

20 January 2009

LUNDIN PETROLEUM INCREASES RESERVES BY 26%

Lundin Petroleum AB ("Lundin Petroleum") is pleased to announce that as at 1 January 2009 its net proven and probable working interest reserves increased to 217.5 million barrels of oil equivalent (mmboe) which equates to a reserve replacement ratio of 394 percent.

	MMBOE
Proven and Probable Reserves at 1.1.2008	184.2
2008 Production	-11.6
Reserve Additions (excluding acquisitions)	+45.7
Sales	-0.8
Proven and Probable Reserves at 1.1.2009	217.5

Reserves increase	26%
Reserve replacement ratio*	394%

*As per industry standards the reserve replacement ratio is defined as the ratio of reserve additions to production during the year, excluding acquisitions/sales.

The reserves are based upon a third party independent audit conducted by Gaffney Cline and Associates. The proven and probable reserves have been calculated using 2007 Petroleum Resources Management System (SPE PRMS) Guidelines of the Society of Petroleum Engineers (SPE), World Petroleum Congress (WPC), American Association of Petroleum Geologists (AAPG) and Society of Petroleum Evaluation Engineers (SPEE). The reserves were calculated using a flat oil price of USD 65 per barrel.

Oil accounts for 85.5 percent of the total reserves. In addition 93 percent of the reserves are located in countries with a tax/royalty fiscal regime. The major contribution to the reserve increase was from the United Kingdom where increased reserves were booked in the Heather, Thistle and Broom fields as a result of new seismic data and subsurface work. In addition the Paris Basin in France, Alvheim and Nemo in Norway and the onshore Komi fields in Russia all contributed positively. Reserve write downs were taken in the Orenburg and Kalmykian onshore Russian fields as a result of a reduced investment program and lower oil prices. A reserve write down was also taken in the Oudna field in Tunisia as a result of below forecast reservoir performance.

The reserves exclude any contribution from the Luno field discovery in Norway. An appraisal well on the Luno field following the discovery well in late 2007 is currently being tested, the results of which will be incorporated into an updated resource calculation for the Luno field. It is expected that reserves will be booked from the Luno field and incorporated into an updated reserve report.

In addition to its reserves Lundin Petroleum has further discoveries classified as Contingent Resources (as defined by the SPE) of 294 mmboe which include the 2008 discoveries in Morskaya, offshore Russia and Pi, offshore Norway as well as the Luno discovery. Contingent Resources reported have not been audited by GCA.

The 2008 production was approximately 31,800 barrels of oil equivalent per day (boepd). Lundin Petroleum is forecasting a net 2009 production of between 35,000 and 42,000 boepd equating to a 10-32% increase over 2008. The 2009 production forecast assumes only minimal contribution from the Volund field offshore Norway due to conservative assumptions regarding capacity availability on the Alvheim FPSO. In addition no contribution is assumed from the redevelopment of the United Kingdom producing assets.

Ashley Heppenstall President & CEO of Lundin Petroleum commented: "A reserve replacement ratio of close to 400 percent which has the potential to more than double with the addition of Luno reserves is a great performance. We have over the past few years been successful in increasing our reserves organically but this year is a record performance. The Alvheim field is onstream and performing above expectations and the Volund field development is well advanced. This will lead to continued production growth for Lundin Petroleum."

Lundin Petroleum is a Swedish independent oil and gas exploration and production company with a well balanced portfolio of world-class assets in Europe, Africa, Russia and the Far East. The Company is listed at the Nordic Exchange, Sweden (ticker "LUPE").

For further information, please contact:

C. Ashley Heppenstall,
President and CEO
Tel: +41 22 595 10 00

or

Maria Hamilton
Head of Corporate Communications
Tel: +41 22 595 10 00
Tel: 08-440 54 50