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WAN MACHAR-1 EXPLORATION WELL REACHES TOTAL DEPTH

Lundin Petroleum AB (Lundin Petroleum) announces that well Wan Machar-1 has reached Total Depth at 1,466 metres. The well is located in the swamp area on the east flank of the southern Muglad Basin in Block 5B, Sudan.

Wan Machar-1 found the target Aradeiba and Bentiu sandstone reservoirs as planned, underlain by shales of the Abu Gabra formation, which constitutes the regional source rock. The well entered basement at 1,360 metres. Minor gas shows were encountered from 675 metres to Total Depth, but no oil shows were recorded. The acquisition of logs has been delayed due to technical problems with the rig. However it is expected that the logs will confirm the well as a dry hole and if so it will be plugged and abandoned.

The well is the second of a four well programme scheduled for Block 5B in 2008. It was drilled using the Dietswell RCR 1200 rig in a swamp location in the north eastern part of the block. The next two wells are targeted at the eastern flank and central area of the basin, both in the swamp, and will be drilled using the same barge mounted drilling rig complex.

Initial indications are that the structure and reservoir conditions are favourable for hydrocarbons, but that the maturity of the source rock in the two drilled flank locations may be the reason for the lack of gas and oil shows. The results of the first two exploration wells will be analysed to get a better understanding of the regional geology of the Southern Muglad Basin. The next well locations are both closer to the central part of the basin where it is anticipated that the source rock quality and maturity will improve.

The partners in Block 5B are Petronas Carigali White Nile (5B) Ltd ("Petronas") (39%), Lundin Petroleum (24.5%), ONGC Videsh Ltd (23.5%) and Sudapet Ltd (13%). Furthermore, the partnership has accepted the recommendation of the National Petroleum Commission to assign a 10 percent share to the National Oil Company of Southern Sudan to be allocated on a "pro rata" basis from each of the partners' shares. The operator of Block 5B is White Nile Petroleum Operating Company (WNPOC) a joint venture between Sudapet Ltd and Petronas.

Ashley Heppenstall, President and CEO of Lundin Petroleum, commented: *The drilling results to date are disappointing. However, the wells provide important data that will allow us to develop our understanding of this part of the basin. Block 5B is very large area covering 20,000 km², being in excess of 120 blocks in the UK North Sea. It remains essentially unexplored other than for the two recent exploration wells.*

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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