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LUNDIN PETROLEUM ANNOUNCES A TEMPORARY SUSPENSION OF ACTIVITIES IN BLOCK 5A SUDAN WHILE IT WELCOMES THE LATEST CEASE-FIRE AGREEMENT IN THE NUBA MOUNTAINS

LUNDIN PETROLEUM AB (the "Company") together with partners Petronas Carigali Overseas Sdn Bhd ("Petronas"), OMV (Sudan) Exploration GmbH ("OMV") and Sudapet Ltd. ("Sudapet"), i.e. the Group, announces a temporary suspension of seismic and drilling operations on Block 5A, onshore southern Sudan as a precautionary measure to ensure maximum security for its personnel and operation. This occurrence does not affect the Company's long-term plans to develop the Thar Jath Field and further explore the southern Muglad Basin. Until suspension, the Company was in the process of drilling the Thar Jath -3 appraisal well, which is designed to test the lateral extent of the Thar Jath Field.

In this context, it is hopeful that the cease-fire agreement reached in Switzerland between the government of Sudan and the South Sudan Liberation Army (SPLA) on January 19 for the Nuba mountains, will extend to all areas of Sudan and allow an early resumption of its activities in Block 5A.

As a sign of its long-term commitment to Sudan and to the people of the area, the Group intends to continue to implement its ongoing community development programs. These programs are designed to improve the local infrastructure (road construction), the supply of freshwater (delivery and drilling of water wells), health (mobile tent clinics and refurbishment of hospital), and education (supply of school equipment and meals to over 500 children). The Group also plans to proceed with the construction of a school and dispensary using some of the 50,000 bricks produced in a mobile factory it set up in a nearby village..

Drilling and seismic operations will resume as soon as conditions allow.

Comment by Ian H. Lundin CEO of Lundin Petroleum AB: " Until now, we have been able to operate under good and secure conditions in the area, but a recent deterioration has led us to decide this temporary suspension. It is not caused by any specific event, but our first priority must be the safety and well being of our employees and contractor personnel in the field. We are maintaining our strategic acreage position in the Muglad Basin, which has a high potential for further major oil discoveries. We are very encouraged by the cease-fire agreement between the government of Sudan and the SPLA in the Nuba mountains, which we see as a positive step towards the resolution of the conflicts in Sudan. This would be of great benefit to the country and our investment and we are committed to do what we can to support this process."

Lundin Petroleum is the operator of Block 5A with a 40.375% working interest. OMV has a 26.125%, Petronas has a 28.5% and Sudapet has a 5% working interest.

Background:

The Thar Jath Field was discovered in January 2001 with the testing of the Thar Jath-1 well which flowed at a combined rate of 4260 bopd from the Bentiu and Aradeiba reservoirs. The Thar Jath –2 well was drilled in June 2001 and flowed at a combined rate of 2000 BPD.

A 3-Dimensional Seismic survey was also completed in 2001, which has now been fully interpreted and has resulted in a detailed map of the Thar Jath structure.

Lundin Petroleum is a Swedish independent oil and gas exploration company with a strategic focus on areas of the world where there are proven petroleum systems, large reserves potential and lack of recent exploration activity. The Company's shares are traded on the New Market at Stockholmsbörsen (ticker "LUPE").

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