

Update on second quarter 2020 financial results and audiocast details for presentation on 29 July 2020

Lundin Energy AB (Lundin Energy) will publish its financial report for the second quarter 2020 on Wednesday, 29 July 2020. For the second quarter 2020, Lundin Energy will expense pre-tax exploration costs of approximately MUSD 19 and recognise a net foreign exchange gain of approximately MUSD 131.

Exploration costs

It is the Company's policy to capitalize costs associated with its exploration activities and when it is determined that a commercial discovery has not been achieved, the associated exploration costs are charged to the income statement. For the second quarter of 2020, Lundin Energy will incur a pre-tax charge to the income statement of MUSD 19 relating to exploration costs. These exploration costs will be offset by a tax credit of approximately MUSD 15. The costs are mainly related to relinquished licenses, including the part relinquishment of Area 5 of PL338 containing the Apollo discovery.

Foreign exchange

Lundin Energy will recognise a net foreign exchange gain of approximately MUSD 131 for the second quarter of 2020. The Norwegian Krone strengthened against the US Dollar by approximately 7 percent and the Euro strengthened against the US Dollar by approximately 2 percent during the second quarter of 2020. The foreign exchange gain is largely non-cash and mainly relates to the revaluation of loan balances at the prevailing exchange rates at the balance sheet date.

Change in under/overlift balances

Lundin Energy recognises income based on its sold volume (sales method). Consequently, changes in inventory and under/overlift balances are reported as an adjustment to cost, valued at production cost, including depletion. During the second quarter of 2020, Lundin Energy was overlifted by 9.4 Mboepd.

Revenue from the crude oil sales from third parties

Lundin Energy markets its own crude oil production and at times markets crude oil from third parties. For the second quarter 2020, revenue from the sale of crude oil from third parties amounted to MUSD 8 offset by the purchase of crude oil from third parties of MUSD 8.

Release of report and audiocast on 29 July 2020

Lundin Energy's financial report for the second quarter 2020 will be published on Wednesday 29 July 2020 at 07:30 CEST, followed by a live audiocast at 09:00 CEST where Alex Schneider, President and CEO, and Teitur Poulsen, CFO, will be commenting on the report and the latest developments in Lundin Energy.

Follow the presentation live on www.lundin-energy.com or dial in using the following telephone numbers:

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Lundin Energy has grown from an oil and gas exploration company into an experienced Nordic energy developer and operator. We continue to explore new ideas, new concepts and new solutions to maintain our position as an industry leader in production efficiency, sustainability and decarbonisation. (Nasdaq Stockholm: LUNE). For more information, please visit us at www.lundin-energy.com or download our App www.myirapp.com/lundin

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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 Lundin Energy 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 “Risk management” and elsewhere in Lundin Energy’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.