

18 December 2003

LUNDIN PETROLEUM UNVEILS 2004 SPENDING PLANS

Lundin Petroleum AB ("Lundin Petroleum") is pleased to announce details of its exploration and development budget for 2004. This budget includes of the assets acquired recently in the UK, Norway and Ireland from DNO even though the closing of this acquisition is not expected until during the first half of 2004.

The 2004 exploration programme includes the drilling of eight exploration wells as part of a total exploration budget of USD 34 million. These eight wells will be drilled in Iran (2), Aquitaine Basin, France (1), The Netherlands (1), Indonesia (2), Norway (1) and Venezuela (1).

The development budget for 2004 is USD 110 million. The development programme is primarily focused on:

i)the development of the Broom field, offshore UK which is due to come on stream in the second half of 2004

ii)the commencement of the Alvheim development in Block PL 203 offshore Norway

iii)further development drilling and workovers on existing producing fields in Venezuela, France, Indonesia, the Netherlands, Norway and UK to enhance existing production.

Lundin Petroleum's President & CEO, C. Ashley Heppenstall, comments on next year work programme: The 2004 work programme and budget is heavily focused upon investment in the assets acquired as part of the Coparex and DNO acquisitions. We forecast production to be approximately 40,000 boepd by the end of 2004 as a result of the investment programme. In tandem we continue to invest in exploration activity with the drilling of a portfolio of wells which if successful will continue the growth of Lundin Petroleum's reserve and production base".

Lundin Petroleum is a Swedish independent oil and gas exploration and production company with a well balanced portfolio of world-class assets in France, Indonesia, Iran, Netherlands, Norway, Sudan, Tunisia, Venezuela and Albania. The Company is listed on the O-list at Stockholmsbörsen, Sweden (ticker "LUPE").

For further information, please contact:

C. Ashley Heppenstall,
President and CEO
Tel: +41 22 319 66 00

or

Maria Hamilton
Head of Corporate Communications
Tel: +46 8 440 54 50