

17 June 2004

LUNDIN PETROLEUM COMPLETES ACQUISITION OF DNO ASSETS IN NORWAY

Lundin Petroleum AB ("Lundin Petroleum") is pleased to announce it has completed, through its newly incorporated 100% owned subsidiary Lundin Norway AS, the acquisition from DNO ASA ("DNO") of a portfolio of production, development and exploration assets offshore Norway.

The consideration for the acquisition of the Norwegian assets and the acquisition of DNO ASA's UK and Irish interests (completed on February 13 2004) was USD 165 million with an effective date of January 1 2003. Certain adjustments to the consideration have been made in respect of the funding requirements of the acquired assets from the effective date to Closing.

Lundin Petroleum has funded the acquisition from borrowings under a USD 385 million loan facility provided by Bank of Scotland and BNP Paribas.

The acquired assets include a 7% interest in the producing Jotun Field, a 15% interest in PL203 which includes the Alvheim development, a 35% interest in PL150 where the recent Hamsun exploration well resulted in a discovery and a further portfolio of exploration licences. The Alvheim project operated by Marathon is expected to obtain development approval later this year with oil production anticipated within 30 months at a gross rate in excess of 80,000 bopd. Furthermore it is anticipated the Hamsun discovery will be developed on a fast track basis most likely utilising the Alvheim facilities.

Lundin Petroleum also announces the opening of the Lundin Norway AS office located in Oslo and the appointment of a team of experts to manage its Norwegian business. These experts are former DNO employees and have a diverse technical and commercial background particularly in respect of the Norwegian Continental Shelf.

Ashley Heppenstall, President & CEO of Lundin Petroleum commented: "We are very pleased to have completed this important acquisition for Lundin Petroleum on the day when Lundin Petroleum was also admitted to the Attract 40 list at Stockholmsbörsen. We have acquired an exciting portfolio of production, development and exploration assets from DNO. In particular the Alvheim development project will deliver significant production growth for the Company and we are very pleased that our first exploration well on Hamsun prospect was a success. We believe that Norway provides good opportunities for a growing independent oil company particularly from an exploration and development perspective and we are very pleased to have been approved as an operator on the Norwegian Continental Shelf. With the recruitment of a team of experienced professionals we are seeking to make Norway a core area for Lundin Petroleum".

Lundin Petroleum is a Swedish independent oil and gas exploration and production company with a well balanced portfolio of world-class assets in France, Indonesia, Iran, Ireland, Netherlands, Norway, Sudan, Tunisia, UK, Venezuela and Albania. The Company is listed on the O-list at Stockholmsbörsen, Sweden (ticker "LUPE").

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