



13 October 2004

LUNDIN PETROLEUM AGREES TO SELL ITS SHAREHOLDING IN OER OIL FOR NOK 172.5 MILLION

Lundin Petroleum AB ("Lundin Petroleum") is pleased to announce that it has entered into an agreement to sell its 75.88% fully diluted equity interest in the Norwegian oil company OER oil AS ("OER") to a subsidiary of Endeavour International Corporation for cash consideration of NOK 172.5 million.

The sale is expected to be completed prior to year end and is subject to various standard conditions including Norwegian Government approval.

OER is a Norwegian independent oil company with current production of 2,000 boepd (barrels of oil equivalent per day) from its 2.5% interest in the Njord field and its 4.4424% interest in the Brage field, both offshore Norway. OER's proved and probable reserves at 1 January 2004 were estimated by an independent third party reservoir engineer at 6.9 million barrels of oil equivalent.

Lundin Petroleum will retain its 100% ownership in Lundin Norway AS ("Lundin Norway") which owns a diverse portfolio of licence interests offshore Norway, including interests in the producing Jotun field, Alvheim development project and recent Hamsun field discovery.

Lundin Petroleum purchased its shareholding in OER in January 2003 for a cash consideration of NOK 30 million.

Ashley Heppenstall President & CEO of Lundin Petroleum comments: "The sale of OER achieves our objective of having one operating entity in Norway while maximizing the value of the producing assets. In addition, the sale price achieved for OER has provided an excellent cash return for Lundin Petroleum of over 550%. We remain committed to growing our business in Norway through Lundin Norway which in addition to its existing assets, was an applicant in the recent exploration licensing round."

Lambert Energy Advisory Limited acted as financial advisor to OER and Pareto Securities acted as financial advisor to Lundin Petroleum in this transaction.

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").

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