

7 December 2005

LUNDIN PETROLEUM: FIELD OPERATIONS TO RESUME IN BLOCK 5B, ONSHORE SUDAN

Lundin Petroleum AB (Lundin Petroleum) is pleased to announce that a work program and budget for field operations on Block 5B, Sudan, in 2006 has been approved.

The program includes the acquisition of 1,100 line kilometers of 2D seismic data in the first half of 2006, building of necessary infrastructure to support drilling operations, and drilling of up to three exploration wells commencing late 2006.

A Community Development Program will also be carried out in the concession area focusing on providing clean water, education, basic health care and humanitarian aid to the local population.

Rights to the concession of Block 5B were awarded under an Exploration & Production Sharing Agreement signed on 2 May 2001, to a consortium composed of Petronas Carigali White Nile (5B) Ltd (39%), Lundin Petroleum AB(Lundin Block 5B BV) (24,5%), ONGC Videsh Ltd (23,5%) and Sudapet Ltd (13%).

The Block is operated by WNPOC, a joint operating company between PETRONAS and Sudapet on behalf of the consortium members.

Block 5B is located in the Muglad Basin and covers an area of 20,119 square kilometers. Muglad is the main oil-producing basin in Sudan and has seen the development of several large oilfields over the past few years. So far the consortium has been active in reprocessing and reinterpreting existing seismic data. Following the signing of the Comprehensive Peace Agreement, WNPOC has conducted scouting trips in to the Block in preparation for the 2006 seismic and drilling operations.

The consortium members are committed to exploring and exploiting oil resources in Block 5B, which is expected to be an important part of the oil industry in Sudan, in an efficient and responsible manner. This will contribute to the economic surge of Sudan whose development depends largely on the rapid and efficient exploitation of its oil resources.

Ashley Heppenstall, President and CEO Lundin Petroleum comments: "I am very pleased that Lundin Petroleum is able to resume field operations in Block 5B. The signing of the Comprehensive Peace Agreement and the formation of the National Petroleum Commission has provided the necessary framework to explore the large potential natural resources in the area for the mutual benefit of all the people of Sudan".

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, Iran, Ireland, Netherlands, Nigeria, Norway, Sudan, Tunisia, United Kingdom and Venezuela. The Company is listed on the O-list, Attract 40 at Stockholm Stock Exchange, Sweden (ticker "LUPE").

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