



23 January 2006

LUNDIN PETROLEUM FORECASTS INCREASED 2006 NET PROFIT

Lundin Petroleum AB ("Lundin Petroleum") is pleased to announce a forecast net profit after taxes for 2006 of MSEK 1,320 (MUSD 170), a forecast earnings before interest tax and depreciation (EBITDA) of MSEK 3,570 (MUSD 460) and a forecast operating cashflow of MSEK 2,300 (MUSD 300). The forecasts are based upon a forecast oil price of USD 55.00 Dated Brent per boe and a forecast average production for the year of 36,000 boepd.

Lundin Petroleum also announces that it has made the decision to write off 100 percent of the costs of the Nigerian OML 113 exploration/appraisal in the 2005 financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by Lundin Petroleum on 1 January 2005. Lundin Petroleum, along with its partners in Nigeria, continue to evaluate the findings of the Aje 3 well along with the two existing discoveries (Aje 1 & 2) and will make a decision in the second half of 2006 on whether to drill another delineation well to further appraise the Aje field. Lundin Petroleum has incurred costs in Nigeria in 2005 of approximately MUSD 21.5 (MSEK 166.6).

Ashley Heppenstall, President and CEO of Lundin Petroleum comments: "We are very pleased to forecast increased net profit and EBITDA into 2006 even prior to taking into account the Nigerian write off. The improvements in financial performance will continue into 2007 with production forecast to increase to over 50 000 boepd from our development projects in Norway and Tunisia. I believe it is prudent to write off the Nigerian expenditure but it does not reflect our continued commitment to further investment in Nigeria to commercialise the Aje field."

Lundin Petroleum is a Swedish independent oil and gas exploration and production company with a well balanced portfolio of world-class assets in Albania, France, Indonesia, Iran, Ireland, Netherlands, Nigeria, Norway, Sudan, Tunisia, United Kingdom and Venezuela. The Company is listed on the O-list, Attract 40 at Stockholm Stock Exchange, Sweden (ticker "LUPE").

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