

## Update on first quarter 2020 financial results and audiocast details for 30 April 2020

**Lundin Energy AB (Lundin Energy) will publish its financial report for the first quarter 2020 on Thursday 30 April 2020. For the first quarter 2020, Lundin Energy will expense pre-tax exploration costs of approximately MUSD 28 and recognise a net foreign exchange loss of approximately MUSD 359. In addition Lundin Energy announces that it has secured additional credit commitments of MUSD 340.**

### Exploration costs

It is the Company's policy to capitalize costs associated with its exploration activities and if it is determined that a commercial discovery has not been achieved, the associated exploration costs are charged to the income statement. For the first quarter of 2020, Lundin Energy will incur a pre-tax charge to the income statement of MUSD 28 relating to exploration costs. These exploration costs will be offset by a tax credit of approximately MUSD 22. The costs are mainly related to the appraisal of the Balderbrå discovery and other exploration costs on PL894, the Hasselbaink exploration well (PL917) and relinquished licences.

### Foreign exchange

Lundin Energy will recognise a net foreign exchange loss of approximately MUSD 359 for the first quarter of 2020. The Norwegian Krone weakened against the US Dollar by approximately 20 percent and the Euro weakened against the US Dollar by approximately 2 percent during the first quarter of 2020. The foreign exchange loss 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 first quarter of 2020, Lundin Energy was overlifted by 0.7 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 first quarter 2020, revenue from the sale of crude oil from third parties amounted to MUSD 55.9 offset by the purchase of crude oil from third parties of MUSD 55.2, resulting in a gross profit of MUSD 0.7 on third party activities for the first quarter 2020.

### Additional MUSD 340 credit commitments

During the current oil market uncertainty, Lundin Energy has taken the prudent measure of securing further credit commitments of MUSD 340 through an unsecured corporate facility with five banks. The credit commitments remain subject to legal documentation which is expected to be put in place over the next few weeks. This new facility comes in addition to the existing MUSD 5,000 reserve-based lending (RBL) facility and the existing MUSD 160 corporate facility for renewable investments and will provide the Company with further financing flexibility and optionality. It also has the effect of offsetting the impact of the RBL amortisation schedule which starts in the second half of 2020 and reduces the RBL from the current commitments of MUSD 5,000 to MUSD 4,000 by 1 January 2021. As at 31 March 2020, net debt stood at MUSD 3,694.

### Release of report and audiocast on 30 April 2020

Lundin Energy's financial report for the first quarter 2020 will be published on Thursday 30 April 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](http://www.lundin-energy.com) or dial in using the following telephone numbers:

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Access Pin : 58812582

Link : <https://lundinenergy.videosync.fi/2020-04-30-q1>

*Lundin Energy 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 LUNE). Read more about Lundin Energy's business and operations at [www.lundin-energy.com](http://www.lundin-energy.com)*

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