

# Corporate Presentation

February 2020



# Lundin Petroleum

## A Leading European Independent E&P Company

### Best Region

Norway Focus Play  
World Class Assets

### Leading Production Growth

CAGR 2019-2023: >20%  
Target > 200 Mboepd

### Long Reserve Life

>1 Bn boe Resources  
>10 Year Reserve Life



### Financial Discipline & Strength

~1Bn USD FCF/Year (2019-2026)  
1.8 USD/share dividend<sup>(1)</sup>

### Industry Leading Low Costs

Opex 3.2 - 4.2 USD/boe 2020 Onwards

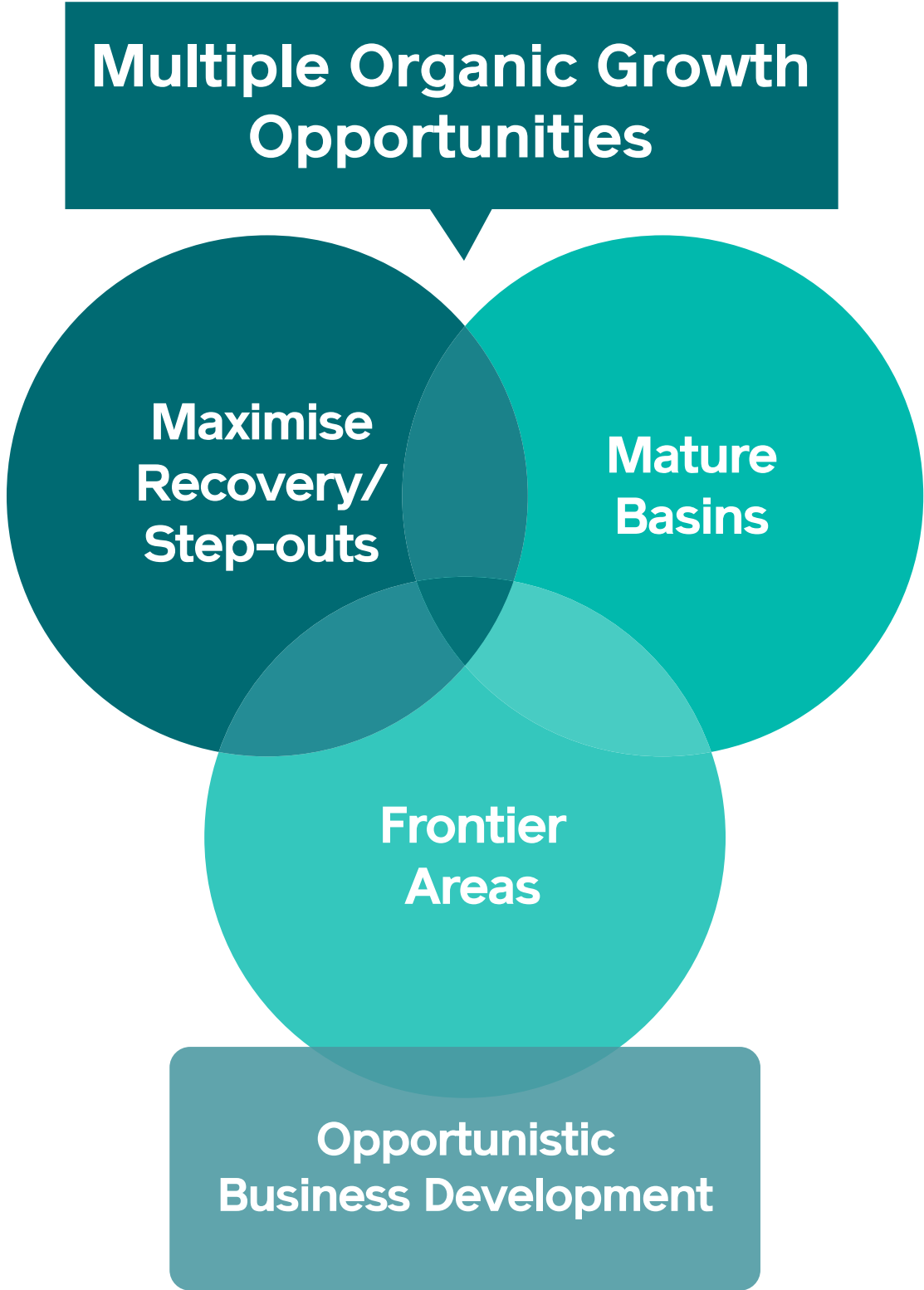
### Best in Class-Industry Emissions

2023 Onwards: <2 kg CO<sub>2</sub>/boe  
Target Carbon Neutral By 2030

<sup>(1)</sup> Subject to 2020 AGM approval

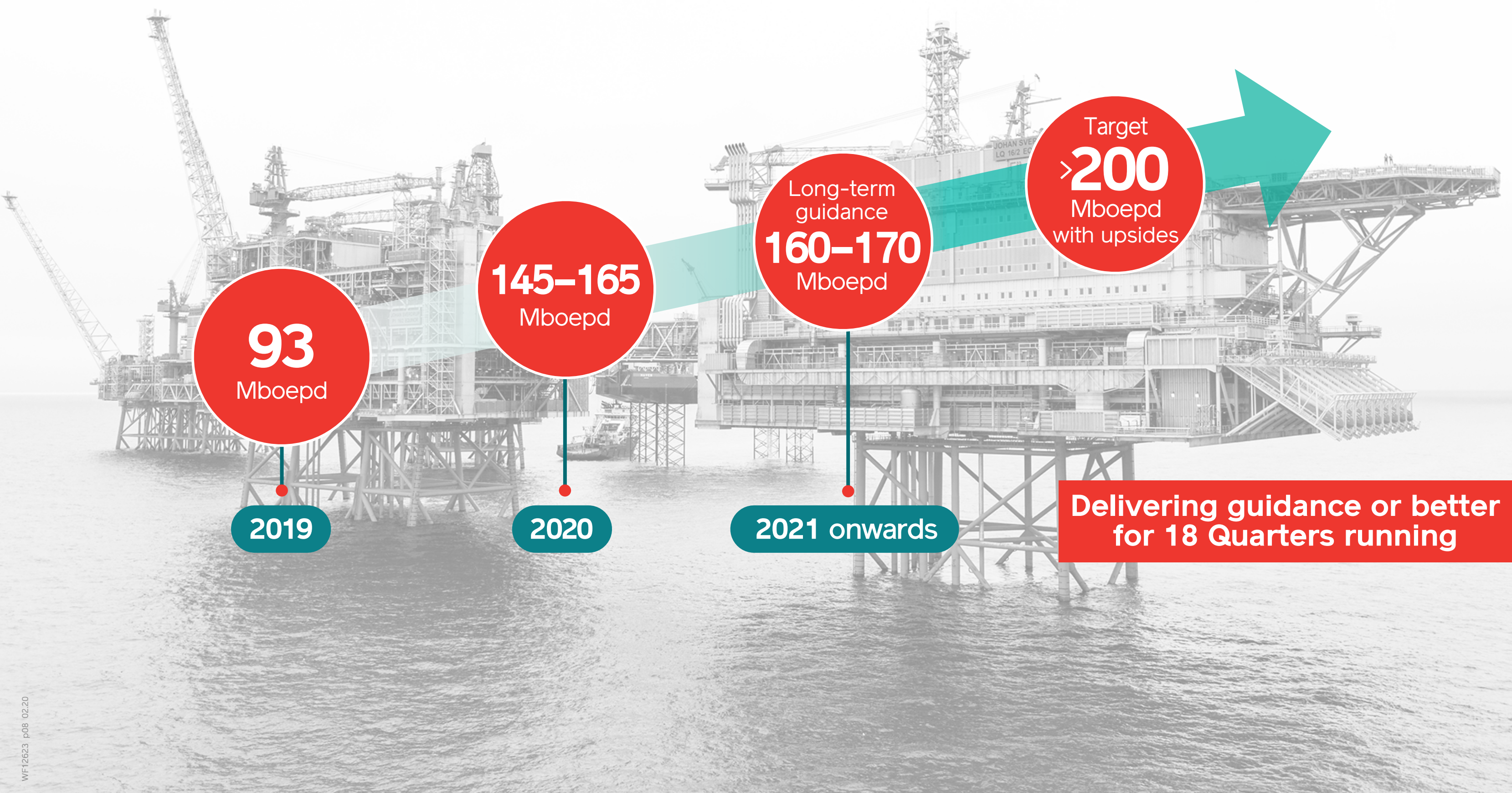
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## Organic Growth Strategy



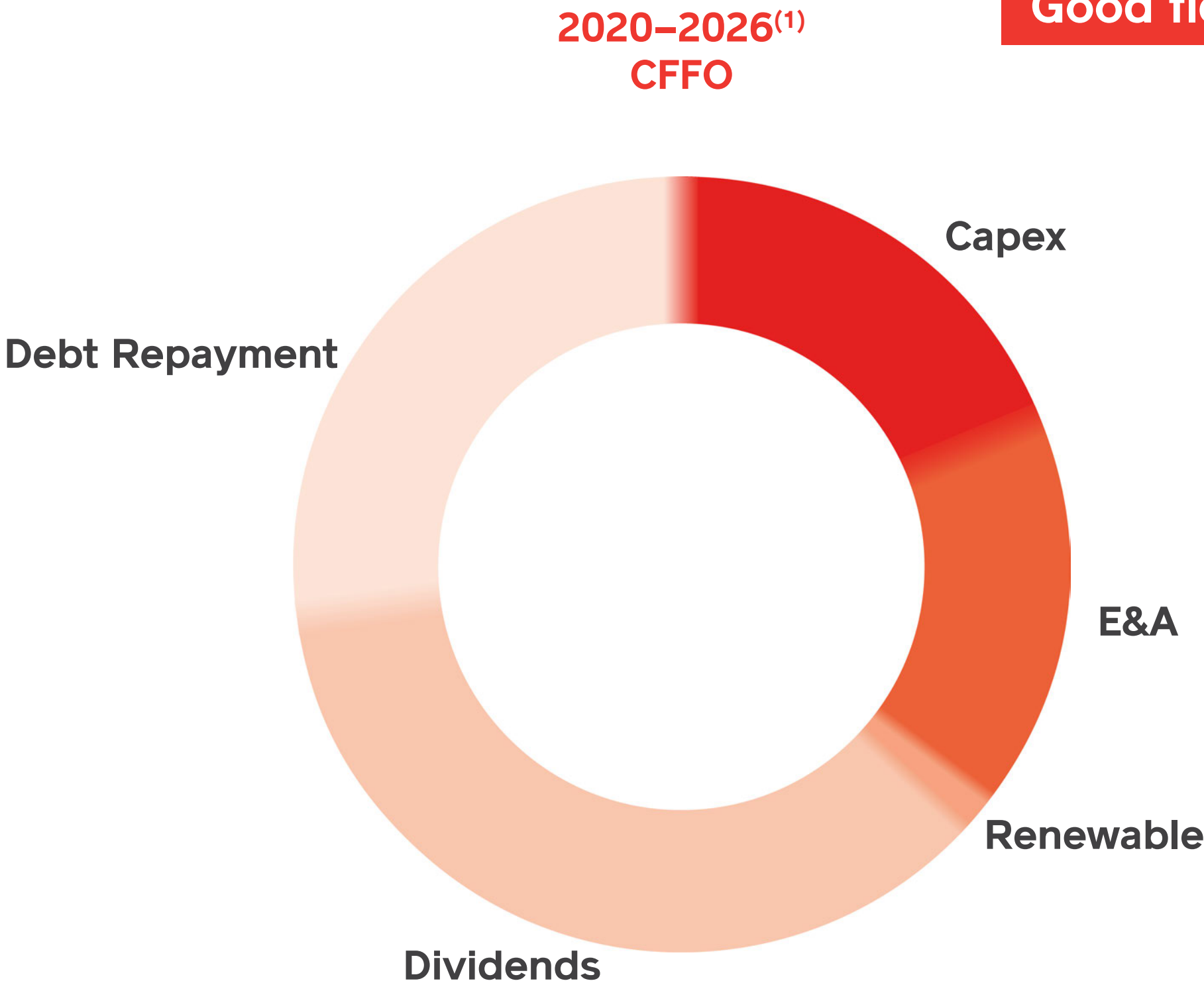
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## Long-term Production Growth



# Lundin Petroleum Capital Allocation

Good flexibility on capital allocation



65 USD/bbl Brent +2% ESC

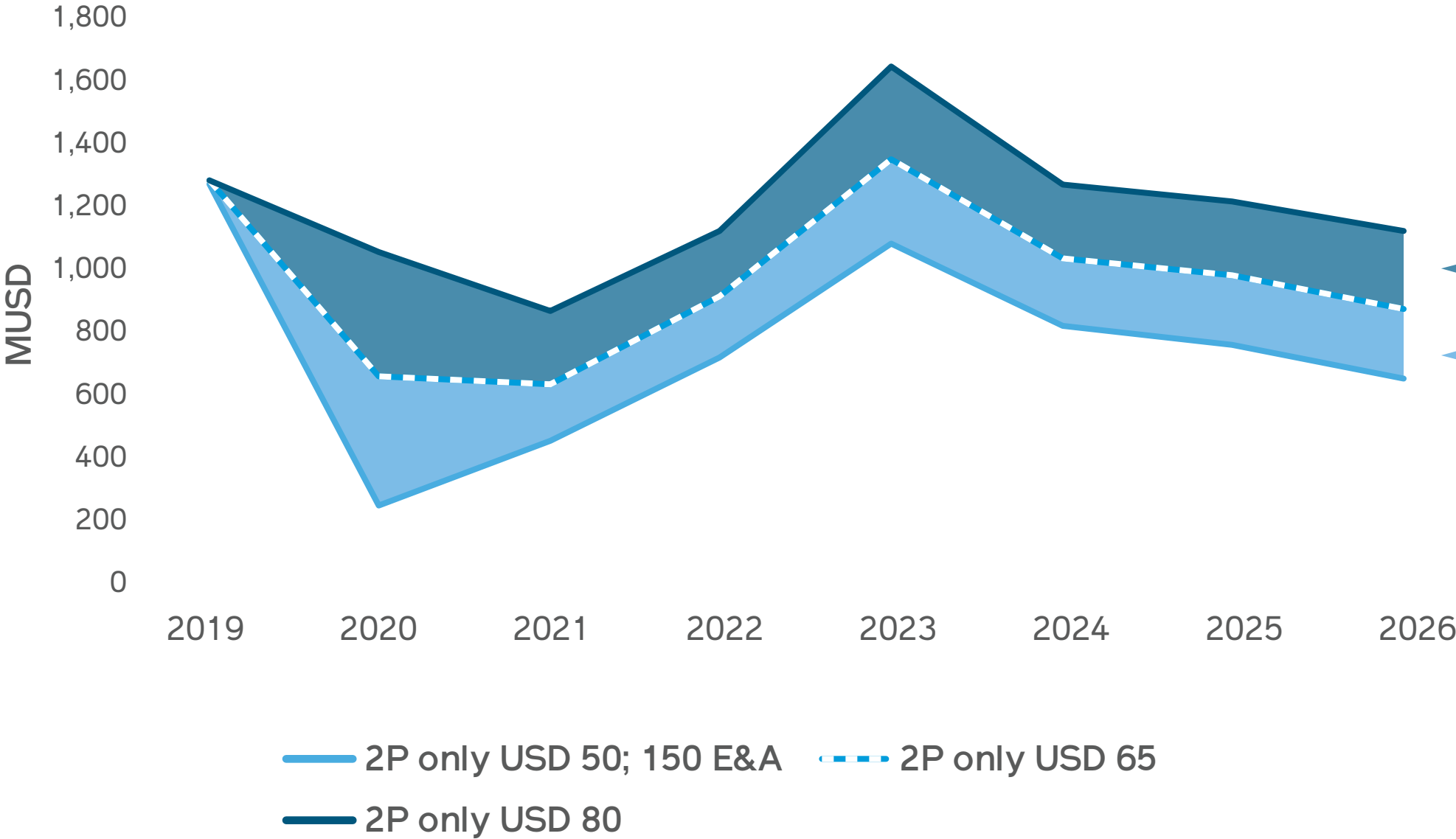
<sup>(1)</sup> Based on 2P reserves and dividend growth year-on-year to 2026

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## Free Cash Flow

**FCF**  
**>17** USD/boe  
Average 2019-2026  
at 65 USD/bbl

Free Cash Flow from 2P Reserves (pre-Dividend)



Average Annual Free Cash Flow at 80 USD/bbl  
**>1.15 Bn USD**

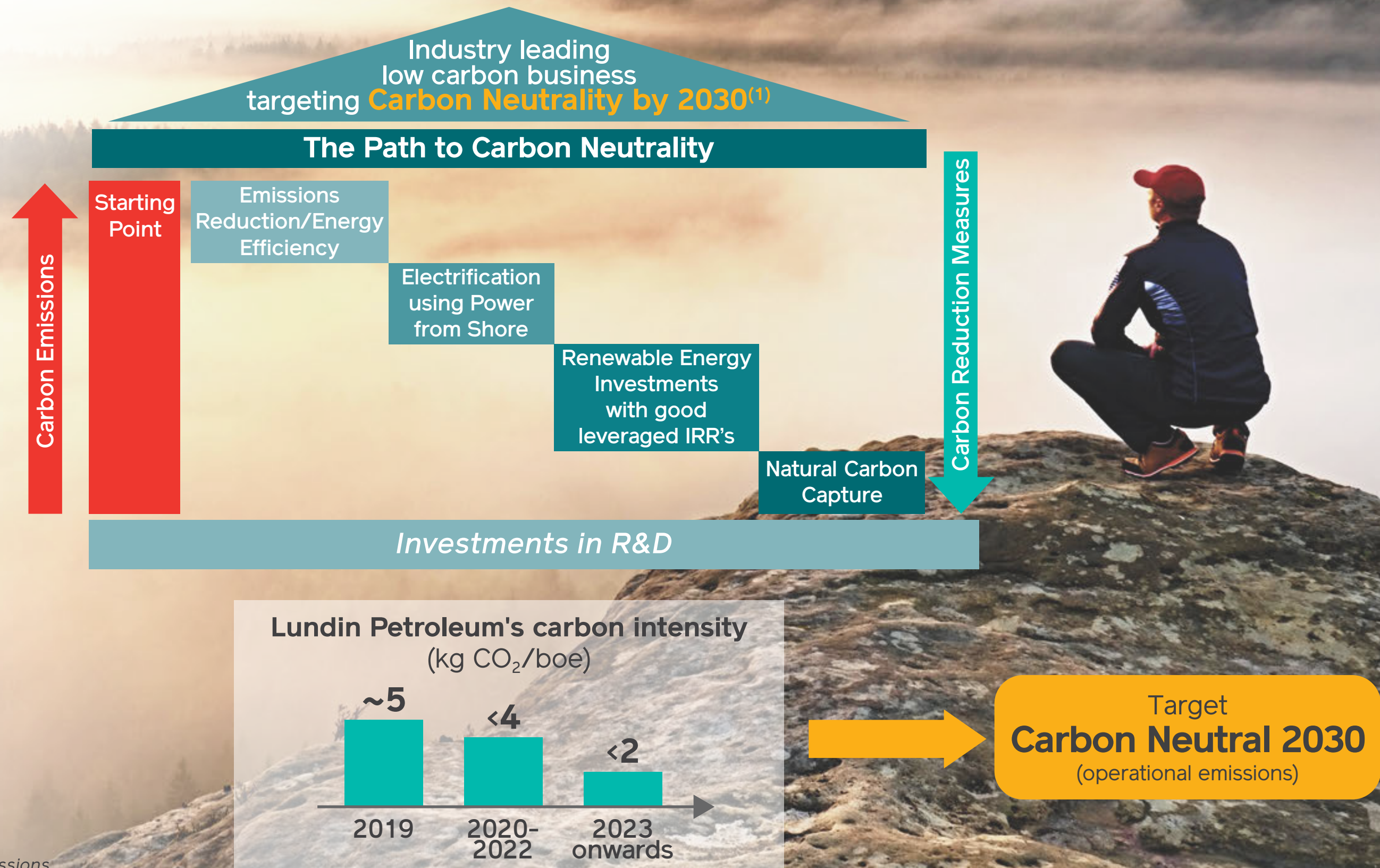
Average Annual Free Cash Flow at 50 USD/bbl  
**>735 MUSD**

Brent	Av. Annual FCF 2019–2026 <sup>(1)</sup>	E&A Spend <sup>(3)</sup>
65 USD/bbl <sup>(2)</sup>	~1 Bn USD	250

(1) Free Cash Flow before Dividends including renewables  
(2) 2020 with 2% inflation per year  
(3) Except 2020, where E&A = 225 MUSD

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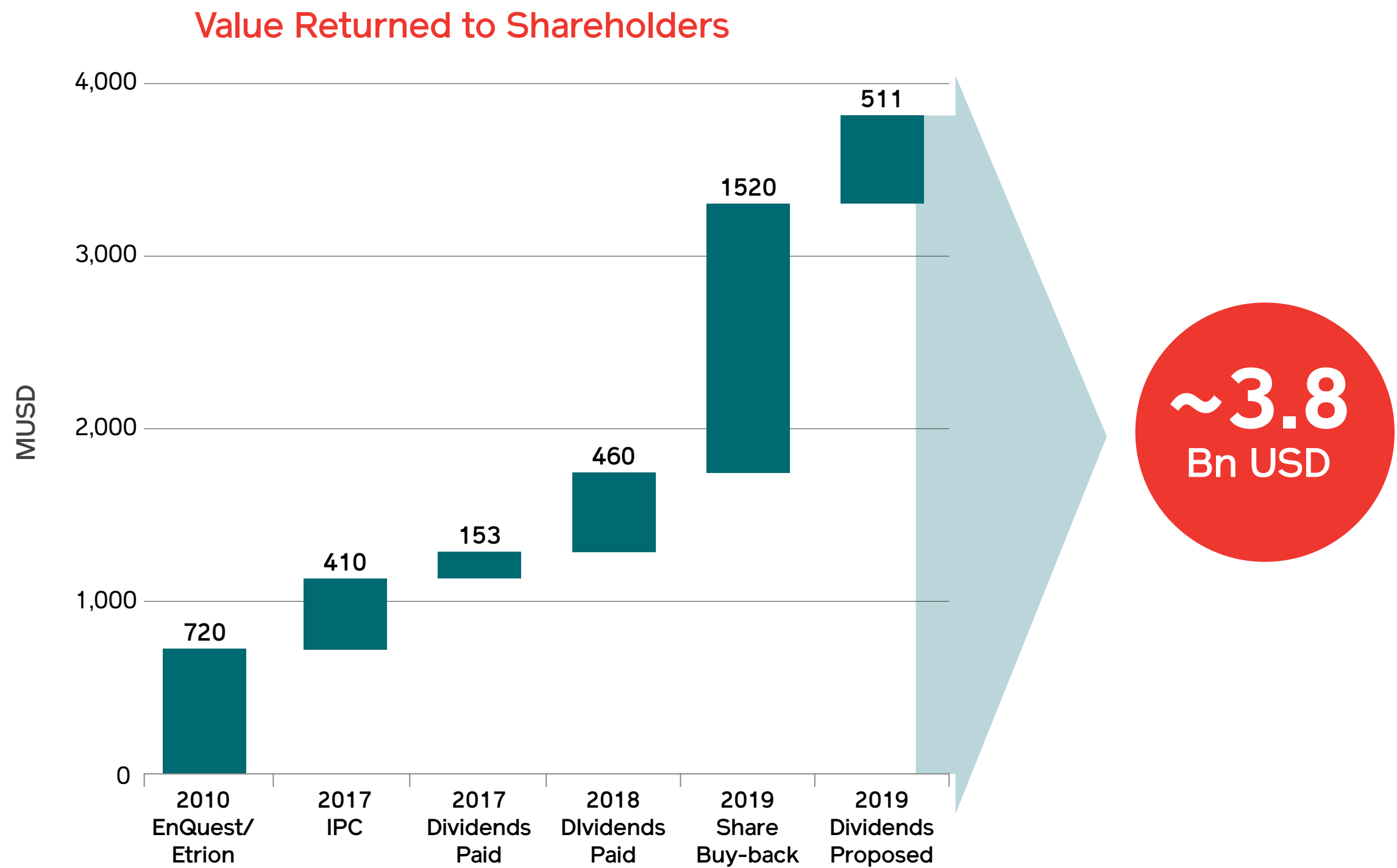
## Decarbonisation Strategy Roadmap



<sup>(1)</sup> Operational emissions

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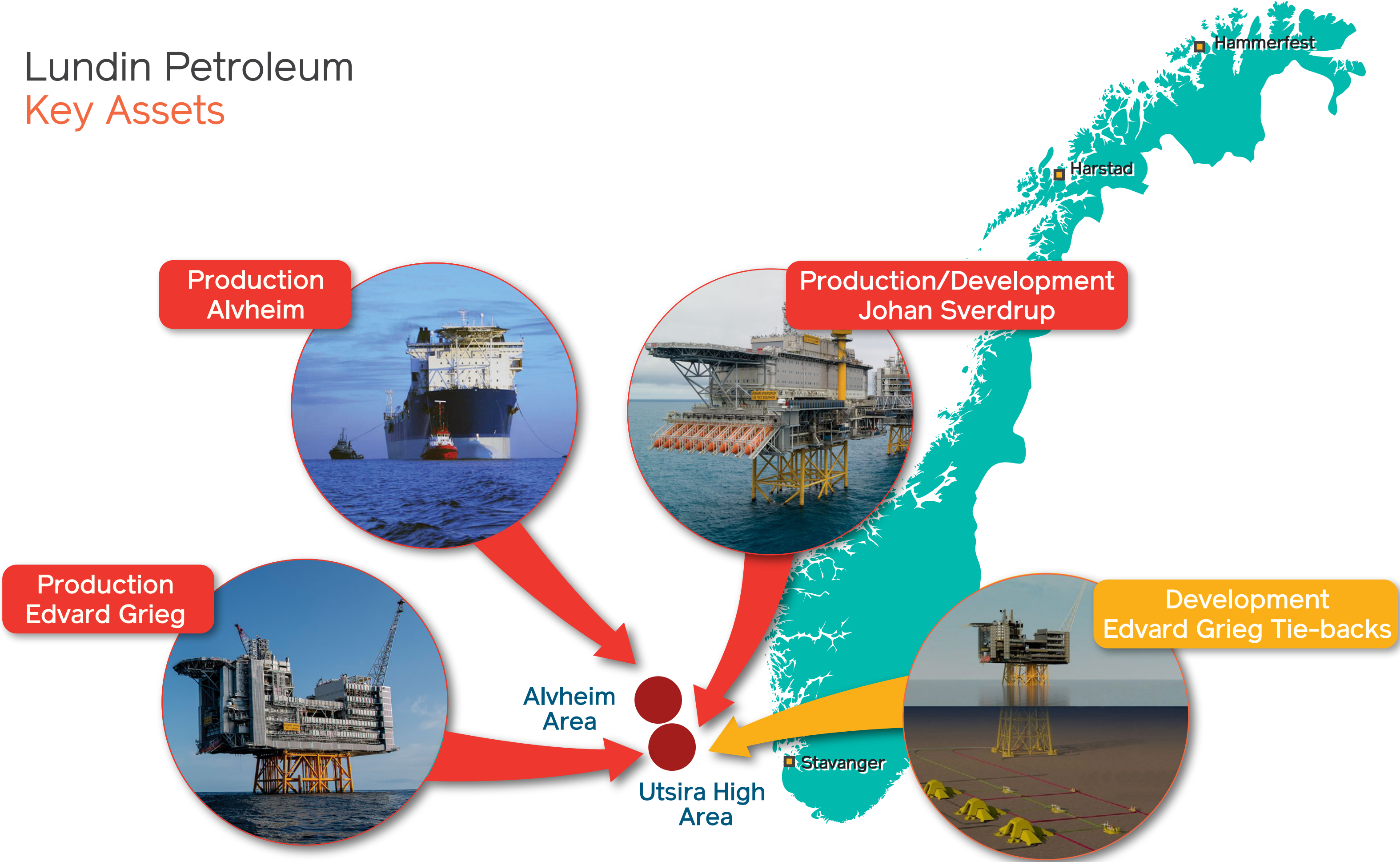
## Shareholder Returns - Track Record



Total shareholder return 2001–2019 CAGR 35%

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## Key Assets



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## Greater Edvard Grieg Area - Keeping the Facilities Full

### Edvard Grieg

- 3 firm infill wells sanctioned
- Further reserves upside

### Extended Plateau Production

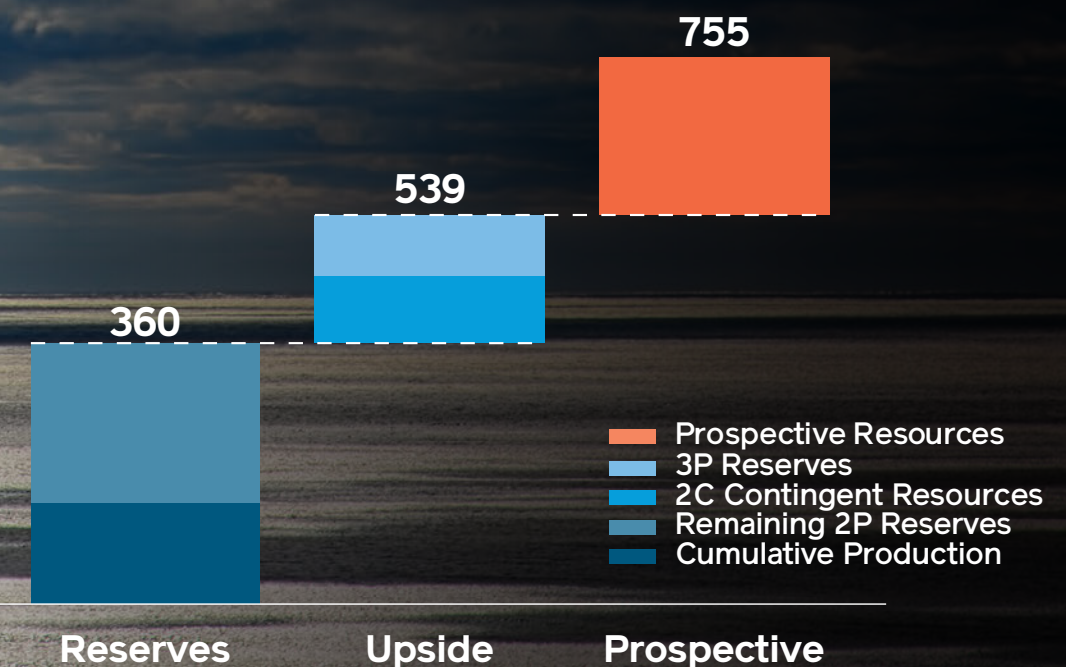
to around end 2022 from mid-2020

- Edvard Grieg outperformance plus Solveig/Rolvsnes tie-back projects

### Tie-backs

- Solveig, Rolvsnes, Lille Prinsen and exploration opportunities

Edvard Grieg Area  
Gross Reserves/Resources (MMboe)<sup>(1)</sup>



Lille Prinsen

Tellus East

Jorvik

Johan Sverdrup

Goddo

Ivar Aasen

Rolvsnes

Edvard Grieg

Solveig

<sup>(1)</sup> At year end 2019

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## Greater Edvard Grieg Area - Solveig Phase 1 and Rolvsnes EWT

Edvard Grieg

Solveig Rolvsnes EWT  
>20% complete  
>35% complete

Solveig First Oil

Rolvsnes EWT First Oil

2020

2021

Solveig Plateau Production  
30 Mboepd<sup>(2)</sup>

Rolvsnes and Goddo  
14-78 MMboe<sup>(1)</sup>

### Solveig Development

- 40-100 MMboe<sup>(1)</sup>
- Break-even oil price <30 USD/bbl<sup>(3)</sup>
- IRR >25% at 65 USD/bbl oil price<sup>(3)</sup>

West Bollsta drilling rig



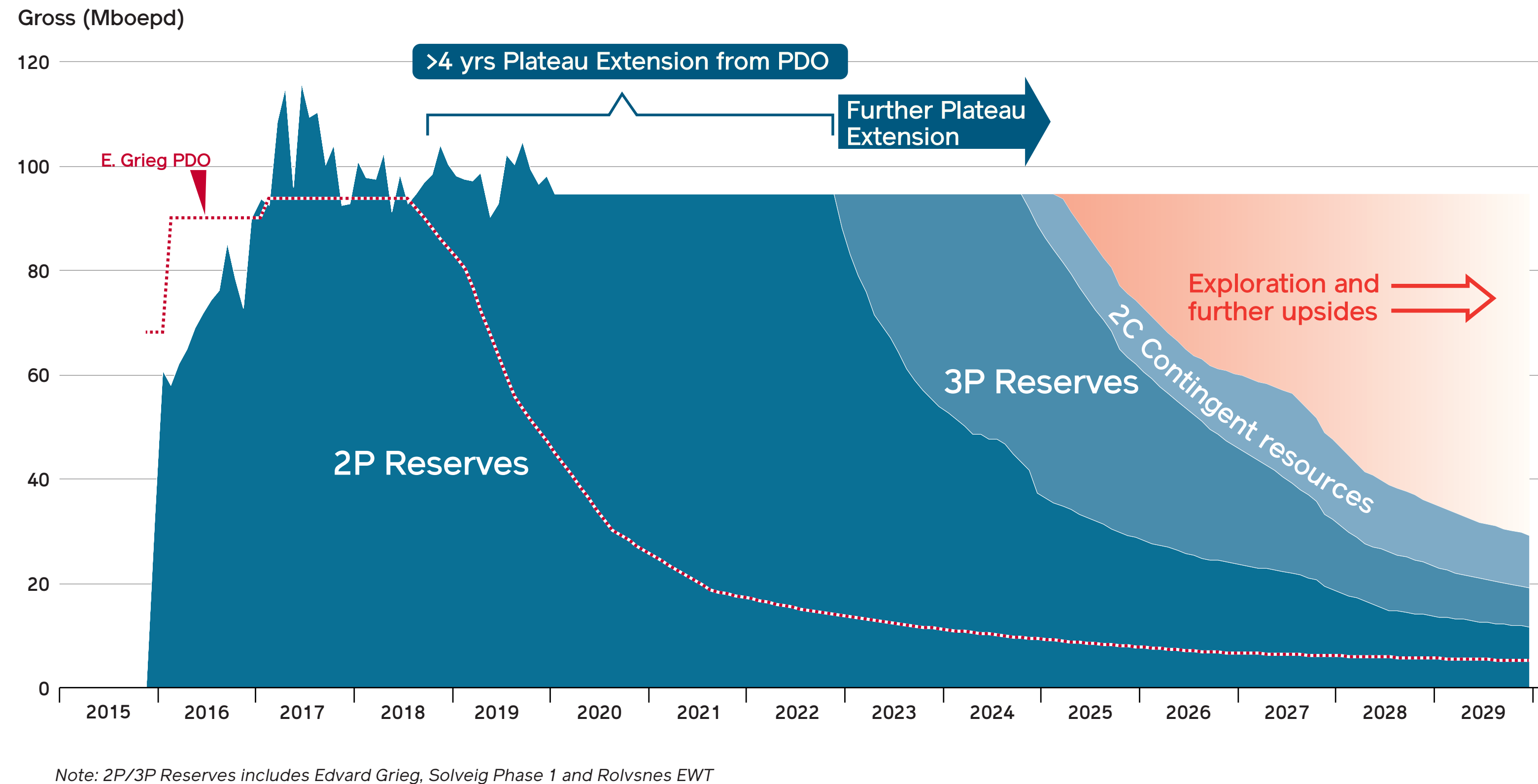
<sup>(1)</sup> Gross resources

<sup>(2)</sup> Gross

<sup>(3)</sup> Solveig Phase 1

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## Greater Edvard Grieg Area - Further Plateau Extension



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## Johan Sverdrup - In a League of its Own

OPEX  
**<2** USD/bbl  
from Phase 1  
plateau

Carbon  
Footprint  
**0.7**  
kg CO<sub>2</sub>/boe<sup>(3)</sup>



GROSS RESERVES		PRODUCTION CAPACITY		GROSS CAPEX <sup>(1)</sup>		BREAK EVEN PRICE
↑	<b>2.2–3.2</b> billion boe (PDO 1.7 – 3.0 billion boe)	Phase 1 First oil 5 Oct 2019	Full Field First oil Q4 2022	Phase 1 PDO 123 Bn NOK	Phase 2 PDO 85 Bn NOK <sup>(2)</sup>	Full Field <b>&lt;20</b> USD/boe
		<b>440</b> Mbopd	<b>660</b> Mbopd	Current <b>83</b> Bn NOK	Current <b>41</b> Bn NOK	
		~4 Bn USD saving net Lundin <sup>(4)</sup>				

<sup>(1)</sup> Nominal, fixed currency    <sup>(2)</sup> Original PDO    <sup>(3)</sup> Life of field    <sup>(4)</sup> Including currency effects

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## Johan Sverdrup - Phase 1 Ramp-up Ahead of Schedule



>350 Mbopd<sup>(1)</sup>  
from 8 wells  
~80% of plateau

Plateau 440 Mbopd<sup>(1)</sup>

First Oil  
5 Oct 2019

Production Efficiency	94%	Range 92–96%
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Q4 2019	2020
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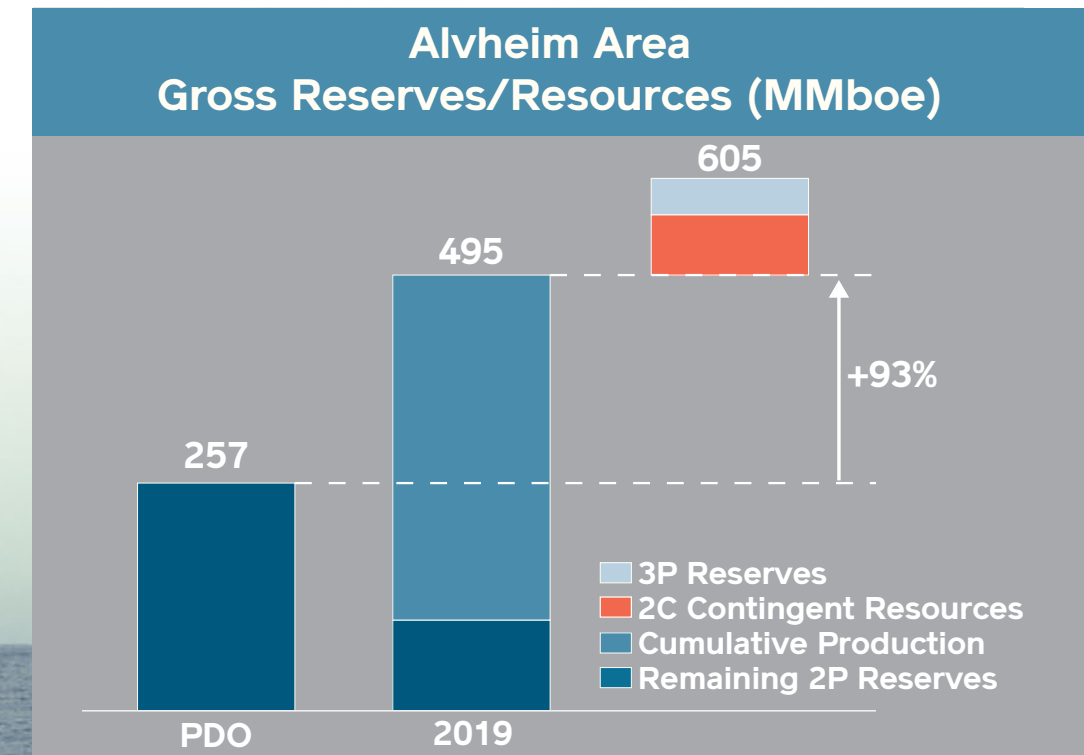
<sup>(1)</sup> Gross

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## Alvheim Area - Continuous Reserves Growth

- Frosk test producer on stream
- Alvheim infill pilots successful
- 2 infill wells in 2020

Alvheim FPSO



Frosk

Boa

Alvheim

Bøyla

Volund

Viper

Kobra

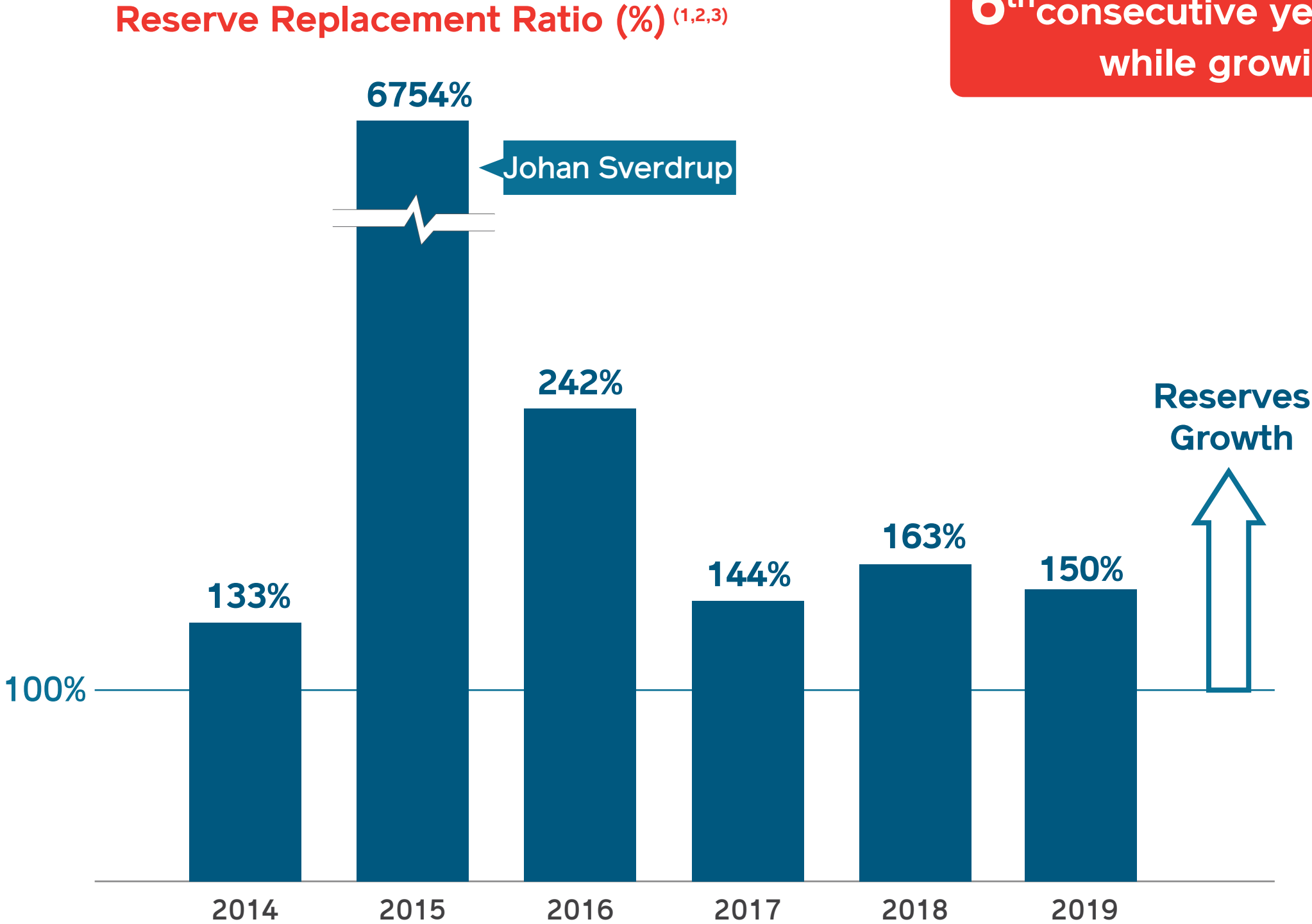
Gekko

N

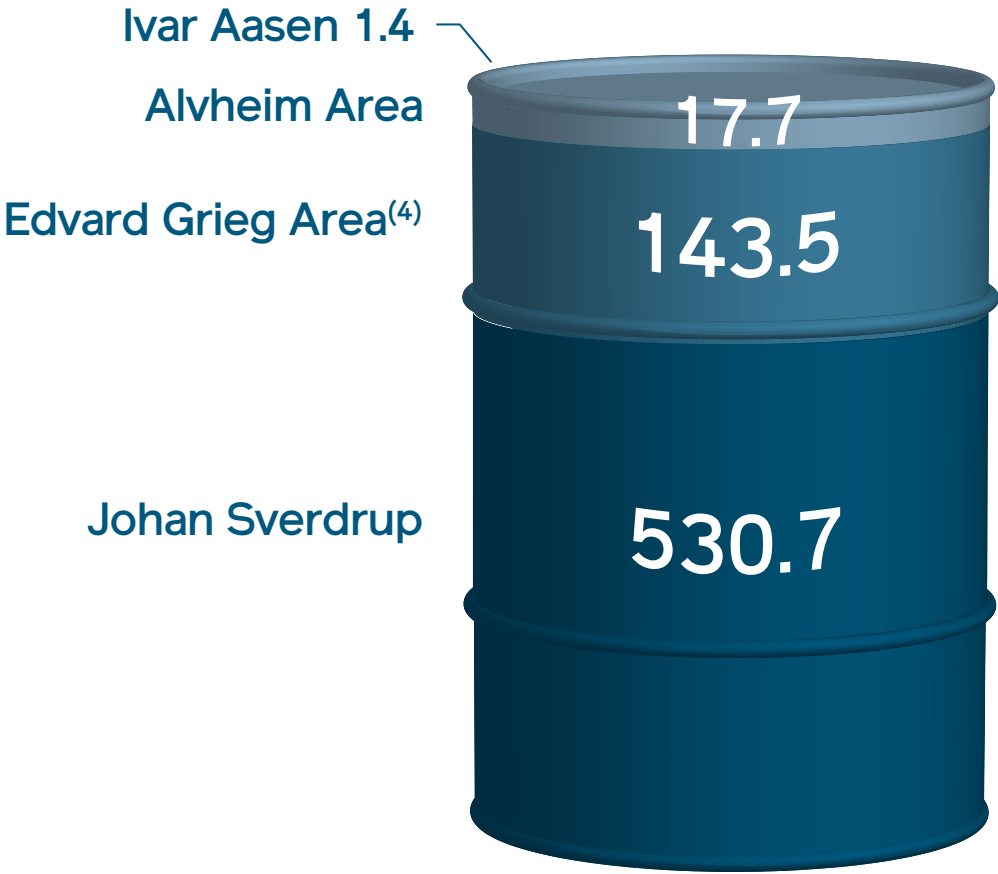
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## Track Record of Growing Reserves

6<sup>th</sup> consecutive year of reserves growth while growing production >4X



2P Reserves  
693.3 MMboe<sup>(1)</sup>



<sup>(1)</sup> 2P proved plus probable remaining reserves, independently audited by ERCE  
<sup>(2)</sup> Relates to Lundin Petroleum portfolio in Norway

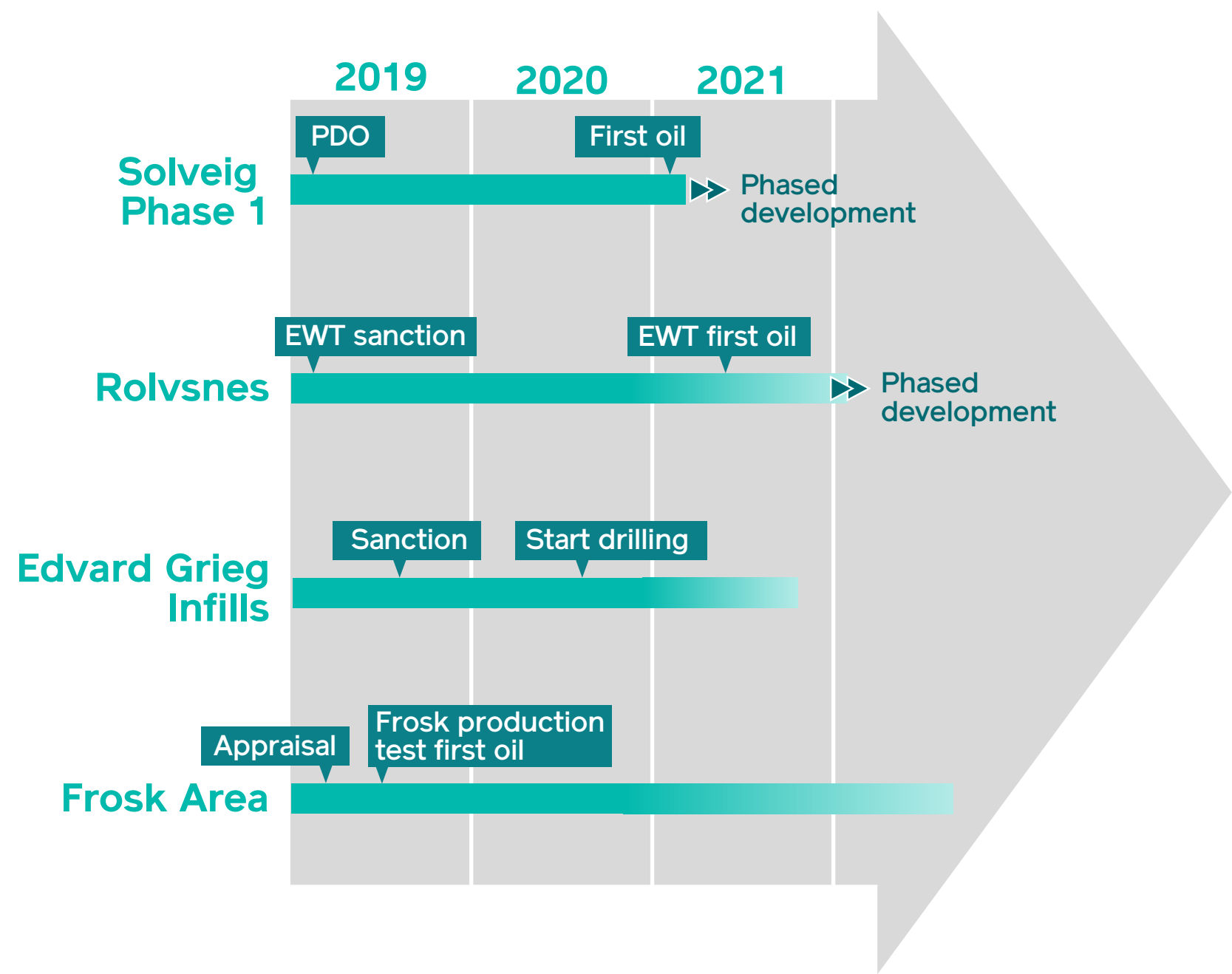
<sup>(3)</sup> As per industry standards the reserve replacement ratio is defined as the ratio of reserve additions to production during the year, excluding asset transactions

<sup>(4)</sup> Includes Edvard Grieg field, Solveig Phase 1 and Rolvsnes EWT

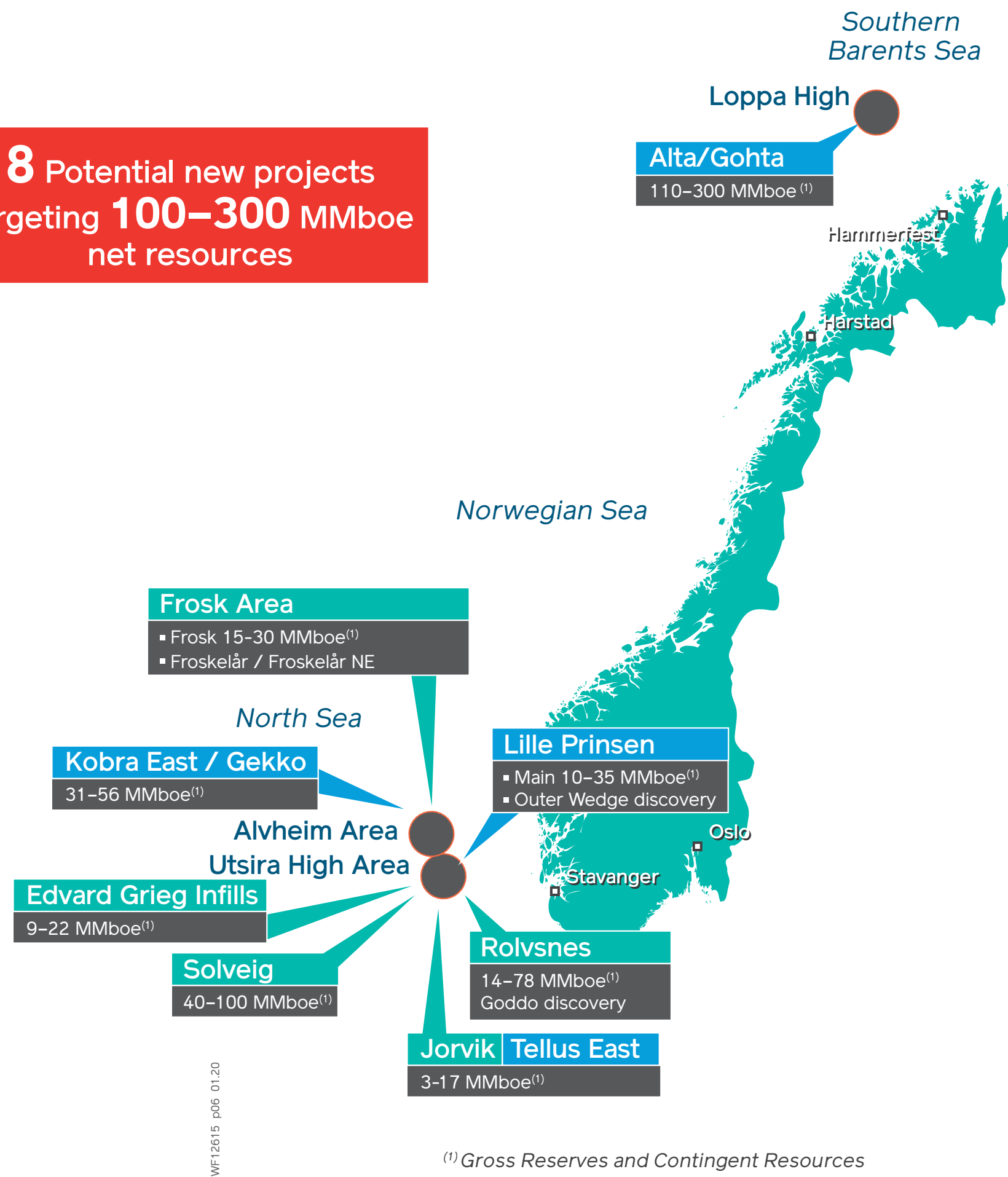
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## Pipeline of New Projects

### Projects Underway

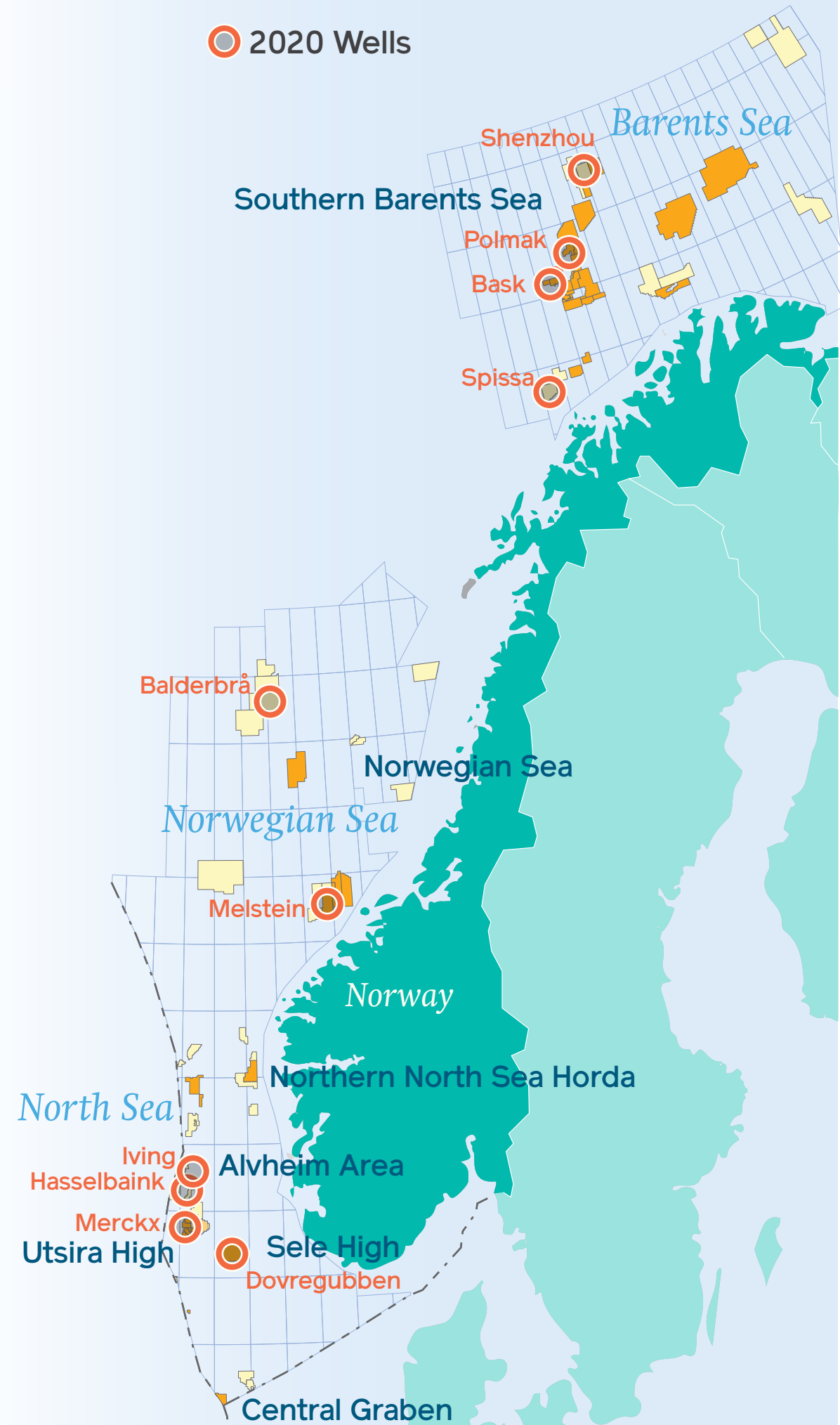
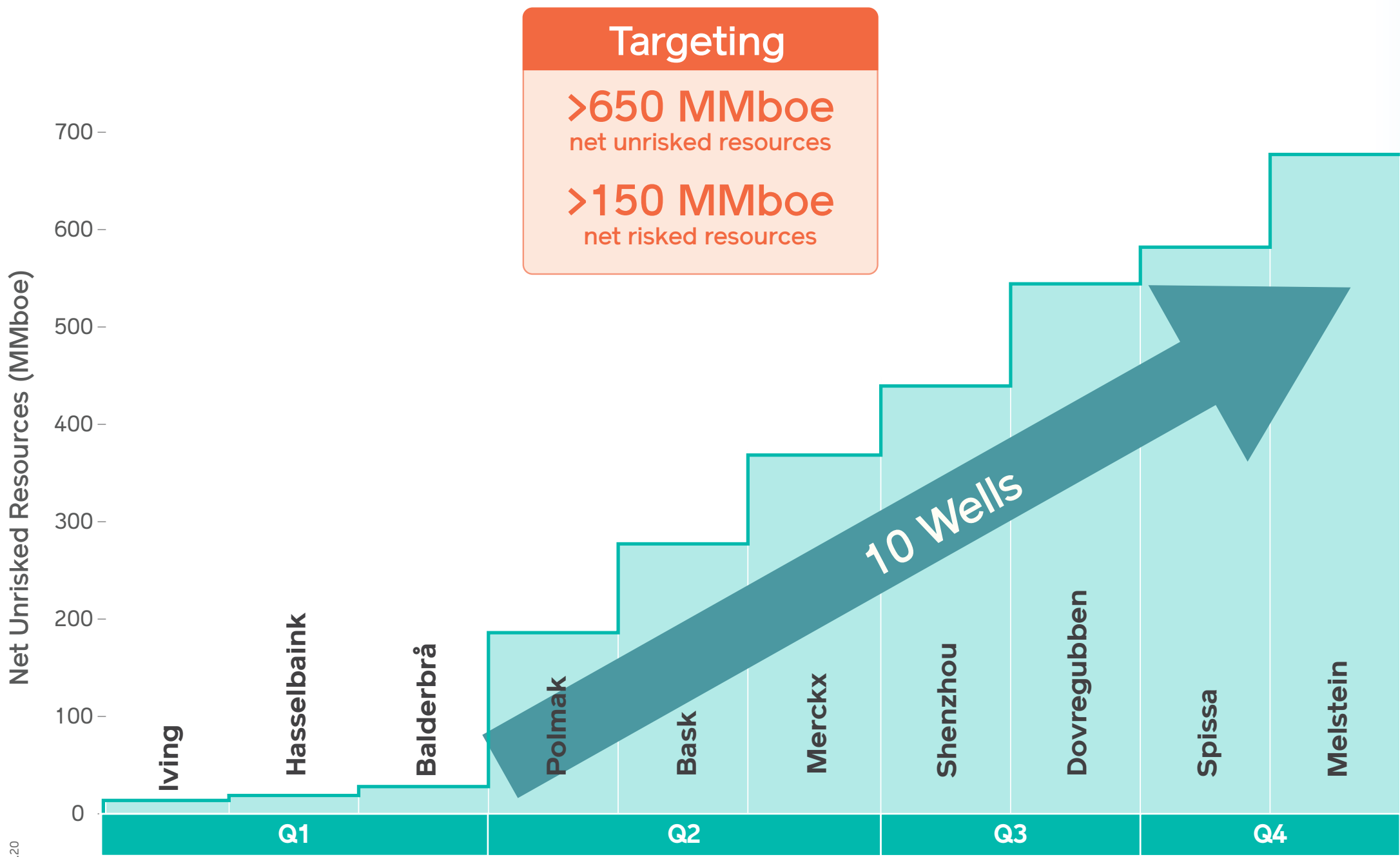


8 Potential new projects targeting **100–300 MMboe** net resources



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## 2020 Exploration and Appraisal Programme



# Long-term value creation

**160–170**

Mboepd long-term

Target  
**>200 Mboepd**  
Multiple organic  
growth sources

Industry leading low OPEX  
**3.2–4.2** USD/boe  
2020 onwards

**~1** Bn USD  
average free cash flow  
per year<sup>(1)</sup>

Free Cash Flow  
**~10% yield**

**1.80** USD /share  
dividend in 2020

Sustainable  
dividends  
**>5% yield**

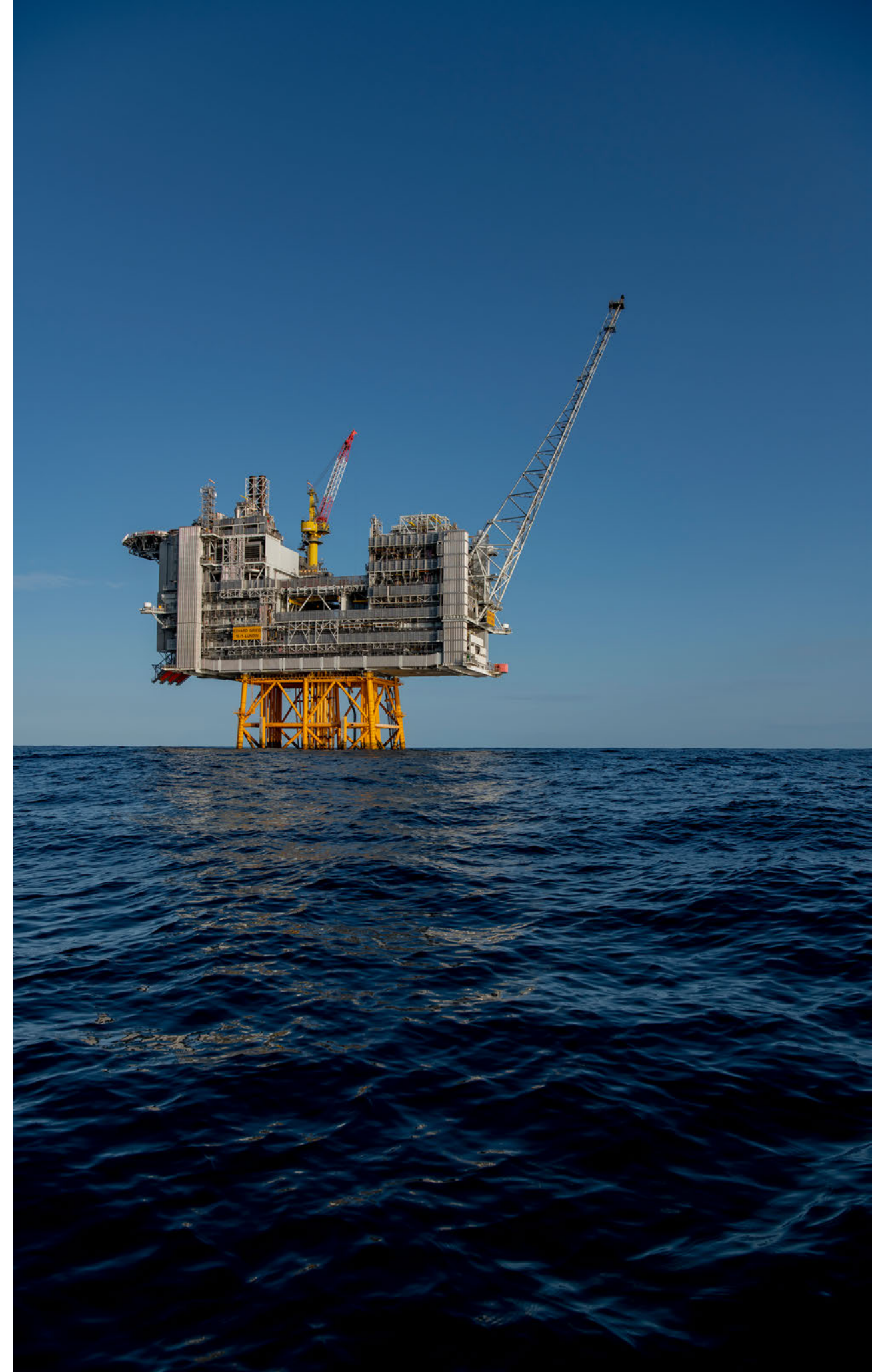
Safe and  
responsible  
operations

Target  
**Carbon Neutral  
2030**

<sup>(1)</sup> From 2019–2026 at 65 USD/bbl

Further information available in the  
**2020 CMD presentation**

on  
**[www.lundin-petroleum.com](http://www.lundin-petroleum.com)**  
or  
**the Lundin Petroleum IR App**



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