

Interim Report

1 January – 31 March 2014



FIRST QUARTER

- Group revenue totalled SEK 178 million (359)
- EBITDA was SEK 114 million (211)
- Profit after tax was SEK -48 million (34)
- Earnings per share were SEK -0.43 (1.57)

KEY EVENTS

- Successful long term drilling test carried out on Diega – pilot well encountered oil
- The Mer Profonde Sud farm-out received governmental approval
- Working capital facility of USD 50 million signed with Gunvor

SUBSEQUENT EVENTS

- Nomination committee proposes new Chairman and new board member
- Uncertainty and delays in the farm-out process in Tunisia

Financial key ratios

	January - March		Full year
	2014	2013	2013
Average production, barrels/day	3,400	6,800	4,600
Revenue, SEK million	178	359	1,049
EBITDA, SEK million	114	211	-494
EBITDA margin, %	64%	59%	neg
Operating profit, SEK million	71	117	-1,234
Profit for the period, SEK million	-48	34	-1,219
Earnings per share after dilution, SEK	-0.43	1.57	-21.54



CEO COMMENTS

In the first quarter in 2014, we have built on the successes of 2013 and have continued to develop and execute plans to realise optimum value from our current asset base. The strategic programme of portfolio rationalisation, with farm-outs in Tunisia, Congo, Denmark and Germany, was an important step in this process. One of our key priorities during the first half of 2014 is to achieve full government approval for these farm-outs in the respective countries. In Congo, we have received approval for the farm-out to SOCO and expect to have ratification of the MPS license extension very soon. The farm-outs to Dana in Denmark and Germany should also be sanctioned shortly and consequently we expect Dana to drill the Lille John 2 appraisal well in the fourth quarter 2014.

The first of these deals, which we announced in May 2013, was the farm-out of our offshore Tunisian assets to EnQuest. One of the preconditions to full completion of that transaction is ratification in the Tunisian Parliament of Avenant 5 for the extension of the Zarat Permit. Since the interim Government was put in place in January 2014, we have been in close dialogue with Ministers on the progress of Avenant 5 and have been expecting parliamentary approval for several weeks. However, in the last couple of weeks we have seen the first indications of any barrier to progress by a negative vote in the Energy Committee, a subcommittee to the Tunisian parliament. PA Resources is not alone in this and other Operators are experiencing frustration in achieving approvals. We are working closely with the Government to ensure an early resolution in order that progress on the Zarat development, of great importance to Tunisian indigenous gas supply, is not hindered. For the time being, our progress towards first production is not being affected as we work together with ETAP on a plan of development for Zarat and unitization with the Joint Oil block.

We were briefly concerned that our rehabilitation programme for the Didon Field would be slowed, since we are unable to

commit to a drilling rig for infill drilling until the deal is completed. However, our most recent technical work demonstrates that several of the current wells in Didon would benefit from the installation of Electrical Submersible Pumps and that this should be our priority in 2014. This work does not require a drilling rig and we expect to be operational on the first of these in the second quarter.

In Equatorial Guinea, we were able to announce positive results from the Diega production test during the quarter and expect to see a plan of development for Diega in the next few months.

In addition to optimising our current assets, we continue to look at opportunities to expand the portfolio. Our drilling success in Denmark and farm-out in Congo both demonstrate the quality of our in-house exploration team. Their expertise allows us to find ways of building the business with relatively low entry cost. As a result, we expect to be active in upcoming licensing rounds in the UK and Denmark with a view to adding material exploration opportunities and/or discovered resources in our core areas, with scope to dilute later if desired.

We continue to develop the benefits and advantages to PA Resources from having Gunvor as a major shareholder. One clear benefit was demonstrated in March, when we were able to announce a USD 50 million working capital facility which gives us significant financing flexibility at a significantly lower cost than our most recent bond issue. Having strong and supportive major shareholders also puts us in a strong position as we look at other opportunities to expand the portfolio, including corporate targets.

Mark McAllister
President and CEO

Operational review

DRILLINGS

Drilling programme

Country	Licence	Field/Prospect	Time	Well/number
Tunisia	Zarat	Elyssa*	2014/2015	Appraisal/1
	DST		2014	Development/1
	Didon		2015	Production/1-2
Equatorial Guinea	Block I	Diega	2014	Appraisal/Development/1-2
Denmark	12/06	Lille John	2014	Appraisal/1
Republic of Congo (Brazzaville)	MPS	RR**	2014/2015	Exploration/1

* The well is subject to closing of the farm-out of the Zarat licence.

** Subject to regulatory approval of the farm-out to SOCO.

The drilling programme is revised continuously based on the capital expenditure budget and prioritised commitments.

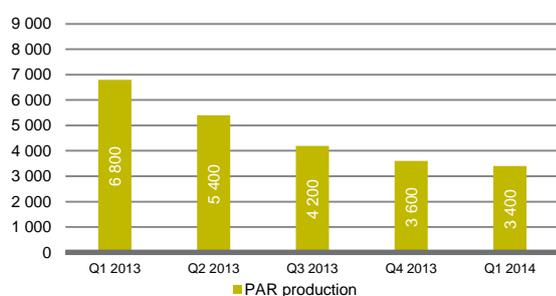
A long term drill stem test on the Diega accumulation in Block I in Equatorial Guinea has been completed. An initial pilot well, I-8 encountered good quality oil. Subsequently the planned horizontal sidetrack I-8ST showed an oil pay of similarly good quality. The well was tested for one month at constrained rates up to approximately 7,300 barrels of oil per day. The well has been suspended for re-use as a future production well.

PRODUCTION AND SALES

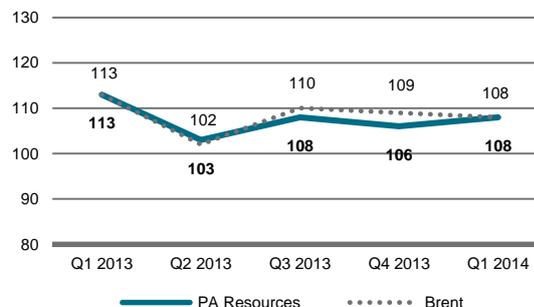
PA Resources' total oil production amounted to 305,000 barrels (608,300) during the first quarter. Average daily production was 3,400 barrels (6,800) per day. The Aseng field in the West Africa region produced 2,600 barrels per day, and four oil fields in the North Africa region produced 800 barrels per day.

Production is based on working interest, which is PA Resources' share of total gross production before deductions for royalty and other taxes. Working interest in Didon was 100 percent in the first quarter 2013 and 30 percent in the first quarter 2014, subject to the farm out transaction to EnQuest getting necessary approvals.

Average production per quarter (barrels per day)



Average sales price per quarter (USD per barrel)



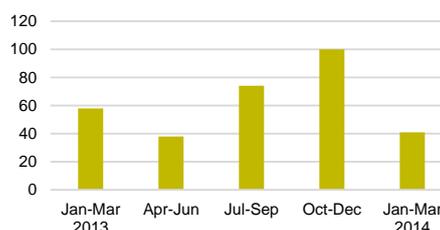
A total of 240,900 barrels of oil (463,100) were sold during the first quarter, excluding royalties. The average sales price was USD 108 per barrel (113), compared with an average price for Brent of USD 108 per barrel (113).

CAPITAL EXPENDITURES

Capital expenditures during the first quarter amounted to SEK 41 million and pertained mainly to investments in the drilling program on Diega in Block I in Equatorial Guinea. Under the terms of the production sharing contract for Block I, these costs are rapidly recovered from Aseng oil sales.

Capital expenditures for the full year 2014 are expected to be SEK 200-250 million, i.e. less than the SEK 300 million communicated in the fourth quarter report 2013. The reduction is mainly a result of timing effects for the Diega investment, however not impacting first oil in 2016.

Capital Expenditures per quarter (SEK million)



RESERVES AND RESOURCES

At year-end, the proven and probable (2P) oil and gas reserves totalled 21.6 million barrels (23.5) of oil equivalents on a working interest basis. Of these, 14.1 million barrels (15.9) were 1P reserves. This corresponds to 9.1 million barrels of 1P reserves and 14 million barrels of 2P reserves based on a net entitlement share. All numbers take in to account the farm-out of a 70 percent interest in the company's Tunisian off-shore assets. A full independent audit of the Group's reserve base is planned during the course of 2014.

Million barrels of oil equivalents	Working interest Total		Net Entitlement Total	
	1P/P90	2P/P50	1P/P90	2P/P50
Reserves as per 31/12/2013	14.1	21.6	9.1	14

The reserves are classified according to the 2007 Petroleum Resources Management System (SPE-PRMS 2007) guidelines and classification which is the standard of the Society of Petroleum Engineers (SPE), World Petroleum Congress (WPC), American Association of Petroleum Geologists (AAPG) and Society of Petroleum Evaluation Engineers (SPEE).

WEST AFRICA REGION

Country	Asset	Operator	Partners	On/offshore	Phase
Republic of Congo (Brazzaville)	Azurite*	Murphy (50%)	PA Resources (35%), SNPC (15%)	Offshore	Under abandonment
	Mer Profonde Sud**	SOCO International plc (60%)	PA Resources (25%), SNPC (15%)	Offshore	Exploration
Equatorial Guinea	Aseng	Noble Energy (38%)	Atlas Petroleum (27.55%), Glencore (23.75), PA Resources (5.7%), GEPetrol (5%)	Offshore	Production
	Alen***	Noble Energy (44.65%)	GePetrol (28.75%), Glencore Zstrata (23.75%), Atlas Petroleum (1.38%), PA Resources (0.28%)	Offshore	Production
	Block I	Noble Energy (38%)	Atlas Petroleum (27.55%), Glencore (23.75), PA Resources (5.7%), GEPetrol (5%)	Offshore	Exploration

* Participating interests are reported inclusive of all the rights to participating interests of the state-owned company SNPC. Production at Azurite ceased in November 2013.

** Completion of the farm-out to SOCO International plc is subject to regulatory approvals. Prior to approval PA Resources interest is 85%.

***95% of the Alen field is located in Block O and 5% in Block I. PA Resources has a 5.7% working interest in Block I, which provides 0.28% in the field in total.

Exploration, appraisal and development

Republic of Congo (Brazzaville)

Mer Profonde Sud

Government approval of the assignment of a 60 percent interest from PA Resources to SOCO was received during the quarter and discussions are continuing with respect to finalising the group's entry into the final period of the PSC. SOCO has become operator of the licence and planning has commenced for the drilling of the Baobab Marin 1 exploration well in late 2014/ first half of 2015.

Equatorial Guinea

Block I

Studies are advancing towards submission for regulatory approval of the Diega field development plan during the second half of 2014. Initial indications following the long term drill stem test are that recoverable volumes will be higher than the 30 million barrels assumed by PA Resources in the August 2013 financial projections. Planning for 3D seismic acquisition over Block I is well advanced.

The Carla South field is currently considered sub-commercial but will be re-evaluated following new 3D seismic acquisition planned for this year.

The Block H licence expired in February 2014. An impairment charge was recognised for the carrying amount during the fourth quarter of 2013.

Production

Republic of Congo (Brazzaville)

Abandonment of the Azurite field is in progress and is presently around 80 percent complete. The FDPSO vessel left Congo in early April (9th). All costs for the early abandonment were charged against profit in 2013. The cash outlays, primarily related to lease costs for the production vessel, are up to USD 40 million in 2014.

Equatorial Guinea

Aseng production has been stable in the first quarter. A production well is planned on Alen later in 2014 to raise overall gas/condensate production rates by 20-30 percent.

NORTH AFRICA REGION

Country	Asset	Operator	Partners	On/offshore	Phase
Tunisia	Douleb	PA Resources (70%)*	Serept (30%)	Onshore	Production
	Semmama	PA Resources (70%)*	Serept (30%)	Onshore	Production
	Tamesmida	PA Resources (95%)*	Serept (5%)	Onshore	Production
	Didon****	Enquest (70%)	PA Resources (30%)	Offshore	Production
	Jelma**	PA Resources (70%)	Topic (30%)	Onshore	Exploration
	Makthar**	PA Resources (100%)		Onshore	Exploration
	Zarat****	Enquest (70%)	PA Resources (30%)	Offshore	Exploration
	Jenein Centre***	Chinook Energy (65%)	PA Resources (35%)	Onshore	Exploration

* Operatorship outsourced to Serept.

** ETAP has the right to take a 50% interest in the Jelma licence and 55% in the Makthar and Zarat licences once discoveries have been made on the respective licences and a development plan has been submitted. Until such time, ownership is shared as shown above.

*** ETAP is the sole licence holder, but has signed a production-sharing agreement with PA Resources and Chinook Energy.

**** Completion of farm-out to EnQuest Plc. is subject to a number of conditions precedents.

Exploration, appraisal and development

Zarat

PA Resources signed an agreement to farm out 70 percent of its working interest in the company's Tunisian offshore assets and to transfer the operatorship to EnQuest Plc in May 2013. The notification and approval process with the Tunisian Government Authorities continues but has experienced delays due to the political situation in the country. Discussions are ongoing with the Tunisian authorities in support of achieving early acceptance. Completion of the transaction is now not expected before the end of the second quarter of 2014.

Work continues to progress between the southern and northern tract partners to develop a legally and commercially robust Zarat Unitised Unit Operating Agreement (UUOA). ETAP, PA Resources' partner in the Zarat Field development has reached broad agreement on the UUOA key principles. Detailed work is ongoing between PA Resources and ETAP to develop a full field life Unit Plan of Development (UPOD). In developing the UPOD full consideration is being given to Tunisia's increasing and critical gas supply demands plus CO2 sequestration requirements. It is currently anticipated that an agreed southern and northern tract Zarat UUOA and UPOD will both be ready for submission to the Tunisia government authorities for approval during mid-year 2014.

Elyssa

Work is nearing completion to finalise a well target for the Elyssa 4 appraisal well. Subject to both Tunisian authority agreements and drilling rig availability, it is currently planned to drill this well during the fourth quarter 2014 or first quarter of 2015 at the latest.

Production

Didon

Production from the Didon field has been stable during the period from the base producing wells. Additionally, significant incremental oil was obtained from a batch producing well, which will be the first well to have an Electrical Submersible Pump (ESP) installed (scheduled for the second quarter of 2014). All surface electrical and control equipment in preparation for the ESP installation has been installed. Other opportunities to optimise production to compensate for the natural decline of the field and extend the field life are being planned. This includes the installation of a second ESP during the fourth quarter of 2014 into a well that has been shut-in for an extended time. Results from the ESP wells will help determine the best location for the drilling of a Didon infill well, which is currently planned for the first half of 2015.

Douleb, Semmama and Tamesmida (DST)

Production was steady during the period. An infrastructure upgrade programme has commenced.



NORTH SEA REGION

Country	Asset	Operator	Partners	On/offshore	Phase
United Kingdom	Block 22/19a	PA Resources (100%)		Offshore	Exploration
Denmark	Block 9/06 (Gita)	Maersk Olie og Gas (31.2%)	PA Resources (26.8%), Nordsøfonden (20%), Noreco (12%), Danoil (10%)	Offshore	Exploration
	Block 12/06*	Dana Petroleum Denmark (40%)	PA Resources (24%), Nordsøfonden (20%), Spyker Energy (8%), Danoil (8%)	Offshore	Exploration
Netherlands	Block Q7	Tulip Oil (30%)	Energie Beheer Nederland (40%), PA Resources (30%)	Offshore	Exploration
	Block Q10a	Tulip Oil (30%)	Energie Beheer Nederland (40%), PA Resources (30%)	Offshore	Exploration
	Schagen	Tulip Oil (30%)	Energie Beheer Nederland (40%), PA Resources (30%)	Offshore	Exploration
Germany	B20008-73**	PA Resources (34%)	Dana Petroleum Germany (56%), Danoil (10%)	Offshore	Exploration

* Completion of farm-out to Dana Petroleum Denmark is subject to government approvals. Prior to approval PA Resources interest is 64%.

** Completion of farm-out to Dana Petroleum Denmark is subject to government approvals. Prior to approval PA Resources interest is 90%. Operatorship will change prior to drilling.

Exploration, appraisal and development

Denmark

12/06

Most of the required approvals are now in place with respect to PA Resources' divestment of a 40 percent interest and operatorship to Dana, with completion expected early in the second quarter. It is anticipated that the Noble Byron Welliver rig will drill the Lille John 2 appraisal well in the fourth quarter of 2014. Studies continued on Broder Tuck towards a decision later this year regarding further appraisal drilling or to continue straight to development sanction.

9/06 (Gita)

It is expected that the 9/06 Gita joint venture will relinquish this licence in the second quarter of 2014, following a thorough review of the remaining prospectivity. An impairment charge was recognised for the carrying amount during 2013.

United Kingdom

22/19a

The technical studies to assess the economics of appraisal and/or development and dialogue with possible host infrastructure continued during the first quarter.

Germany

B20008/73

A two year extension was received on this licence and reprocessing of 3D data over the area continues. Regulatory approval of PA Resources' divestment of a 56 percent interest to Dana is pending.

Netherlands

Q7/10a

The operator's evaluation of the Q7-FA gas discovery continues.

Schagen

Following the operator's decision to withdraw, PA Resources has sought regulatory approval to extend the licence and become operator.

Financial overview

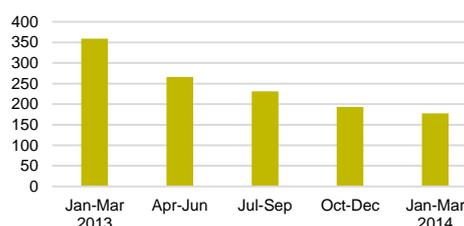
PA Resources has decided to change the presentation format for the income statement and also to change certain accounting policies impacting revenue, production costs and income tax. The changed accounting policies do not impact the net result in any of the previous and current periods. The assessment is that the new presentation and changed policies will provide a better presentation and more relevant information for the user. PA Resources has done this on a voluntary basis and there are no historical errors, see more in note 2.

THREE MONTH PERIOD 1 JANUARY – 31 MARCH 2014

Revenue and gross profit

Revenue amounted to SEK 178 million (359) and decreased as a result of lower production and a lower sales price compared with the corresponding period a year ago. Production costs including direct production taxes of SEK -3 million (-2) amounted to SEK -37 million (-121) and decreased mainly as a result of farmed out Tunisian assets in the second quarter of 2013 and the abandonment of the Azurite field in the fourth quarter of 2013. Depletion of oil and gas assets amounted to SEK -43 million (-73) and gross profit amounted to SEK 98 million (165). Both decreases were mainly due to lower production.

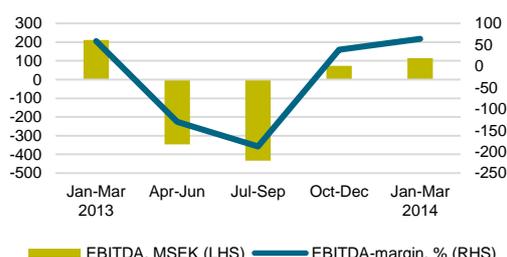
Revenue per quarter (SEK million)



EBITDA, impairment losses and operating profit

EBITDA amounted to SEK 114 million (211) and was negatively affected by decreased revenue due to lower production. The EBITDA margin was 64 percent (59). Operating profit amounted to SEK 71 million (117), corresponding period a year ago was negatively affected by an impairment loss of SEK 21 million for remaining investment costs in the Azurite field. The operating margin was 40 percent (32).

EBITDA and EBITDA margin per quarter



Net financial items, tax and profit for the period

Net financial items for the Group amounted to SEK -90 million (-37) for the period. Interest expenses was SEK -63 million (-69). Currency effects on net financial items amounted to SEK -21 million (45). Adjusted for currency effects net financial items amounted to SEK -69 million (-82). The reported tax amounted to SEK -30 million (-45) and paid tax was SEK -17 million (-54). Earnings per share before and after dilution were SEK -0.43 (1.57).

Cash flow

The Group's operating cash flow for the period was SEK -52 million (-70), mainly owing to payments of SEK 30 million in connection with the abandonment of the Azurite field as well as interest payments of SEK 21 million. Total capital expenditures for the period amounted to SEK 41 million (58). Of these, SEK 32 million (48) pertained to the West Africa region, mainly related to part to Block I drilling activities. Cash flow from financing activities amounted to SEK -94 million (359) and pertained entirely to the repayment of the convertible bond loan. Financing cash flow for the corresponding period a year ago included the net proceeds of a rights issue totalling SEK 604 million

Financial position

As per 31 March 2014 the Group had net borrowings of SEK 1,907 million and a debt/equity ratio of 109 percent. During the first quarter, PA Resources has signed a one-year working capital facility of USD 50 million carrying a fixed interest rate of 7.5 percent. As per 31 March 2014 the working capital facility was unutilised. The facility is secured through a shared pledge in the Tunisian assets. Cash and cash equivalents amounted to SEK 216 million compared with SEK 403 million at year-end 2013. Shareholders' equity decreased by SEK 42 million during the period, and amounted to SEK 1,753 million, compared with SEK 1,795 at year-end 2013.

PARENT COMPANY

Net financial items for the period amounted to SEK -48 million (6) and were negatively affected by currency effects of SEK -20 million (+48). Adjusted for currency effects net financial items amounted to SEK -28 million (-42). Exploration and evaluation assets amounted to SEK 0 million compared with SEK 92 million for the corresponding period a year ago. The decrease pertains to a write down of licence 2008/17 (Block 8) in Greenland during the second quarter of 2013.



CURRENCY RATES

The following exchange rates have been used in the preparation of the financial statements for the reporting period.

	Closing day rate 31 March 2014	Average rate Jan.-March 2014	Closing day rate 31 March 2013	Average rate Jan.-March 2013	Closing day rate 31 Dec. 2013	Average rate Jan.-Dec. 2013
1 EUR in SEK	8.95	8.86	8.34	8.50	8.94	8.65
1 USD in SEK	6.51	6.46	6.52	6.43	6.51	6.51
1 TND in SEK	4.10	4.03	4.08	4.11	3.94	4.01
1 NOK in SEK	1.08	1.06	1.11	1.14	1.06	1.11
1 GBP in SEK	10.83	10.70	9.88	9.99	10.73	10.19
1 DKK in SEK	1.20	1.19	1.12	1.14	1.20	1.16

RISKS AND UNCERTAINTIES

A description of risks and uncertainties are provided in the 2013 Annual Report, in the section *Risks and Risk Management*. Due to the political situation in Tunisia, the completion of the farm-out transaction of Zarat to EnQuest may be subject to further delays.

SUBSEQUENT EVENTS

In May 2013 PA Resources entered into an agreement to sell to EnQuest a 70 percent interest in, and to transfer the operatorship of, the offshore assets in Tunisia which include the Zarat permit and the Didon concession. Due to the political situation in the country the transaction is still awaiting ratification by the Tunisian authorities. A key requirement to close the sale to EnQuest of an interest in the Zarat licence is parliamentary approval of Avenant 5, extending the Zarat licence. Despite previous assurances from the Tunisian authorities that approval of Avenant 5 is imminent it is becoming clear that a favourable decision is not certain in the near term.

The Nomination Committee of PA Resources has recommended that Jérôme Schurink be elected as new Chairman of the Board at the Annual General Meeting on April 16, 2014. Jérôme Schurink is the Chief Investment & Operating Officer of PA Resources main owner Gunvor. The previously proposed chairman Sven A. Olsson has notified the committee that he will not stand for re-election. Sven A. Olsson, who was proposed for re-election in the Notice of PA Resources' Annual General Meeting, has represented the company's main owner Gunvor. Since the notice he has left his assignments in Gunvor and is therefore not available for re-election to the Board of PA Resources. The Nomination Committee has also recommended that the Board of Directors should have six members and that PA Resources CEO Mark McAllister be elected as a new board member.

PA Resources AB (publ.)
Stockholm, 16 April 2014

Mark McAllister, President and CEO

This Report has not been reviewed by the Company's auditors.

Group – income statement

SEK 000,000s	Notes	January - March		Full Year
		2014	2013	2013
Revenue	2, 5	178	359	1,049
Production costs	2, 3, 5	-37	-121	-490
Depletion oil and gas properties	5	-43	-73	-197
Gross profit	2, 5	98	165	362
Other income	5	3	6	24
Capital loss	5	-	-	-462
Decommissioning costs	5	-	-	-469
Impairment losses	5	-	-21	-542
General, administration and depreciation expenses	4, 5	-30	-33	-148
Operating profit	2, 5	71	117	-1,234
Financial income	6	1	48	111
Financial expenses	6	-91	-85	-316
Total financial items		-90	-37	-205
Profit before tax		-19	79	-1,439
Income tax	2	-30	-45	220
Profit for the period		-48	34	-1,219
Earnings per share before dilution		-0.43	1.57	-21.54
Earnings per share after dilution		-0.43	1.57	-21.54

Profit for the period and earnings per share are attributable to owners of the parent.

Group – statement of comprehensive income

SEK 000,000s	Notes	January - March		Full year
		2014	2013	2013
Profit for the period		-48	34	-1,219
Other comprehensive income				
<i>Items that may be reclassified to profit or loss</i>				
Exchange differences during the period		6	-26	11
Total items that may be reclassified to profit or loss		6	-26	11
Other comprehensive income for the period		6	-26	11
Total comprehensive income for the period		-42	7	-1,208

Group – statement of financial position

SEK 000,000s	Notes	31 March		31 December
		2014	2013	2013
ASSETS				
Exploration and evaluation assets	5	3,691	3,376	3,650
Oil and gas properties	5	852	2,058	894
Machinery and equipment	5	4	4	4
Financial assets	7	0	1	0
Deferred tax assets		50	104	50
Total non-current assets		4,597	5,544	4,599
Inventory		12	32	12
Accounts receivable and other receivables	7	497	628	440
Current tax assets		8	3	6
Cash and cash equivalents	7	216	288	403
Total current assets		732	950	861
TOTAL ASSETS		5,330	6,494	5,460
EQUITY				
Equity attributable to owners of the parent				
Share capital		1,415	1,415	1,415
Other capital contributions		5,050	4,240	5,050
Reserves		-1,072	-1,115	-1,078
Retained earnings and profit for the period		-3,640	-2,339	-3,592
Total equity		1,753	2,201	1,795
LIABILITIES				
Interest-bearing loans and borrowings	7	1,453	1,096	1,433
Deferred tax liabilities		338	682	343
Provisions		252	656	250
Total non-current liabilities		2,042	2,434	2,026
Provisions		1	-	2
Current tax liabilities		181	241	159
Current interest-bearing loans and borrowings	7	670	1,302	761
Accounts payable and other liabilities	7	683	316	716
Total current liabilities		1,534	1,859	1,639
TOTAL EQUITY AND LIABILITIES		5,330	6,494	5,460
PLEGGED ASSETS	9	2,089	548	469
CONTINGENT LIABILITIES	9	14	14	14



Group – statement of changes in equity

SEK 000,000s	Notes	Equity attributable to owners of the parent				Total
		Share capital	Other capital contribution	Reserves	Retained earnings and profit for the period	
Balance at 1 January 2013		709	4,342	-1,089	-2,372	1,590
Total comprehensive income for the period				-26	34	7
Transactions with shareholders						
Rights issues		705	-102			604
Closing balance at 31 March 2013		1,415	4,240	-1,115	-2,339	2,201
Balance at 1 April 2013		1,415	4,240	-1,115	-2,339	2,201
Total comprehensive income for the period				37	-1,253	-1,216
Transactions with shareholders						
Rights issues		891	-81			810
Reduction share capital		-1,118	1,118			-
Stock dividend		226	-226			-
Closing balance at 31 December 2013		1,415	5,050	-1,078	-3,592	1,795
Balance at 1 January 2014		1,415	5,050	-1,078	-3,592	1,795
Total comprehensive income for the period				6	-48	-42
Closing balance at 31 March 2014		1,415	5,050	-1,072	-3,640	1,753

The share capital as per 31 March 2014 was distributed among 113,167,992 shares with a share quota value of SEK 12.50. No dividend was decided on for the 2012 financial year or previous financial years. The Board of Directors proposes to the Annual General Meeting that no dividend be paid for the 2013 financial year.

Reserves pertain to effects from translation of operations in foreign currency.

Group – statement of cash flows

SEK 000,000s	Notes	January - March		Full year
		2014	2013	2013
Cash flow from operating activities				
Income after financial items	2	-19	79	-1,439
Adjustments for non-cash items				
Depreciation, amortisation and impairment losses		43	95	740
Capital loss	5	-	-	462
Decommissioning costs	5	-	-	469
Change over-/or underlift position	2	-14	-23	87
Other items including accrued interest and exchange differences		84	48	51
Income tax paid		-17	-54	-152
Total cash flow from operating activities				
before changes in working capital		77	145	217
Cash flow from changes in working capital				
Change in inventory		-	-1	-
Change in receivables		-41	16	-167
Change in liabilities		-88	-231	-429
Cash flow from operating activities		-52	-70	-379
Cash flow from investing activities				
Investments in exploration and evaluation assets	5	-38	-10	-163
Investments in oil and gas properties	5	-3	-48	-105
Investments in machinery and equipment	5	0	-	-2
Cash flow from investing activities		-41	-58	-271
Cash flow from financing activities				
New share issue		-	604	1,413
Loans raised		-	-	764
Amortisation of debt		-94	-245	-1,182
Cash flow from financing activities		-94	359	995
Cash flow for the period		-187	231	345
Cash and cash equivalents at the beginning of period		403	58	58
Exchange rate difference in cash and cash equivalents		-	-1	-
Cash and cash equivalents at end of period		216	288	403

Parent company – income statement

SEK 000,000s	Notes	January - March		Full year
		2014	2013	2013
Other income	5	-	8	32
Impairment losses	5	-	-	-97
General, administration and depreciation expenses	5	-8	-13	-57
Operating profit		-8	-5	-122
Result from participations in Group companies		-	-	-2,234
Financial income and similar	6	53	73	237
Financial expenses and similar	6	-101	-67	-336
Total financial items		-48	6	-2,333
Profit before tax		-56	1	-2,456
Income tax		0	-	-103
Profit for the period		-56	1	-2,559

Parent company – statement of comprehensive income

SEK 000,000s	Notes	January - March		Full year
		2014	2013	2013
Profit for the period		-56	1	-2,559
Other comprehensive income				
<i>Total items that may be reclassified into profit or loss</i>		-	-	-
Total comprehensive income for the period		-56	1	-2,559



Parent company – balance sheet

SEK 000,000s	Notes	31 March		31 December
		2014	2013	2013
ASSETS				
Exploration and evaluation assets	5	-	92	-
Other non-current assets	5	5,111	6,483	4,942
Current assets	5	345	302	526
TOTAL ASSETS		5,457	6,878	5,468
SHAREHOLDERS' EQUITY AND LIABILITIES				
Total shareholder's equity		1,474	3,281	1,530
Non-current liabilities		3,414	2,440	3,315
Current liabilities		568	1,157	623
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		5,457	6,878	5,468
PLEGGED ASSETS	9	18	18	18
CONTINGENT LIABILITIES	9	14	14	14

Notes to the financial statements

NOTE 1. Company information

PA Resources AB (publ.), corporate identity no. 556488-2180, registered in Stockholm, Sweden, has been listed on the NASDAQ OMX Nordic Exchange in Stockholm since 2006 (Small Cap segment since January 2013).

NOTE 2. Accounting policies

The interim report for the period ended 31 March 2014 has been prepared in accordance with IAS 34 and the Swedish Annual Accounts Act. The consolidated financial statements for the period January–March 2014 have, like the year-end accounts for 2013, been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and the Swedish Annual Accounts Act. The parent company's accounts have been prepared in accordance with the Swedish Annual Accounts Act and guideline RFR 2, Accounting for Legal Entities, issued by the Swedish Financial Reporting Board (RFR).

Except from what is stated below under New accounting policies, the same accounting policies have been applied for the period as those applied for the 2013 financial year and as described in the 2013 Annual Report. The interim report does not contain all of the information and disclosures provided in the annual report; the interim report should therefore be read together with the notes in the 2013 Annual Report.

New presentation format - Income statement and changed accounting policies

PA Resources has decided to change the presentation format for the income statement and also to change certain accounting policies impacting revenue, production costs and income tax. Changed accounting policies do not impact the net result in any of the previous and current periods. Even though the previously applied policies, as presented in the income statement were in full compliance with IFRS, the assessment is now that the new presentation and changed policies provide a better presentation and more relevant information for the user. PA Resources is doing this on a voluntary basis and there are no historical errors. PA Resources has changed the accounting policies in accordance with IAS 8-Accounting Policies, Changes in Accounting Estimates and Errors, as summarised below:

Revenue

PA Resources recognises revenue based on the sale of oil and gas net after royalty and tax oil taken in kind. Under the previous policy, the Company recognised revenue based on the working interest share, i.e. revenue before deduction of royalty and tax oil. The current policy does not include revenue from royalty or tax oil, hence no royalty and tax oil are deducted from production costs or from income tax. PA Resources still value its over- / or underlift position of hydrocarbons and reflects the change in revenue.

Production costs (Direct production taxes)

As part of production costs PA Resources includes direct production taxes (royalty) paid in cash. The previous policy also included costs from royalty in kind, since it was included as revenue.

Income tax

PA Resources income tax consists of current tax and deferred tax. The previous policy also included costs from tax oil paid in kind since it was included as revenue.

There is no impact on the net result in any of the previous or current reported periods. The table below shows each quarter and the full year 2013 with new policies, as well as full year 2013 according to previous policies. The Income statement for all periods in 2013 has been retrospectively adjusted. There is no impact in Equity or in other sections of the Balance sheet. Since income after financial items has been changed from SEK -1,340 million to SEK -1,439 million, there is also an adjusted non-cash item in the Cash flow statement in the row "change in over-/or underlift" position, where full year 2013 has been changed from SEK -12 million to SEK 87 million.

Gross Profit

PA Resources includes revenue, direct production taxes (royalty) according to the description above and the cost of production (OPEX) and depletion for oil & gas properties. Impairment losses, decommissioning costs and general & administration are not included in gross profit.

IFRS 11

PA Resources applies IFRS 11 as of 1 January 2014 and the implementation has no impact to the financial statements of the Group or the Parent Company. PA Resources has interests in licences in the North Africa, West Africa and North Sea and recognises investments in joint operations (oil and gas licences) by reporting its share of related expenses, assets, liabilities and cash flows under the respective items in the Group's financial statements. For those licences that are not deemed to be a joint arrangement under the definition in IFRS 11 because there is no joint control, PA Resources recognises its share of related expenses, assets, liabilities and cash flows on a line-by-line-basis in the financial statements in accordance with applicable IFRS.

	New accounting policies					Previous accounting-policies
	January-March	April-June	July-September	October-December	Full year	Full year
SEK 000,000s	2013					2013
Revenue	359	266	231	193	1,049	1,287
Production costs	-121	-121	-161	-87	-490	-629
Depletion oil and gas properties	-73	-61	-28	-35	-197	-197
Gross profit	165	84	42	71	362	462
Other income	6	8	2	9	24	24
Capital loss	-	-462	-	-	-462	-462
Decommissioning costs	-	-	-469	-	-469	-469
Impairment losses	-21	-185	-	-335	-542	-542
General, administration and depreciation expenses	-33	-37	-37	-42	-148	-148
Operating profit	117	-592	-462	-296	-1,234	-1,135
Financial income	48	4	48	13	111	111
Financial expenses	-85	-85	-73	-75	-316	-316
Total financial items	-37	-81	-25	-62	-205	-205
Profit before tax	79	-673	-487	-358	-1,439	-1,340
Income tax	-45	323	-14	-43	220	121
Profit for the period	34	-350	-501	-402	-1,219	-1,219



NOTE 3. Production costs

SEK 000,000s	January - March		Full year
	2014	2013	2013
Cost of operations	-34	-119	-473
Direct production taxes	-3	-2	-17
Total production costs	-37	-121	-490

The parent company has no production costs.

NOTE 4. General, administration and depreciation expenses

SEK 000,000s	Group		
	January - March		Full year
	2014	2013	2013
Other external expenses	-14	-19	-85
Personnel expenses	-16	-14	-63
Depreciation machinery and equipment	-	-	-1
Total general, administration and depreciation expenses	-30	-33	-148

NOTE 5. Segment reporting

Following is a compilation of operating segments per geographic region and the local reporting entities that are included within the respective reportable operating segments:

North Africa: Hydrocarbures Tunisie Corp, Hydrocarbures Tunisie El Bibane Ltd, PA Resources Overseas Ltd

West Africa: PA Energy Congo Ltd, Osborne Resources Ltd

North Sea: PA Resources UK Ltd, PA Resources E&P services Ltd, PA Resources Denmark ApS

Other/joint-Group: PA Resources AB and joint-Group

Revenue origins from external sales.

Income statement (SEK 000,000s)	January-March											
	North Africa		West Africa		North Sea		Other/Group		Group elimination		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Revenue	47	119	131	240	-	-	-	-	-	-	178	359
Production costs	-17	-37	-20	-84	-	-	-	-	-	-	-37	-121
Depletion oil and gas properties	-23	-51	-19	-23	-	-	-	-	-	-	-43	-73
Gross profit	6	31	92	134	-	-	-	-	-	-	98	165
Other income	2	5	-	-	2	3	-	8	0	-10	3	6
Capital loss	-	-	-	-	-	-	-	-	-	-	-	-
Decommissioning cost	-	-	-	-	-	-	-	-	-	-	-	-
Impairment losses	-	-	-	-21	-	-	-	-	-	-	-	-21
General, administration and depreciation expenses	-6	-8	-4	-6	-10	-9	-9	-12	0	2	-30	-33
Operating profit	8	59	179	240	-9	-5	-9	-5	0	-8	71	117
Total financial items											-90	-37
Profit before tax											-19	79
Income tax											-30	-45
Profit for the period											-48	34



31 March												
Balance sheet (SEK 000,000s)	North Africa		West Africa		North Sea		Other/Group		Group elimination		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Exploration and evaluation assets	2,025	1,736	1,207	1,000	460	549	-	92	-	-	3,691	3,376
Oil and gas properties	370	1,556	482	503	-	-	-	-	-	-	852	2,058
Machinery and equipment	1	4	-	-	2	0	-	-	-	-	4	4
Other non-current assets	0	1	-	-	-	-	1,938	2,295	-1,888	-2,191	50	105
Current assets	196	131	82	512	108	12	345	296	-	-	732	950
Total assets	2,592	3,427	1,772	2,015	570	560	2,283	2,683	-1,888	-2,191	5,330	6,494
Total equity and liabilities											5,330	6,494
Investments in exploration and evaluation assets	1	2	31	-	5	8	-	0	-	-	38	10
Investments in oil and gas properties	2	-	1	48	-	-	-	-	-	-	3	48
Investments in machinery and equipment	0	0	-	-	0	-	-	-	-	-	0	0

NOTE 6. Financial income and expenses during the period

Exchange gains and losses are reported net in the income statement for the Group and parent company.

SEK 000,000s	Group		
	January - March		Full Year
	2014	2013	2013
Interest income	1	3	11
Exchange gains	-	45	100
Other financial items	-	-	-
Total financial income (net)	1	48	111
Interest expense	-63	-69	-265
Exchange losses	-21	-	-
Other financial items	-7	-16	-51
Total financial expenses (net)	-91	-85	-316

Key ratios

QUARTERLY OVERVIEW

		Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Average production	Barrels/day	3,400	3,600	4,200	5,400	6,800
Revenue*	SEK 000,000s	178	193	231	266	359
EBITDA*	SEK 000,000s	114	74	-433	-346	211
EBITDA margin*		64.2%	38.2%	neg	neg	58.8%
Operating profit*	SEK 000,000s	71	-296	-462	-592	117
Operating margin*		40.1%	-153.5%	-200.3%	-222.8%	32.4%
Earnings per share after dilution	SEK	-0.43	-3.55	-8.53	-12.89	1.57
Return on equity		neg	neg	neg	neg	7.1%
Return on assets*		5.4%	neg	neg	neg	7.4%
Return on capital employed*		7.3%	neg	neg	neg	10.8%
Equity per share before dilution	SEK	15.49	15.86	18.94	72.62	81.03
Equity per share after dilution	SEK	15.49	15.86	18.94	72.62	81.03
Equity/assets ratio		32.9%	32.9%	34.8%	35.0%	33.9%
Debt/equity ratio		108.8%	99.8%	66.3%	111.4%	95.9%

*In connection with a change of accounting principles (see Note 2) revenue, EBITDA, the EBITDA margin, operating profit, the operating margin, return on assets and return on capital employed have been adjusted retrospectively.

DEFINITIONS

Financial definitions and Industry terms are published on www.paresources.se.

FINANCIAL CALENDAR

Interim Report Q2 (January-June)	18 July 2014
Interim Report Q3 (January-September)	29 October 2014
Year-end Report 2014 (January-December)	4 February 2015

WEBCAST

PA Resources' results for the first quarter of 2014 will be presented on 16 April 2014 at the Annual General Meeting. An on-demand webcast will be available on PA Resources' website www.paresources.se after the AGM.

CONTACT

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DISCLOSURE

The information in this interim report is such that PA Resources AB is required to disclose pursuant to the Securities Market Act and Financial Instruments Trading Act. Submitted for publication at 07:30 a.m. (CET) on 16 April 2013.

PA Resources in brief

PA Resources AB (publ) is an international oil and gas group that conducts exploration, development and production of oil and gas assets. The Group operates in Tunisia, the Republic of Congo (Brazzaville), Equatorial Guinea, the United Kingdom, Denmark, the Netherlands and Germany. PA Resources is producing oil in West Africa and North Africa. The parent company is located in Stockholm, Sweden. PA Resources' shares are listed on NASDAQ OMX in Stockholm, Sweden. For further information, please visit www.paresources.se.

