

26 September 2006

LUNDIN PETROLEUM ACQUIRES EXPLORATION ASSETS IN UNITED KINGDOM, NORTH SEA

Lundin Petroleum AB ("Lundin Petroleum") is pleased to announce that it has acquired working interests in seven exploration licences in the United Kingdom North Sea from Palace Exploration Company (E&P) Limited (Palace). It is proposed that Lundin Petroleum will assume operatorship in four licences.

The acquired licenses are:

- Licence P.1301 containing block 12/17b. Lundin Petroleum will be the operator with 30% working interest.
- Licence P.1129 containing blocks 41/10a, 41/5, 42/2a and 42/7. Lundin Petroleum will be the operator with 25% working interest.
- Licence P.1125 containing blocks 30/22a, 30/23a, 30/27a, 30/28, 30/29a (East) and 20/29a (West). Lundin Petroleum will be the operator with 25% working interest.
- Licence P.1107 containing block 21/8 and licence P.1109 containing blocks 21/14 and 21/15b. Lundin Petroleum will be the operator with 40% working interest.
- Licence P.1399 containing blocks 12/26b, 12/27, 17/5b, 18/1a and 18/2a. Endeavour Energy UK Limited (Endeavour) is the operator with Lundin Petroleum holding 15%.
- Licence P.1397 containing block 12/23a. Endeavour is the operator with Lundin Petroleum holding 15%.
- Licence P.1089 containing blocks 14/28a, 14/29b and licence P.1295 containing block 14/23b. Oilexco North Sea Limited is the operator with Lundin Petroleum holding 10%.

The proposed work programme on the acquired licences includes the drilling of five exploration wells in 2006/2007 for which rig capacity has been secured for four wells.

The acquisition is subject to governmental approval.

Ashley Heppenstall President & CEO of Lundin Petroleum comments: *"We are pleased to announce the acquisition of these exploration areas on the UKCS which continues to be a core area for Lundin Petroleum. This portfolio with five exploration wells gives us access to net reserve potential of over 100 million barrels of oil equivalents in the next 18 months."*

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, Ireland, Netherlands, Nigeria, Norway, Russia, 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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