

25 April 2003

NOTICE OF ANNUAL GENERAL MEETING IN LUNDIN PETROLEUM AB

The shareholders of Lundin Petroleum AB are hereby invited to the Annual General Meeting of the shareholders to be held on 23 May 2003 at 13.00 p.m. (Swedish time). Location: Rotundan, Operaterassen, Karl XII:s torg in Stockholm.

Attendance at the meeting

Shareholders wishing to attend the meeting shall:

- be recorded in the share register maintained by the Swedish Central Securities Depository (VPC) on Tuesday 13 May 2003; and

- notify Lundin Petroleum not later than Friday 16 May 2003; in writing to Lundin Petroleum AB, Hovslagargatan 5, SE-111 48 Stockholm, Sweden, by fax Int +46-8-440 54 59, or by telephone Int +46-8-440 54 50.

Shareholders whose shares are registered in the name of a nominee must temporarily register the shares in their own names in the shareholders' register. Such registration must be effected by 13 May 2003.

Agenda

1. Opening of the meeting
2. Election of chairman of the meeting
3. Preparation and approval of the voting register
4. Approval of the agenda
5. Election of one or two persons to approve the minutes
6. Determination as to whether the meeting has been duly convened
7. Speech by the Managing Director and the management of the company
8. Presentation of the annual report and the auditors' report and the consolidated annual report and the auditors' group report
9. Resolution in respect of adoption of the profit and loss statement and the balance sheet and the consolidated profit and loss statement and consolidated balance sheet
10. Resolution in respect of appropriation of the company's profit or loss according to the adopted balance sheet
11. Resolution in respect of discharge from liability of the members of the Board and the Managing Director
12. Resolution in respect of the number of members of the Board to be elected at the meeting
13. Resolution in respect of the fees payable to the members of the Board and the auditors
14. Election of members of the Board
15. Authorisation to resolve new issue of shares
16. Resolution to issue subordinated debentures with detachable warrants
17. Proposal by the shareholder Aktiespararna, the Swedish Shareholders' Association, that the general meeting appoints a Nomination Committee and authorize the board of directors to appoint a Audit Committee and a Compensation Committee
18. Other matters
19. Closing of the meeting

Resolution in respect of appropriation of the company's profit or loss according to the adopted balance sheet (item 10)

The Board of Directors proposes that no dividend is declared for the financial year 2002.

Election of members of the board (item 14)

Shareholders representing approx. 37 per cent of the total voting rights in the company propose the re-election of the current Board members Adolf H. Lundin, Kai Hietarinta, Magnus Unger, William A. Rand, Lukas H. Lundin, Ian H. Lundin, Ashley Heppenstall and Carl Bildt. Alexandre Schneiter has declined re-election.

At an EGM in 2001, Carl-Eric Bohlin and Klas Brand were elected auditors of the company and Bo Hjalmarsson was elected deputy auditor of the company for a period of four years. No election of auditors is therefore required.

Authorization to resolve new issue of shares (item 15)

The Board of Directors proposes that the General Meeting authorizes the Board of Directors to resolve, at one or more occasions until the next Annual General Meeting, to issue no more than 27,000,000 new shares with consideration in cash or in kind or by set-off or otherwise with conditions and thereby be able to resolve to disapply the shareholders pre-emption rights. To the extent the new shares are issued with disapplication of the shareholders pre-emption rights they shall be issued at a subscription price that closely corresponds to the market price of the shares at the time of the issuance. The reasons for disapplying the shareholders' pre-emption rights are to make it possible for Lundin Petroleum to raise capital for the company's business operations and business acquisitions. If the authorization is exercised in full, the increase of the current share capital corresponds to a dilution of 9.8 per cent.

Resolution to issue subordinated debentures with detachable warrants (item 16)

The Board of Directors proposes that the General Meeting adopts a resolution to issue subordinated debentures with not more than 3,400,000 detachable warrants attached. Each warrant shall entitle the holder to subscribe for one new share with a nominal value of SEK 0.01. The exercise price shall be the average last paid price for Lundin Petroleum's shares on the New Market on the Stockholm Stock Exchange during the period from 24 May 2003 up to and including 7 June 2003. The exercise price thus established shall be rounded off to nearest ten öre, whereby SEK 0.05 shall be rounded upwards. The warrants may be exercised from 31 May 2004 up to and including 31 May 2006.

The right to subscribe for debentures shall by virtue of the disapplication of the shareholders' pre-emption rights, rest with a wholly owned subsidiary of Lundin Petroleum. The reason for the disapplication of the pre-emption rights is to guarantee the fulfilment of the obligation to grant 3,400,000 options in accordance with the company's option plan, based on stock options (Sw. personaloptioner) which entitle the option holder to acquire shares in the company on terms equivalent to those of the warrants.

Option plans are common practice for companies in the international oil and gas exploration business. In the opinion of the Board of Directors, Lundin Petroleum derives benefit from a remuneration system, of which a part of the remuneration package consists of stock options, enabling Lundin Petroleum to recruit and motivate highly qualified personnel and reduce the cash salary payments.

Allotment shall be made with 600,000 options to the Managing Director, 45,000 - 520,000 options to each member of Senior Management and key employees and 15,000 - 80,000 options each to other employees. Members of the Board who are not employees of the company will not receive any options.

In the event that all warrants are exercised, the current share capital of the company will increase by SEK 34,000, corresponding to a dilution of 1.4 per cent. Including issued and outstanding employee warrants, the accumulated dilution amounts to 3.6 per cent.

The proposal is subject to approval by shareholders holding no less than nine-tenths of the shares voted as well as nine-tenths of all shares present or represented at the meeting.

Documents for the Meeting

The Board of Directors' complete proposals for resolution in items 15 and 16 above will be available from 9 May, 2003. The proposal will be sent to the shareholder free of charge upon request. The proposal will also be available at Lundin Petroleum's home page www.lundin-petroleum.com as from the same date. The Annual Report for 2002 will be available on the same home page as from 9 May, 2003.

Stockholm in April 2003

LUNDIN PETROLEUM AB (publ)
the Board of Directors

Download "Handlingar inför ordinarie bolagsstämma i Lundin Petroleum AB" (Swedish only)

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, Netherlands, Norway, Sudan, Tunisia and Venezuela. The Company is listed on the New Market at Stockholmsbörsen, Sweden (ticker "LUPE").

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