

First quarter 2016 financial update

Lundin Petroleum AB (Lundin Petroleum) will expense pre-tax exploration costs of approximately MUS\$ 71 and recognise a net foreign exchange gain of approximately MUS\$ 159 for the first quarter of 2016.

The profitability for the first quarter of 2016 will be impacted by certain expensed exploration costs as well as a net foreign currency exchange gain, mainly related to the revaluation of loan balances. These items will have no impact on the reported operating cash flow or EBITDA for the period.

Exploration Costs

During the first quarter of 2016, Lundin Petroleum will incur pre-tax exploration costs of approximately MUS\$ 71 which will be charged to the income statement and offset by a tax credit of approximately MUS\$ 42. The exploration costs mainly relate to the unsuccessful Lorry (PL700B) and Fosen (PL544) exploration wells in Norway and the Bambazon and Maligan exploration wells (Block SB307/308), offshore Sabah in Malaysia.

Foreign Exchange

Lundin Petroleum will recognise a net foreign exchange gain of approximately MUS\$ 159 in its income statement for the first quarter of 2016. The Norwegian Krone and Euro strengthened against the US Dollar by approximately 5 percent during the first quarter of 2016 and the foreign exchange gain mainly relates to the revaluation of loan balances at the prevailing exchange rates at the end of the reporting period. The foreign exchange gain on the revaluation of loan balances was partly offset by settled foreign currency hedge losses in the first quarter of 2016 amounting to approximately MUS\$ 18.

Lundin Petroleum is a Swedish independent oil and gas exploration and production company with a well balanced portfolio of worldclass assets primarily located in Europe and South East Asia. The Company is listed on NASDAQ Stockholm (ticker "LUPE"). Lundin Petroleum has proven and probable reserves of 685 million barrels of oil equivalents (MMboe) as at 31 December 2015.

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This information has been made public in accordance with the Securities Market Act (SFS 2007:528) and/or the Financial Instruments Trading Act (SFS 1991:980).

Forward-Looking Statements

Certain statements made and information contained herein constitute "forward-looking information" (within the meaning of applicable securities legislation). Such statements and information (together, "forward-looking statements") relate to future events, including the Company's future performance, business prospects or opportunities. Forward-looking statements include, but are not limited to, statements with respect to estimates of reserves and/or resources, future production levels, future capital expenditures and their allocation to exploration and development activities, future drilling and other exploration and development activities. Ultimate recovery of reserves or resources are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

All statements other than statements of historical fact may be forward-looking statements. Statements concerning proven and probable reserves and resource estimates may also be deemed to constitute forward-looking statements and reflect conclusions that are based on certain assumptions that the reserves and resources can be economically exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions) are not statements of historical fact and may be "forward-looking statements". Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. No assurance can be given that these expectations and assumptions will prove to be correct and such forward-looking statements should not be relied upon. These statements speak only as on the date of the information and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable laws. These forward-looking statements involve risks and uncertainties relating to, among other things, operational risks (including exploration and development risks), production costs, availability of drilling equipment, reliance on key personnel, reserve estimates, health, safety and environmental issues, legal risks and regulatory changes, competition, geopolitical risk, and financial risks. These risks and uncertainties are described in more detail under the heading "Risks and Risk Management" and elsewhere in the Company's annual report. Readers are cautioned that the foregoing list of risk factors should not be construed as exhaustive. Actual results may differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements are expressly qualified by this cautionary statement.