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## **LUNDIN PETROLEUM ANNOUNCES THE RESULTS OF THE LAGANSKAYA-1 EXPLORATION WELL IN RUSSIA**

**Lundin Petroleum AB ("Lundin Petroleum") announces that its Laganskaya-1 exploration well in the Lagansky block, situated in the northern Caspian Sea has encountered oil shows in the Neocomian sandstone reservoir. No hydrocarbons were encountered in the deeper Jurassic sandstone reservoirs.**

The Laganskaya-1 well is situated towards the south-west of the recent Morskaya discovery. The well was drilled to a total depth of 2,450 meters. Log results, pressure data and fluid samples indicates the presence of a low hydrocarbon saturation transition zone probably associated with a small updip structure.

The Laganskaya-1 well has been plugged and abandoned. The Marine Drilling Complex (MDC) is now being demobilized to the Company's marine base in Astrakhan for servicing and maintenance during the winter period. A further exploration well will be drilled in 2009 on the Petrovskaya prospect which is estimated to contain unrisked potential resources of 300 million barrels. In tandem further drilling on the Morskaya discovery will take place in 2009.

Ashley Heppenstall, President and CEO of Lundin Petroleum comments; *"Overall we are pleased with the results of our 2008 drilling campaign in the Lagansky block. The results of the Laganskaya well have no impact on the prospectivity of the large Petrovskaya structure to be drilled in 2009 which lies on trend and updip of the Morskaya discovery."*

Lundin Petroleum currently has a 70 percent interest in the Lagansky block. 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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