



23 May 2002

LUNDIN PETROLEUM IN DISCUSSIONS TO ACQUIRE OIL & GAS ASSETS

Lundin Petroleum AB ("Lundin Petroleum") is pleased to announce that it has submitted an offer to acquire a diverse number of production, development and exploration assets in diversified geographic locations from one single seller.

Lundin Petroleum has, based upon the offer, been granted a period of exclusivity to complete the transaction. Documentation is currently being completed by lawyers. Barclays Capital, the investment banking arm of Barclays Bank PLC, has agreed to arrange a loan facility to assist in the financing of the acquisition. Barclays Bank PLC has agreed to fully underwrite this loan facility.

The assets to be acquired are currently producing approximately 15,000 barrels of oil equivalent per day net, from various countries.

Ian Lundin, President and CEO comments: "We are close to completing a milestone transaction for Lundin Petroleum. Negotiations with the seller regarding the acquisition price have been completed. This transaction will transform Lundin Petroleum into a diversified exploration and production company."

The Lundin family which owns approximately 58 million shares in Lundin Petroleum (or 27, 5%) intends to exercise its share of the outstanding warrants in Lundin Petroleum (which expire on June 14, 2002) to assist with the financing of this acquisition.

The parties have agreed not to disclose any more details at this stage.

Lundin Petroleum is a Swedish independent oil and gas exploration company with a strategic focus on areas of the world where there are proven petroleum systems, large reserves potential and lack of recent exploration activity. The Company's shares are traded on the New Market at Stockholmsbörsen (ticker "LUPE").

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