

Lundin Petroleum signs farm-out agreements in Malaysia

Lundin Petroleum AB (Lundin Petroleum) is pleased to announce that its wholly owned subsidiary Lundin Malaysia BV (Lundin Malaysia) has signed farm-out agreements (FOA) with certain wholly owned subsidiaries of DYAS B.V. ("DYAS") for part of its working interests across three Production Sharing Contracts (PSC) in Malaysia.

Ahead of the recently commenced exploration campaign in the Sabah region, offshore East Malaysia, Lundin Malaysia has entered into farm-out agreements with DYAS covering Blocks PM328, SB307/308 and gas holding areas in SB303 with an effective date of 1 July 2015.

The terms of the farm-out agreements are as follows:

1. PSC SB307/308: DYAS to be transferred a 20 percent working interest for paying a promote on certain forward costs in relation to the upcoming exploration campaign on Block SB307/308 in the Sabah region offshore East Malaysia.
2. PSC SB303: DYAS to be transferred a 20 percent working interest in the gas holding area in Block SB303 in Sabah, offshore East Malaysia.
3. PSC PM328: DYAS to be transferred a 15 percent working interest in PM328 in the Malay basin, offshore Peninsular Malaysia.

Subsequent to this transaction, Lundin Petroleum holds a 65 percent working interest in SB307/308, a 55 percent working interest in SB303 and a 35 percent working interest in PM328.

DYAS is a Dutch, privately owned, experienced and active non-operating minority partner and investor in oil and gas exploration and production projects, with a diverse portfolio of assets primarily located in the Netherlands and UK North Sea.

Completion of this transaction is subject to approval from relevant authorities.

Lundin Petroleum is a Swedish independent oil and gas exploration and production company with a well balanced portfolio of world-class assets primarily located in Europe and South East Asia. The Company is listed on NASDAQ Stockholm (ticker "LUPE"). Lundin Petroleum has proven and probable reserves of 685 million barrels of oil equivalents (MMboe) as at 31 December 2015.

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This information has been made public in accordance with the Securities Market Act (SFS 2007:528) and/or the Financial Instruments Trading Act (SFS 1991:980).

Forward-Looking Statements

Certain statements made and information contained herein constitute "forward-looking information" (within the meaning of applicable securities legislation). Such statements and information (together, "forward-looking statements") relate to future events, including the Company's future performance, business prospects or opportunities. Forward-looking statements include, but are not limited to, statements with respect to estimates of reserves and/or resources, future production levels, future capital expenditures and their allocation to exploration and development activities, future drilling and other exploration and development activities. Ultimate recovery of reserves or resources are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

All statements other than statements of historical fact may be forward-looking statements. Statements concerning proven and probable reserves and resource estimates may also be deemed to constitute forward-looking statements and reflect conclusions that are based on certain assumptions that the reserves and resources can be economically exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions) are not statements of historical fact and may be "forward-looking statements". Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. No assurance can be given that these expectations and assumptions will prove to be correct and such forward-looking statements should not be relied upon. These statements speak only as on the date of the information and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable laws. These forward-looking statements involve risks and uncertainties relating to, among other things, operational risks (including exploration and development risks), production costs, availability of drilling equipment, reliance on key personnel, reserve estimates, health, safety and environmental issues, legal risks and regulatory changes, competition, geopolitical risk, and financial risks. These risks and uncertainties are described in more detail under the heading "Risks and Risk Management" and elsewhere in the Company's annual report. Readers are cautioned that the foregoing list of risk factors should not be construed as exhaustive. Actual results may differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements are expressly qualified by this cautionary statement.