

15 January 2008

LUNDIN PETROLEUM RECOMMENCES PRODUCTION ON THE THISTLE ALPHA PLATFORM

Lundin Petroleum AB (Lundin Petroleum) is pleased to announce that production from the Thistle field has recommenced on 12 January date.

Production was suspended following a fire in one of the Thistle Alpha installation's three power generation turbine enclosures on the 25th November 2007.

Lundin Britain Limited (Lundin), a wholly owned subsidiary of Lundin Petroleum, holds a 99 percent interest in the Thistle field. Petrofac Facilities Management (Petrofac) has, since May 2005, been the Duty Holder of the Thistle Alpha installation under contract to Lundin and is responsible for the operation of the installation.

As a result of the fire, turbine A, the unit directly affected by the fire, has been removed from service along with turbine B which whilst not directly impacted by the fire does share a common exhaust system with turbine a. The third turbine C, located in a separate module, was not in service at the time of the incident. However turbine C following a recently completed overhaul is now operational and is being used to operate the installation whilst work is completed to return turbines A and/or B to an operational mode.

Following the incident the Health and Safety Executive (HSE), served Petrofac as Duty Holder with three notifications. One notification, relating to onboard emergency response procedures, has been fully addressed. The others are being addressed in close cooperation with the HSE and Lundin.

A number of intensive investigations of the incident have been performed: by Petrofac and Lundin jointly; the HSE; and relevant specialists. Relevant findings and points of learning from these investigations will be fully shared with the industry once fully completed.

The Thistle Field is located approximately 523 km (325 miles) north-north east of Aberdeen in the northern North Sea. The Thistle Alpha installation comprises a steel jacket supporting a 3 deck platform, accommodation and heli-deck.

Thistle initially started producing in 1978. Lundin Petroleum completed the acquisition of Thistle in February 2004. Lundin has the strategic objective of extending both field and installation life to at least 2018. To that end Lundin has already invested over £50 million on direct improvements to the installation. Ongoing projects include the interpretation of a new seismic survey acquired in 2007 and the reactivation of the drilling package at a cost of some £25 million. In 2009, some 20 years on from the last new well on Thistle, Lundin anticipates starting a multi well drilling campaign to access additional reserves. In parallel Lundin are competing to secure third party satellite business.

The Thistle Field has remaining proven and probable recoverable reserves of 17.4 million barrels of oil (MMBO) and additional contingent resources of 18.9 MMBO which will be targeted through the upcoming drilling campaign. Thistle production in 2008 is estimated to be 3,750 barrels of oil per day (bopd).

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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