

12 August 2004

**LUNDIN PETROLEUM AND BG TO WORK TOGETHER TO COMMERCIALISE LICENCE PL292 IN NORWAY**

**Lundin Petroleum AB ("Lundin Petroleum") and BG Group ("BG") today announced that they have signed a Sale and Purchase Agreement, under which BG will acquire a 60% equity interest from Lundin Petroleum in PL292 in the central Norwegian North Sea. BG will also acquire from Lundin Petroleum an option to acquire a further 10% interest in PL292.**

Licence Area PL292 incorporates blocks N6/3 and N15/12d. Block N6/3 contains the Pi oil and gas discovery and is adjacent to existing central UK North Sea infrastructure, including the producing BG-operated Armada gas field complex.

Under the transaction, Lundin Petroleum will transfer operatorship of the Licence Area on the earliest of 11 April 2005 or the partners' decision to drill a well.

Ashley Heppenstall, President & CEO of Lundin Petroleum comments: "We are pleased to be working with BG on the Norwegian Continental Shelf and to have concluded this transaction. We hope BG's interests in nearby producing infrastructure will increase the chances of commercialising the existing Pi discovery in Licence PL292".

The effective date for the transaction is 1 January 2004. From that date BG will assume the costs and liabilities relating to the interest.

The transaction is subject to the approval of the Norwegian Petroleum Directorate, the Ministry of Petroleum and Energy and the Ministry of Finance. Completion is expected in the fourth quarter 2004.

*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 Attract 40-list at Stockholm Stock Exchange, Sweden (ticker "LUPE").*

*BG Group plc works across the spectrum of the gas chain. Active on five continents in some 20 countries, it operates four business segments - Exploration and Production, LNG, Transmission and Distribution and Power. BG Group's core geographical areas are the North West Europe, Egypt, South America, Kazakhstan, India and Trinidad & Tobago.*

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