



**Lundin Petroleum AB, 01.10.2001**  
**LUNDIN PETROLEUM ANNOUNCES A RIGHTS ISSUE**

LUNDIN PETROLEUM AB (publ) is pleased to announce that the Board of Directors has resolved the terms and conditions of the previously notified new share issue with preferential rights being offered to existing shareholders of Lundin Petroleum.

One outstanding share entitles the holder to subscribe for one new share in LUNDIN PETROLEUM at a subscription price of SEK 3.00. The record date for participation in the new share issue is 25 October 2001. In addition, the subscribers will receive - at no cost - one warrant for every two new shares subscribed for. Each warrant will entitle the holder to subscribe for one new LUNDIN PETROLEUM share at a subscription price of SEK 4.50 during the period 15 May - 14 June 2002.

Following full subscription, the proceeds from the new share issue is expected to amount to approximately SEK 319 million. Through the exercise of all allotted warrants, an additional amount of approximately SEK 239 million will also be raised bringing the total funding to approximately SEK 558 million.

Ian H Lundin, President, comments, "The rights issue was planned as part of the spin-off of Lundin Petroleum from Lundin Oil and will enable us to kick start the development of the large Thar Jath field on Block 5A in Sudan. It will also enable us to participate in some very exciting exploration activities both in Sudan and in Iran. The Company sits on some of the best exploration acreage that exists anywhere in the world today".

LUNDIN PETROLEUM holds a 40.375% interest in Block 5A and a 24.5% interest in Block 5B onshore Southern Sudan. These two blocks together cover about half of the surface area of the Muglad Basin in which the total oil reserves potential is estimated at 10 to 15 billion barrels. The COMPANY is in the process of evaluating the Thar Jath discovery on Block 5A with a view to completing a conceptual development study by early 2002. In parallel, plans are in place to drill at least one additional exploration and two appraisal wells on Block 5A starting late this year.

Onshore Iran, the COMPANY has agreed to take a 40% interest in the Munir Block. This block is located in the highly prolific Zagros Basin where over 150 billion barrels of oil have been discovered to date. The Operator, Edison International, expects to acquire at least 800 kilometres of seismic during 2002, which will be followed by three exploration wells.

**Preliminary time schedule**

23 October 2001 - First day for trading in shares excluding the right to participate in the rights issue

25 October 2001 - Record date for participation in the new share issue, i.e., those who are registered as shareholders in Lundin Petroleum's share register on this date have preferential rights to subscribe for the newly issued shares

1-13 November 2001 - Trading in subscription rights

1-16 November 2001 - Subscription period

Lundin Petroleum is a Swedish independent oil and gas exploration company with a strategic focus on areas of the world where there are proven petroleum systems, large reserves potential and lack of recent exploration activity. The Company's shares are traded on the New Market at Stockholmsbörsen (ticker "LUPE").

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