

Lundin Energy presents guidance for its renewables business

Lundin Energy AB (“Lundin Energy” or “the Company”) is pleased to present guidance for the second half of 2022, where the Company will be renamed to Orrön Energy and contain only the renewables assets of Lundin Energy. A webcast presentation with a question and answer session will be held today at 17.00 CEST to present the guidance and give a corporate overview for Orrön Energy.

Company Strategy and Market outlook

Orrön Energy will be a pure play renewables company with high quality and low-cost renewables assets in the Nordics. Orrön Energy will have a strong portfolio of cash flowing assets, no debt and up to MUSD 180 of financial capacity to fund further growth and M&A. The demand for renewables in Europe is expected to grow significantly in the coming years, while power pricing is expected to remain strong. Not only is there significant investment and growth required in power generation and transmission, the technology to decarbonise energy systems is still in its infancy. Orrön Energy intends to take advantage of these opportunities; aiming to create value through the energy transition, with an acquisition and organic growth led strategy.

Orrön Energy will start trading on Nasdaq Stockholm from 23 June 2022, initially under Lundin Energy’s ticker “LUNE” until the approved name change to Orrön Energy (ticker: ORRON) has been registered which is expected to occur on 1 July 2022.

Second Half 2022 Guidance

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| Guidance 2H 2022¹ | |
| Net power generation² | 150 GWh |
| Operating costs | MUSD 2 |
| G&A costs³ | MUSD 7 |
| Capital expenditures | MUSD 20 |

¹All numbers provided in this guidance are approximate

²Assuming average meteorological conditions

³Excludes non-cash items, includes MUSD 4 for Sudan legal costs

Fully funded with up to MUSD 180 financial capacity for acquisitions

Orrön Energy will have cash of MUSD 130 and no debt at inception on 1 July 2022, which will more than cover the expected future capital costs of around MUSD 100 for the Karskröv project. The Company intends to establish credit facilities which could add MUSD 100 to 150 of extra capacity, allowing up to MUSD 180 of liquidity for acquisitions.

Power generation and operating costs

Net power generation for the second half of 2022 is estimated to be approximately 150 gigawatt hours (“GWh”) assuming average meteorological conditions, increasing to approximately 600 GWh per annum from 2024 onwards when all committed projects are expected to be fully operational. Operating costs are budgeted at approximately MUSD 2 for the second half of 2022, and long-term operating costs from 2024 onwards are expected to remain at around EUR 10 per megawatt hour.

Capital expenditure

Capital expenditure guidance for the second half of 2022 is approximately MUSD 20 and mainly relates to the Karskröv windfarm project in Sweden. Karskröv is planned to be operational in late 2023 and will add 290 GWh to Orrön Energy’s annual net power generation. With the asset situated in the SE4 price region in southern Sweden, it constitutes an important contribution to the Company’s growth plans.

G&A and Sudan legal costs

General and administrative costs are expected to be around MUS\$ 3 for the second half of 2022, excluding non-cash items. The management team has been retained mostly from Lundin Energy, and is set up to manage future growth and pursue M&A opportunities from inception.

The Sudan legal case will remain with Orrön Energy and the Company refutes that there are any grounds for allegations of wrongdoing by any of its representatives and will continue to vigorously defend itself. Legal costs in relation to the defence of the Company, and its representatives, are expected to be approximately MUS\$ 4 for the second half of 2022.

Webcast presentation

There is a webcast presentation today at 17.00 CEST where the future CEO Daniel Fitzgerald, and future CFO Espen Hennie, will present guidance and give a corporate overview for Orrön Energy followed by a question and answer session. Registration for the webcast presentation is available on the below link:

https://us06web.zoom.us/webinar/register/WN_v-UlIEy_RTKP-wDA9RezHw

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Lundin Energy is an experienced Nordic oil and gas company that explores for, develops and produces resources economically, efficiently and responsibly. We focus on value creation for our shareholders and wider stakeholders through three strategic pillars: Resilience, Sustainability and Growth. Our high quality, low cost assets mean we are resilient to oil price volatility, and our organic growth strategy, combined with our sustainable approach and commitment to decarbonisation, firmly establishes our leadership role in a lower carbon energy future. (Nasdaq Stockholm: LUNE). For more information, please visit us at www.lundin-energy.com or download our App www.myirapp.com/lundin

Forward-looking statements

Certain statements made and information contained herein constitute “forward-looking information” (within the meaning of applicable securities legislation). Such statements and information (together, “forward-looking statements”) relate to future events, including Lundin Energy’s future performance, business prospects or opportunities. Forward-looking statements include, but are not limited to, statements with respect to estimates of reserves and/or resources, future production levels, future capital expenditures and their allocation to exploration and development activities, future drilling and other exploration and development activities. Ultimate recovery of reserves or resources are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

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.