



7 November 2006

LUNDIN PETROLEUM AWARDED TWO BLOCKS IN ETHIOPIA

Lundin Petroleum AB ("Lundin Petroleum") is pleased to announce that it has signed a production sharing contract (PSC) for Blocks 2 and 6 in Federal Democratic Republic of Ethiopia.

Lundin Petroleum signed the PSC with the Minister of Mines and Energy of the Federal Democratic Republic of Ethiopia in Addis Ababa on November 7, 2006. The PSC covers Blocks 2 and 6 located in the onshore Ogaden Basin. The massive two-block area spans over 24,000 square kilometers and is located just west of the Calub and Hilala oil and gas discoveries.

Lundin Petroleum holds a 100 percent interest in the PSC area through the exploration period, with the Ethiopian Government having an option to participate with up to 10 percent interest following a commercial discovery. To date, no wells have been drilled in Blocks 2 or 6, but indications of light oil, gas and condensate have been documented in well tests and surface seeps to the south and east of the Blocks.

Location Map

Lundin Petroleum is a Swedish independent oil and gas exploration and production company with a well balanced portfolio of world-class assets in Albania, Congo Brazzaville, Ethiopia, France, Indonesia, Ireland, Netherlands, Nigeria, Norway, Russia, Sudan, Tunisia, United Kingdom, Venezuela and Vietnam. The Company is listed at the Nordic Exchange, Sweden (ticker "LUPE"). Lundin Petroleum has existing proven and probable reserves of 146.1 million barrels of oil equivalent (mmboe) as at 1 January 2006.

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