

20 December 2001

LUNDIN PETROLEUM COMMENCES DRILLING ON BLOCK 5A SUDAN

Lundin Petroleum AB (the "Company"), together with partners Petronas Carigali Overseas Sdn Bhd ("Petronas"), OMV (Sudan) Exploration GmbH ("OMV") and Sudapet Ltd. ("Sudapet") are pleased to announce the commencement of the Thar-Jath 3 appraisal well on Block 5A, onshore southern Sudan. This is the third well to be drilled on the Thar-Jath structure and is designed to test the lateral extent of the oilfield.

The well will be drilled to a proposed total depth of 2100 meters and will take approximately 45 days to drill and test. A work-over rig will perform the testing while the main drilling unit moves over to drill the Thar Jath-4 well on another part of the structure (see attached map). Upon completion of this well which is also expected to take 45 days to drill + test, the drilling unit will be moved over to the Mala Structure with a view to drill a 1900 meter exploration well.

The Company is also pleased to announce the commencement of a 844 km 2D seismic survey on Block 5A which is designed to firm up several leads into drillable prospects on trend with existing fields in the Muglad Basin. The seismic survey should be completed by June 2002.

Lundin Petroleum is the operator of Block 5A with a 40.375% working interest. OMV has 26.125%, Petronas has 28.5% and Sudapet has a 5% working interest.

Background:

The Thar Jath Field was discovered in January 2001 with the testing of the Thar Jath-1 well which flowed at a combined rate of 4260 bopd from the Bentiu and Aradeiba reservoirs. The Thar Jath -2 well was drilled in June 2001 and flowed at a combined rate of 2000 BPD.

A 3-Dimensional Seismic survey was also completed in 2001, which has now been fully interpreted and has resulted in a detailed map of the Thar Jath structure.

Lundin Petroleum is a Swedish independent oil and gas exploration company with a strategic focus on areas of the world where there are proven petroleum systems, large reserves potential and lack of recent exploration activity. The Company's shares are traded on the New Market at Stockholmsbörsen (ticker "LUPE").

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