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LUNDIN PETROLEUM TO DELAY CASPIAN DRILLING

Lundin Petroleum AB ("Lundin Petroleum") has decided to postpone the drilling of the Morskoye #1 well in the offshore Caspian Lagansky Block until the second quarter 2007. The shallow water depths at the drilling location requires the construction of a specialized drilling complex including shallow draft jack-up barges and associated supply vessels. The drilling complex construction, whilst now completed, has been delayed and due to the impending onset of the winter ice season, it has been decided to delay the drilling of the well. It is expected that a two well drilling program will commence in the second quarter 2007.

President and CEO Ashley Heppenstall stated *"The prospectivity of our northern Caspian exploration is very exciting with continued exploration success in the area. We originally planned to drill the Morskoye prospect this year and have made good progress with our construction activities. However we have decided due to the impending onset of winter coupled with our desire to obtain full technical information from the well, to delay our drilling program until next year."*

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, Ireland, Netherlands, Nigeria, Norway, Russia, Sudan, Tunisia, United Kingdom and Venezuela. The Company is listed at the Nordic Exchange, Sweden (ticker "LUPE"). Lundin Petroleum has existing proven and probable reserves of 146.1 million barrels of oil equivalent (mmbob) as at 1 January 2006.

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