

Update on second quarter 2018 financial results

For the second quarter 2018, Lundin Petroleum AB (Lundin Petroleum) will expense pre-tax exploration costs of approximately MUSD 6, recognise a net foreign exchange loss of approximately MUSD 153 and realise a gross profit from marketing third party crude oil of MUSD 0.5.

The profitability for the second quarter 2018 will be impacted by certain expensed exploration costs as well as a net foreign currency exchange loss mainly related to the revaluation of loan balances. These items are largely non-cash and will have no impact on operating cash flow or EBITDA.

Exploration Costs

For the second quarter 2018, Lundin Petroleum will incur pre-tax exploration costs of approximately MUSD 6 which will be charged to the income statement and offset by a tax credit of approximately MUSD 5.

Foreign Exchange Loss

Lundin Petroleum will recognise a net foreign exchange loss of approximately MUSD 153 for the second quarter 2018. The Norwegian Krone and the Euro weakened against the US Dollar by approximately 5 and 9 percent respectively. The foreign exchange loss mainly relates to the revaluation of loan balances at the prevailing exchange rates at the balance sheet date.

Marketing of Third Party Crude Oil

In addition to marketing its own production, Lundin Petroleum at times markets crude oil from third parties. For the second quarter 2018, revenue from the sale of crude oil from third parties amounted to MUSD 133.1 offset by the purchase of crude oil from third parties of MUSD 132.6. This will result in a gross profit on third party activities of MUSD 0.5 for the second quarter 2018.

Lundin Petroleum is one of Europe's leading independent oil and gas exploration and production companies with operations focused on Norway and listed on NASDAQ Stockholm (ticker "LUPE"). Read more about Lundin Petroleum's business and operations at www.lundin-petroleum.com

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All statements other than statements of historical fact may be forward-looking statements. Statements concerning proven and probable reserves and resource estimates may also be deemed to constitute forward-looking statements and reflect conclusions that are based on certain assumptions that the reserves and resources can be economically exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions) are not statements of historical fact and may be "forward-looking statements". Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. No assurance can be given that these expectations and assumptions will prove to be correct and such forward-looking statements should not be relied upon. These statements speak only as on the date of the information and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable laws. These forward-looking statements involve risks and uncertainties relating to, among other things, operational risks (including exploration and development risks), production costs, availability of drilling equipment, reliance on key personnel, reserve estimates, health, safety and environmental issues, legal risks and regulatory changes, competition, geopolitical risk, and financial risks. These risks and uncertainties are described in more detail under the heading "Risks and Risk Management" and elsewhere in the Company's annual report. Readers are cautioned that the foregoing list of risk factors should not be construed as exhaustive. Actual results may differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements are expressly qualified by this cautionary statement.