

20 June 2002

LUNDIN PETROLEUM TO ACQUIRE COPAREX INTERNATIONAL

Lundin Petroleum AB ("Lundin Petroleum") announces that it has agreed to acquire 95.3 per cent in Coparex International S.A. ("Coparex") from BNP Paribas ("BNP Paribas") and affiliates, (The "Transaction").

Coparex is a French exploration and production company with current production totalling in excess of 15,000 barrels of oil equivalent per day from operated production in France, the Paris Basin and Tunisia and non-operated field interests in France, the Aquitaine Basin, Netherlands, Venezuela and Indonesia. Coparex has existing proven and probable reserves of 55 million barrels of oil equivalent of which 84 per cent are proven producing reserves.

In the year ending 31.12.2001 Coparex reported net profit of Euro 22.6 million and cash flow of Euro 62.0 million. As at 31.12.2001 Coparex had net cash (cash less long term debt) of Euro 20.0 million.

The purchase price is

- i. US\$ 172.5 million payable in cash at closing.
- ii. An additional payment of up to US\$ 27.5 million calculated based upon the level of cash flow generated from Coparex's interests in certain Tunisian offshore assets. (the "Additional Consideration")

The closing of the Transaction is, subject to certain conditions normal for a transaction of this type including regulatory approvals, expected to occur before August 31, 2002.

The President and CEO of Lundin Petroleum, Ashley Heppenstall, commented as follows "This is a milestone transaction for Lundin Petroleum. We are acquiring a company which has developed an attractive portfolio of producing and exploration assets over a number of years. The production and cash flow of Coparex will complement our existing high potential exploration and development assets in Sudan and Iran. We now propose an aggressive growth strategy where we intend to create value by increasing our reserves".

The transaction is in line with Lundin Petroleum's stated strategy of acquiring producing assets generating cash flow. Coparex has a well balanced portfolio of production assets as well as undeveloped discoveries and exploration interests. The producing assets in France and the Netherlands together represent 55 per cent of proven and probable reserves.

In France the production of oil is generated from operated interests in the Paris Basin and non-operated interests in the Aquitaine Basin, which together produced 4,600 bopd in 2001. The production of gas from the Netherlands averaged 3,800 boepd in 2001. Production from France and the Netherlands is in general from mature developed assets.

Coparex's Venezuelan and Tunisian assets, whilst already contributing to the cash flow of the Company, have excellent upside potential from existing discoveries and exploration assets.

Lundin Petroleum has signed a term loan facility of US\$ 130 million arranged by Barclays Capital and provided by Barclays Bank Plc to assist with the Transaction and to refinance existing debt of Coparex. The balance of the Transaction purchase price will be funded by a bridging loan facility from Barclays Bank Plc and existing cash resources of Lundin Petroleum.

Following the closing, Lundin Petroleum will make an offer to the remaining minority shareholders of Coparex with the consideration payable fully in cash. Lundin Petroleum will make an offer at USD 128.43 per share (134.41 Euros as at June 19th 2002), which is the maximum price (including the Additional Consideration) that BNP Paribas could receive.

The price per share in Euro will be announced at the Closing of the Transaction based on the US\$/Euro exchange rate prevailing on the day before the Closing.

Coparex is listed on the OTC market in Paris, France (ticker COPX FP) and Lundin Petroleum is listed on the New Market in Stockholm, Sweden (ticker LUPE).

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