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LUNDIN PETROLEUM COMMENCES AVALDSNES APPRAISAL DRILLING

Lundin Petroleum AB (Lundin Petroleum) is pleased to announce that drilling of the first appraisal well 16/3-4 on the Avaldsnes discovery located in PL501, in the North Sea sector of the Norwegian Continental Shelf (NCS), has commenced.

The main objective of the well 16/3-4 is to delineate the Avaldsnes discovery made in 2010 with estimated recoverable resources between 100- 400 million barrels of oil in PL501. The target is to confirm the presence of late Jurassic sand approximately 5 km southeast of the Avaldsnes discovery well 16/2-6.

The planned total depth is approximately 2,000 meters below mean sea level and the well will be drilled using the semi-submersible drilling rig Bredford Dolphin. Drilling is expected to take approximately 45 days. The second appraisal well, 16/2-7, will spud directly following the completion of well 16/3-4 using the same rig.

Lundin Petroleum is the operator of PL501 with 40 percent interest. Partners are Statoil Petroleum ASA with 40 percent and Mærsk Oil Norway AS with 20 percent.

Lundin Petroleum is a Swedish independent oil and gas exploration and production company with a well balanced portfolio of world-class assets in Europe, South East Asia, Russia and Africa. The Company is listed at the NASDAQ OMX, Stockholm (ticker "LUPE") and at the Toronto Stock Exchange (TSX) (ticker "LUP"). Lundin Petroleum has proven and probable reserves of 187 million barrels of oil equivalent (MMboe).

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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 unduly relied upon. These statements speak only as on the date of this news release 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 and access, reliance on key personnel, reserve estimates, health, safety and environmental issues, legal risks and regulatory changes, competition, geopolitical risk, financial risks. These risks and uncertainties are described in more detail under the heading "Risk Factors" and elsewhere in the Company's 2010 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 included in this new release are expressly qualified by this cautionary statement.