

Update on second quarter 2019 financial results and audiocast details for 31 July 2019

Lundin Petroleum AB (Lundin Petroleum) will publish its financial report for the second quarter 2019 on Wednesday 31 July 2019. For the second quarter 2019, Lundin Petroleum will expense pre-tax exploration costs of approximately MUSD 34 and recognise a net foreign exchange gain of approximately MUSD 34.

These items are largely non-cash and will have no impact on operating cash flow or EBITDA.

Exploration costs

For the second quarter of 2019, Lundin Petroleum will incur pre-tax exploration costs of approximately MUSD 34 which will be charged to the income statement and offset by a tax credit of approximately MUSD 26. The exploration costs are mainly related to the dry well on the Vinstra and Otta prospects located in PL539, the dry well on the Korp fjell Deep prospect located in PL859, the dry well on the JK prospect located in PL916 and the dry well on the Lynghaug prospect located in PL758.

Foreign exchange

Lundin Petroleum will recognise a net foreign exchange gain of approximately MUSD 34 for the second quarter of 2019. The Norwegian Krone strengthened against the US Dollar by approximately 1 percent and the Euro strengthened against the US Dollar by approximately 1 percent during the second quarter of 2019. 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.

Revenue from the crude oil sales from third parties

Lundin Petroleum markets its own crude oil production and at times markets crude oil from third parties. For the second quarter 2019, revenue from the sale of crude oil from third parties amounted to MUSD 44.2 offset by the purchase of crude oil from third parties of also MUSD 44.2, resulting in no gross profit on third party activities for the second quarter 2019.

Change in accounting principle for under/overlift balances

Lundin Petroleum previously recognised income based on its produced volume (entitlement method) for the period. Lundin Petroleum has decided to change the accounting treatment of such under/overlift so that from 1 April 2019 the income will reflect sold volume (sales method). This means that changes in under/overlift balances are no longer reported as other income valued at market price, but will instead be reported as an adjustment to cost valued at production cost including depletion. During the second quarter of 2019, Lundin Petroleum was underlifted by 1.0 Mboepd.

Release of report and audiocast on 31 July 2019

Lundin Petroleum's financial report for the second quarter 2019 will be published on Wednesday 31 July at 07:30 CEST, followed by a live audiocast at 08:30 CEST where Alex Schneider, President and CEO, and Teitur Poulsen, CFO, will be commenting on the report and the latest developments in Lundin Petroleum.

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

Sweden: +46 8 519 993 55
Norway: +47 23 500 211
UK: +44 203 194 05 50
International Toll Free: +1 855 269 26 05

Link : <https://lundinpetroleum.videosync.fi/2019-07-31-q2>

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 Lundin Petroleum 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 Lundin Petroleum'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.