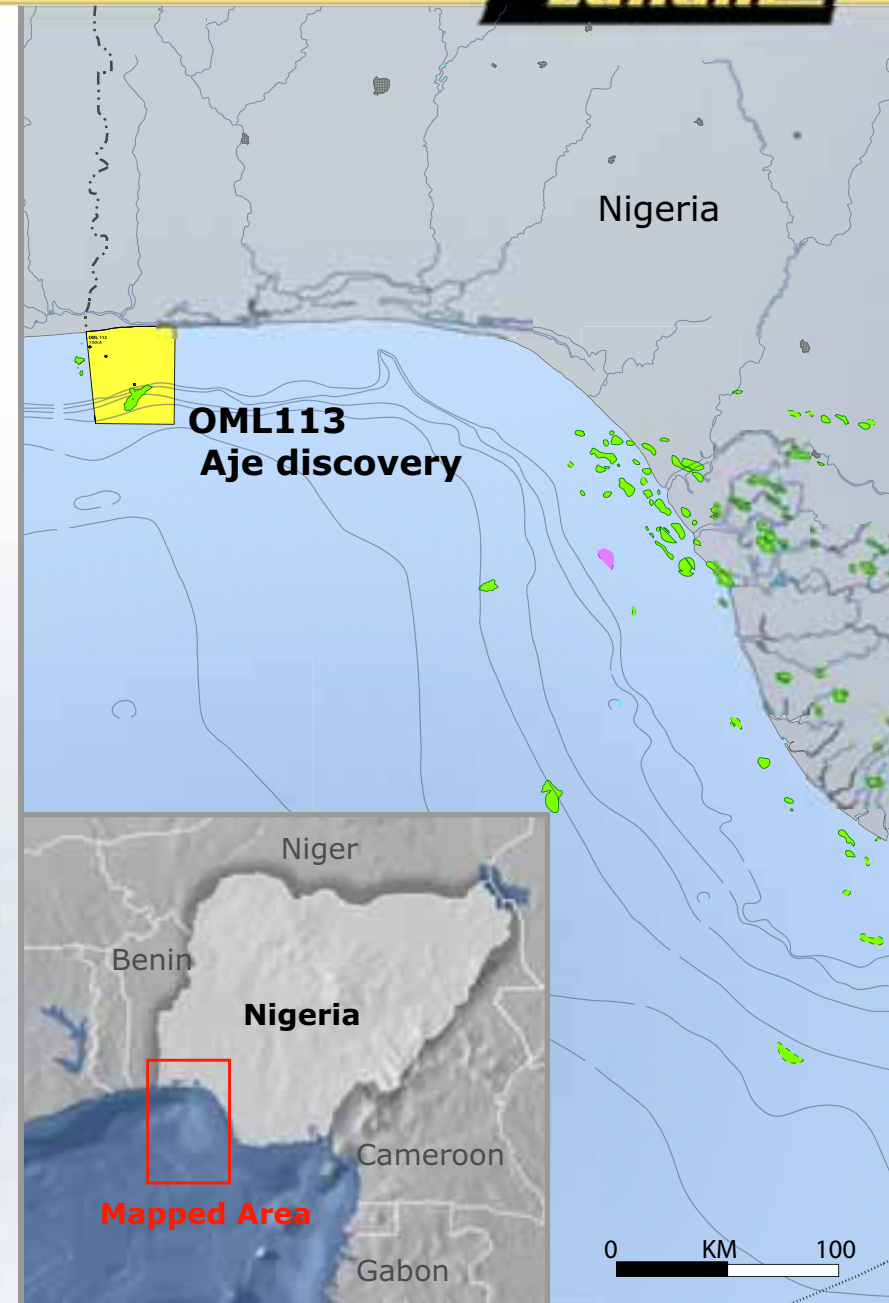


- Lundin Petroleum 25% (operator)
ConocoPhillips 25%
Star Energy 50% (becomes operator at development phase)
- Lundin Petroleum fully carried through first exploration well to be drilled 3Q 2005

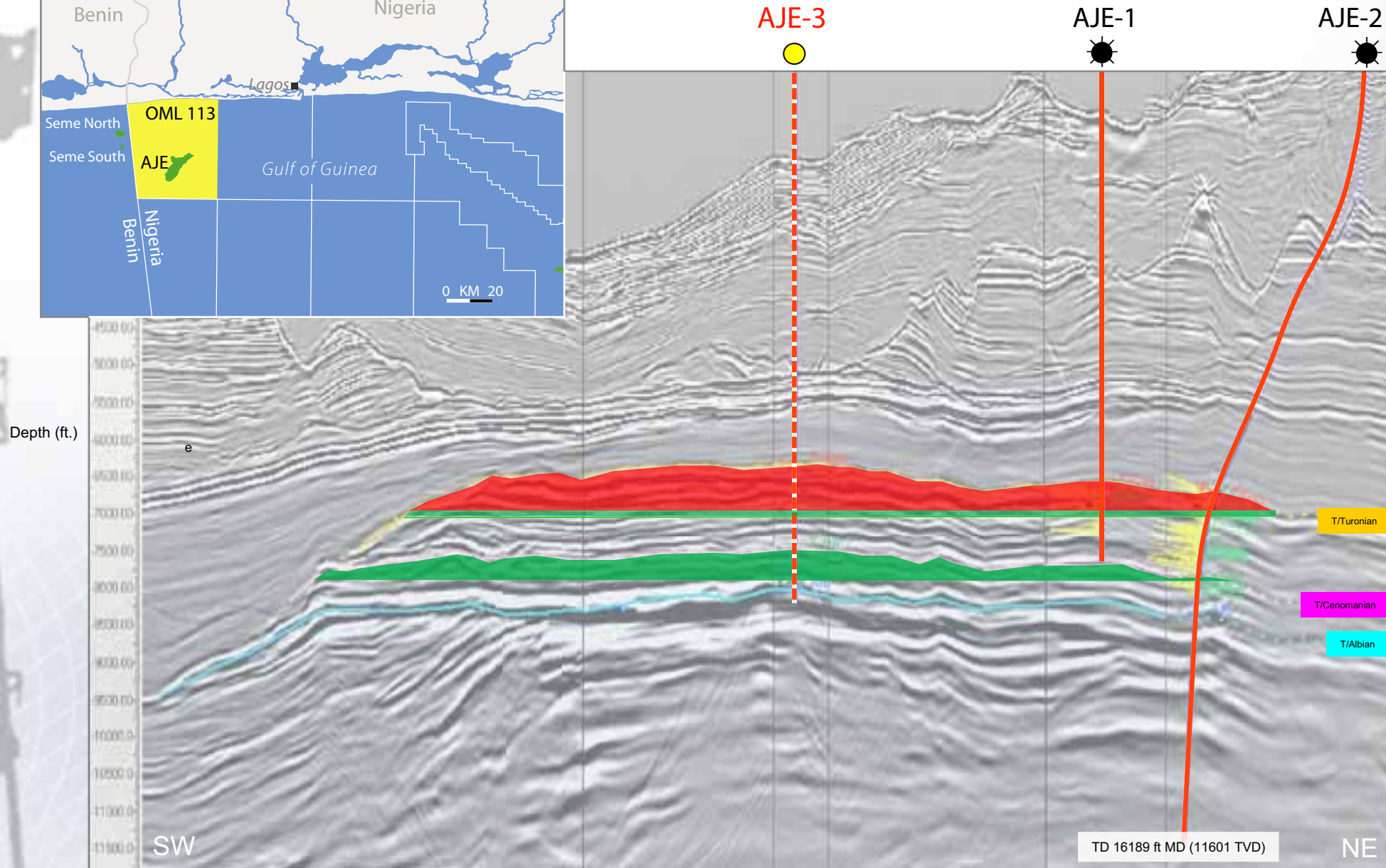
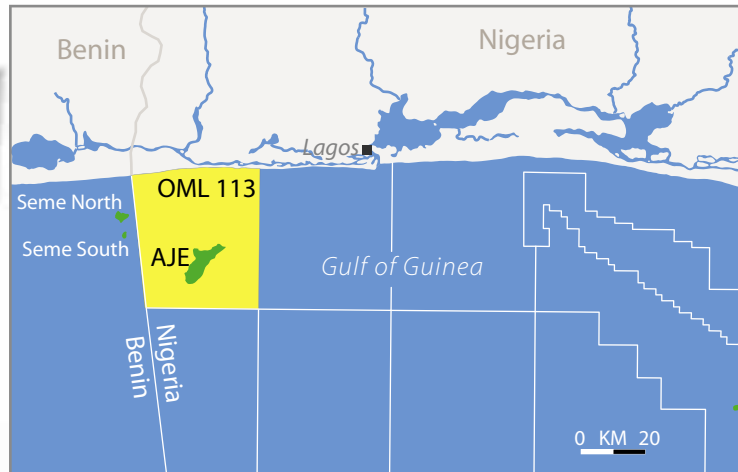
Exploration - Nigeria, OML113



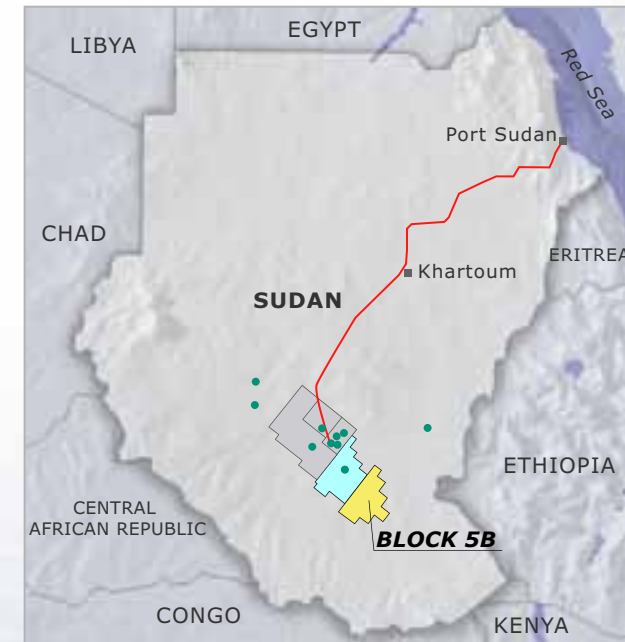
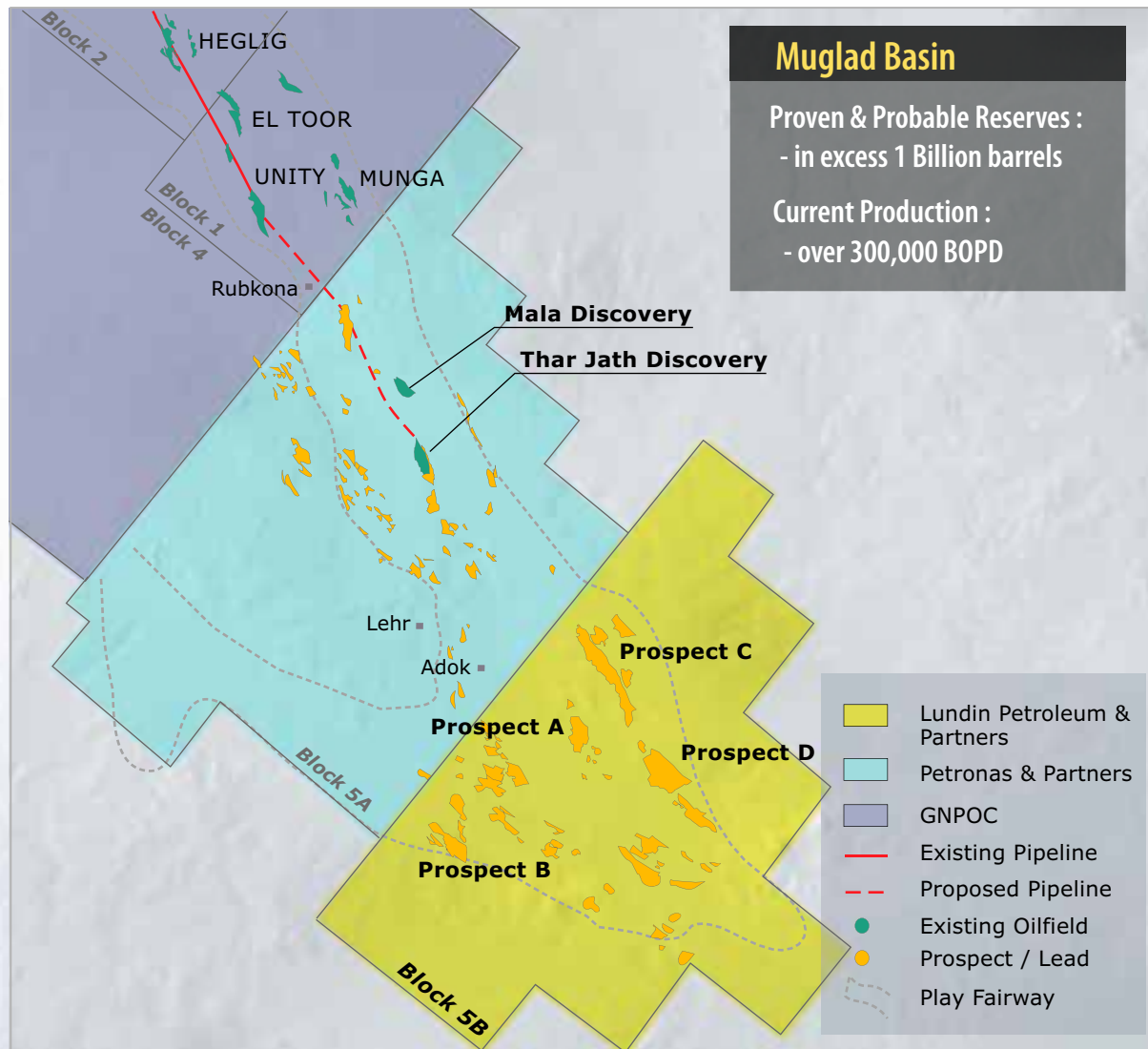
- ➔ Lundin Petroleum (technical advisor): 22.5% net revenue interest
- ➔ Aje-1 tested 60 mmcfd + 1729 bc/d in the gas cap and 2389 bop/d from an interval in the oil zone from Turonian sand
- ➔ Aje-2 confirmed oil, gas and condensate in Turonian sand. It discovered a deeper oil play in the Cenomanian sand which flowed 3866 bop/d 44° API crude
- ➔ Reservoir depth 6700-8000 feet. Water depth 300-5000 feet
- ➔ 450,000 acre development licence valid until July 2018
- ➔ Aje-3 to be drilled in 3Q to prove up significant oil reserves



Nigeria OML113 - Aje Fyndigheten



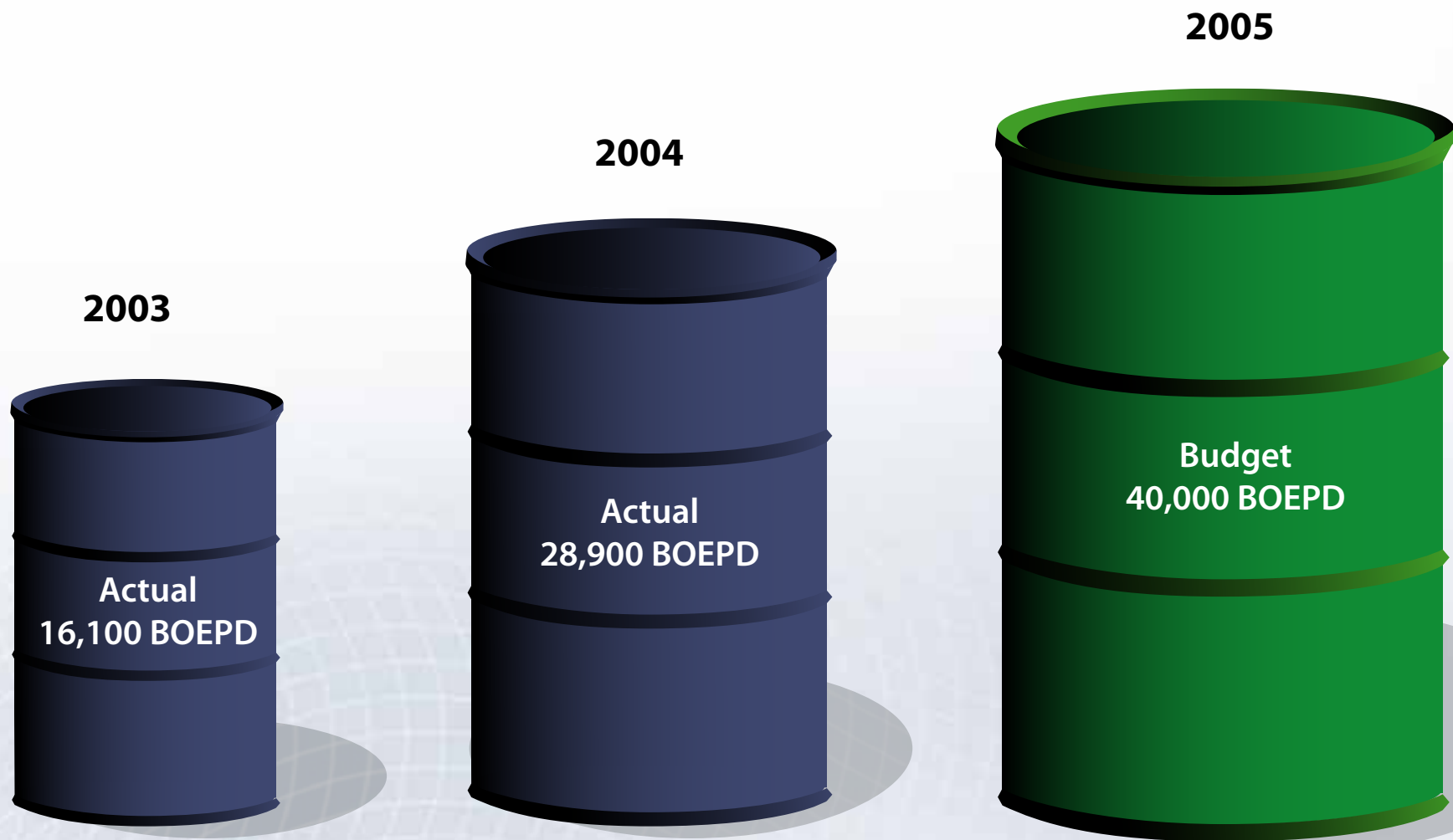
Exploration - Sudan, Block 5B



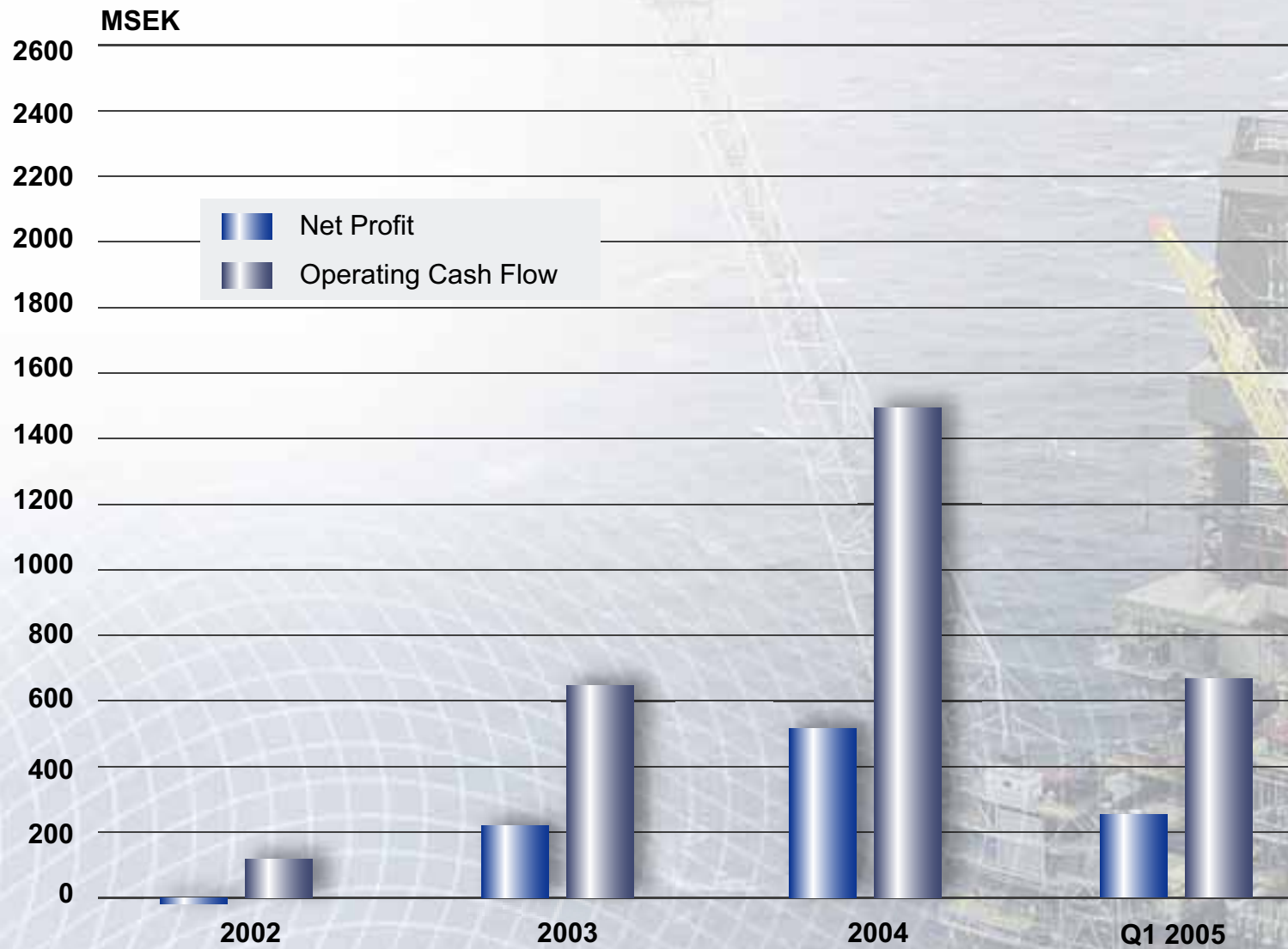
➔ 1 Exploration Licence : Block 5B

➔ Operator : Petronas/Sudapet

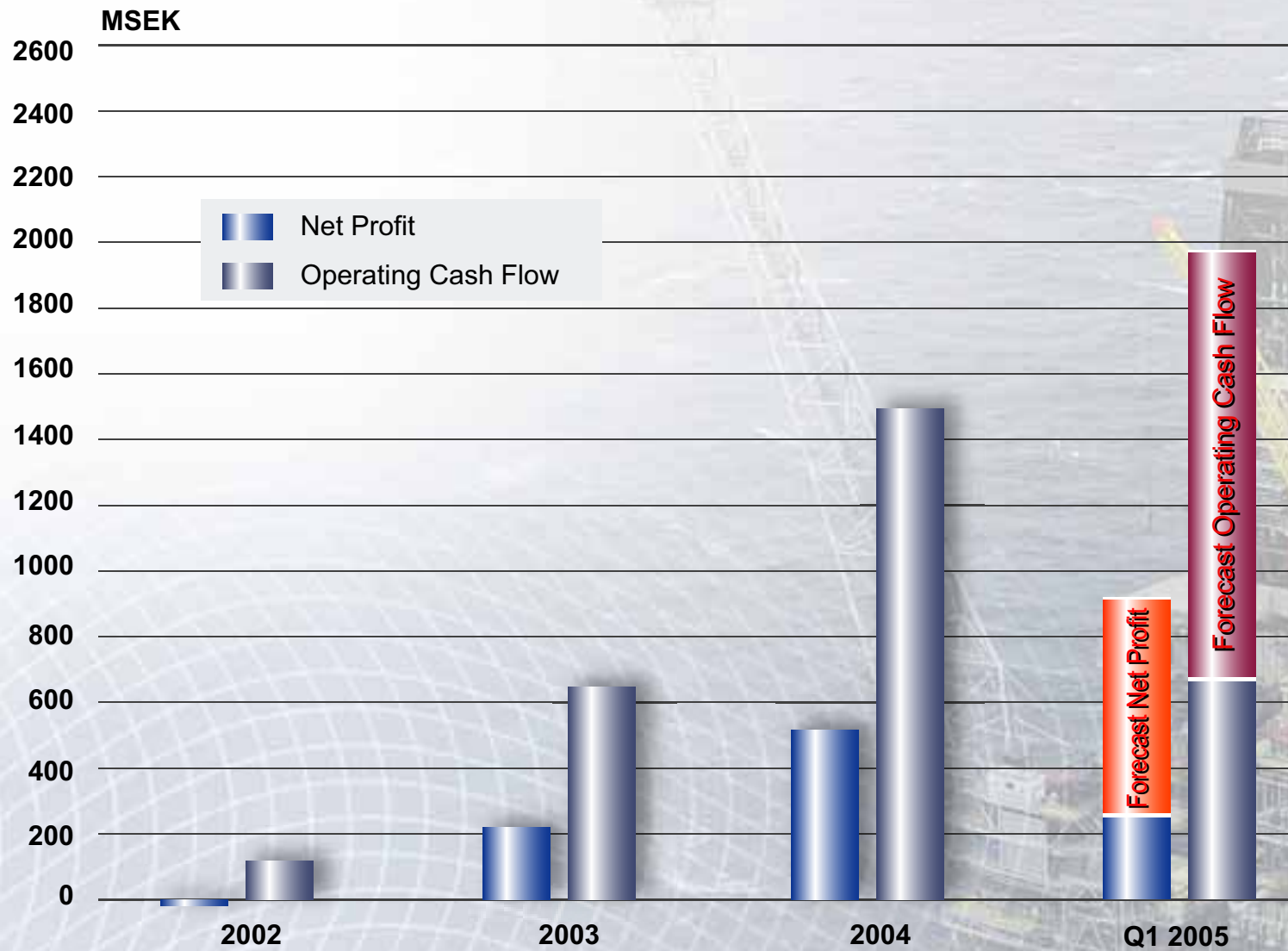
Partner	5B interest
Lundin Petroleum	24.5%
Petronas Carigali	41.0%
ONGC Videsh Ltd	24.5%
Sudapet	10.0%



Financial Performance



Financial Performance



Financial Performance



Revised Forecast 2005 @ 45 USD/BBL - Net Profit : 1,100 MM SEK (160 MM USD)
- Operating Cash Flow : 2,420 MM SEK (350 MM USD)

- **Production increase to over 40,000 boepd by year end**
- **Broom - UK, Alvheim - Norway, Oudna - Tunisia projects take production to over 50,000 boepd by 2007**
- **Aje - Nigeria, UK upside and Hamsun - Norway have potential to increase production to over 70,000 boepd by 2009**
- **Target production of 100,000 boepd**
- **Active exploration programme 2005 into 2006.
Renewed acquisition activity**

➤ Demand

- ➔ Continued increase from developing world
- ➔ Low likelihood of alternative energy source

➤ Supply

- ➔ Limited spare capacity in system
- ➔ Reduction in non-OPEC supply
- ➔ Reliant on Middle-East particularly Saudi Arabia

➤ Oil Price

- ➔ Firm support from OPEC

➤ Equipment availability

- ➔ Increase costs
- ➔ Low availability → Schedule delays