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## **LUNDIN PETROLEUM AWARDED BLOCK 10A IN KENYA**

**Lundin Petroleum AB ("Lundin Petroleum") is pleased to announce that it has signed a production sharing contract (PSC) for Block 10A in the Anza Basin of northwest Kenya.**

On October 4<sup>th</sup>, 2007, in Nairobi, Lundin Kenya B.V., a wholly owned subsidiary of Lundin Petroleum, signed a PSC with the Honourable Minister of Energy of the Republic of Kenya. Block 10A covers an area of 14,748 square kilometers and is located in the onshore Anza Basin, an extension of the prolific Muglad Basin of Sudan.

Lundin Kenya B.V. will be the sole operator under the Block 10A PSC, with the Kenyan Government having an option to participate with up to a 13 percent interest following a commercial discovery. Past exploration efforts dating back to the late 1980's have proven the existence of excellent quality, oil-prone source rocks, oil-saturated sandstone reservoirs, and a multitude of structural traps which remain undrilled.

Ashley Heppenstall, President and CEO of Lundin Petroleum, comments: *"I am pleased to announce the award of Block 10A in Kenya. With the addition of this exciting block, Lundin Petroleum continues to expand our strategic exploration position in East Africa, which to date, includes blocks in Sudan, Ethiopia, and Kenya".*

*Lundin Petroleum is a Swedish independent oil and gas exploration and production company with a well balanced portfolio of world-class assets in Europe, Africa, Russia and the Far East. The Company is listed at the Nordic Exchange, Sweden (ticker "LUPE"). Lundin Petroleum has existing proven and probable reserves of 176.4 million barrels of oil equivalent (mmbob) as at 1 January 2007.*

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