

The Board of Directors' proposal to authorise the Board to resolve on new issue of shares and convertible debentures

The Board proposes that the Board is authorised to decide, at one or more occasions until the next Annual General Meeting:

- (i) to issue no more than 34,000,000 new shares with consideration in cash or in kind or by set-off or otherwise with conditions and thereby be able to resolve to disapply the shareholders' pre-emption rights. To the extent the new shares are issued with disapplication of the shareholders' pre-emption rights they shall be issued at a subscription price that closely corresponds to the market price of the shares at the time of the issue; and
- (ii) to issue convertible debentures with consideration in cash or in kind or by set-off or otherwise with conditions and thereby be able to resolve to disapply the shareholders' pre-emption rights, where the number of shares that may be issued after conversion must not exceed 34,000,000. To the extent the convertible debentures are issued with disapplication of the shareholders' pre-emption rights they shall be issued at a subscription price that closely corresponds to market value based on the market price of the shares at the time of the issue of the convertible debentures.

The reason for disapplying the shareholders' pre-emption rights is to enable Lundin Petroleum to make business acquisitions or other major investments. The total number of shares that can be issued based on the proposed authorisations under (i) and (ii) may not together exceed 34,000,000. If the authorisation is exercised in full, the newly issued shares would constitute approximately ten percent of the share capital after the issue.

This proposal requires the affirmative support of shareholders holding at least two thirds of the votes given for this resolution and of the shares represented at the Annual General Meeting.

Stockholm, April 2017
Lundin Petroleum AB (publ)
The Board of Directors