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LUNDIN PETROLEUM COMMENCES EXPLORATION DRILLING OF WAN MACHAR-1 IN BLOCK 5B, SUDAN

Lundin Petroleum AB (Lundin Petroleum) is pleased to announce that exploration well Wan Machar-1 (previously Umm Dandalo) has spudded in Block 5B, Sudan. The well is located in the swamp area of the block, on the eastern flank of the basin.

The well, with a planned depth of 1,700 metres, will target the Upper to Lower Cretaceous sandstone reservoirs that have proved highly productive in other producing fields in the Muglad Basin. The gross unrisks recoverable prospective resource for the Wan Machar prospect is estimated at 1,542 million barrels of oil (mmbo).

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 start of drilling operations in the swamp part of Block 5B is another major milestone. Wan Machar is a world class exploration prospect which if successful will transform Lundin Petroleum. We remain optimistic on the overall prospectivity of the Muglad Basin and its extension into block 5B, an area of over 20,000 km² which is virtually unexplored to date.*

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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