7 April 2008

LUNDIN PETROLEUM STARTS MOBILISATION AND INSTALLATION OF THE MARINE DRILLING COMPLEX IN THE LAGANSKY BLOCK

Lundin Petroleum AB ("Lundin Petroleum") is pleased to announce that it has started mobilisation and installation of the marine drilling complex that will drill the Morskaya-1 exploration well in the Lagansky block, situated in the northern Caspian Sea. Lundin Petroleum has currently a 70 percent net interest in the Lagansky block.

Drilling will commence on the Morskaya-1 exploration well after final approval offshore of the installed and commissioned installation by the relevant inspection authorities. A drilling permit was granted in February 2008, allowing commencement of drilling operations after the 15th of May.

The gross unrisked prospective resources for Morskaya prospect within the Lagansky block are estimated at 640 million of barrels of oil equivalents (MMboe).

Gazprom has a call option to acquire a 50 percent plus one share in the Lagansky block. Lundin Petroleum has a call option to acquire an additional 30 percent from minority shareholders. If both options are exercised Lundin Petroleum will retain 50 percent minus one share in the Lagansky block and Gazprom will hold a 50 percent plus one share in the Lagansky block.

Lundin Petroleum is a Swedish independent oil and gas exploration and production company with a well balanced portfolio of world-class assets in Europe, Africa, Russia and the Far East. The Company is listed at the Nordic Exchange, Sweden (ticker "LUPE"). Lundin Petroleum has existing proven and probable reserves of 184,2 million barrels of oil equivalent (MMboe) as at 1 January 2008.

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