

PA RESOURCES AB (PUBL)
Corporate identity number 556488-2180

PA Resources production according to forecast

Summary first quarter 2008

- Group revenue referring to sales of crude oil during the first quarter of 2008 increased to SEK 657.1 million (284.2). A total of 1,272,000 (296,000) barrels of oil was sold to an average price of 96.61 USD/barrel (53.44).
- Profit for the period increased to SEK 234.1 million compared with SEK 39.9 million the corresponding period prior year.
- Earnings per share before dilution amounted to SEK 1.61 (0.28) and earnings per share after dilution became SEK 1.61 (0.27).
- Average production of oil was 11,930 (7,470) barrels per day. At the end of the quarter, the production levels reached approximately 13,800 barrels per day.
- Production started on the Volve field in Norway and the El Bibane field in Tunisia.
- Yet another significant discovery of hydrocarbons was made on Block I in Equatorial Guinea.
- The group was awarded a 50 percent working interest in an exploration license offshore the Netherlands.
- Encouraging results was obtained from an appraisal well and a sidetrack on the Oselvar field in Norway.

Financial Key ratios	Jan - March 2008	Jan - March 2007	Full year
	Q1, 2008	Q1, 2007	2007
Group revenue (MSEK)	657.1	284.2	2 793.8
EBITDA* (MSEK)	452.6	164.4	1 993.8
Operating profit (MSEK)	368.7	126.4	1 540.0
Profit before tax (MSEK)	416.1	79.2	1 527.8
Profit for the period (MSEK)	234.1	39.9	947.1
Profit margin (percent)	63.3%	27.9%	54.7%
Earnings per share after dilution (SEK)	1.61	0.27	6.47
Average production per day (BOE)	11 930	7 470	15 093
Operating profit per produced barrel of oil (SEK)	339	188	280

* Earnings before interests, taxes and depreciations

BUSINESS REVIEW

PA Resources AB is the parent company within the Group whose business consists of exploration and production of oil and gas. The Group operates in Tunisia, Norway, Greenland, the United Kingdom, Denmark, the Netherlands, Equatorial Guinea and the Republic of Congo (Brazzaville).

Important events during the quarter

- In January, a new and significant discovery of condensate and gas was made on Block I in Equatorial Guinea. The exploration well "I-4" encountered a high quality Miocene reservoir with good flow rates.
- On the Oselvar field in Norway, an appraisal well and a sidetrack has been completed during the quarter with encouraging results.
- In February, the Group's British subsidiary was awarded a 50 percent working interest in the exploration license Block Q/7 offshore the Netherlands. It is the Group's first license in the country.
- In mid February, the production of oil started on the Volve field in Norway. The field is the first of the Group's Norwegian fields that has started production.
- In the end of March, the El Bibane field in Tunisia started production of oil from one of the two production wells on the field.
- PA Resources was approved as operator in Greenland by the Greenlandic authorities.

Production and sales

Q1, 2008 (January 1st – March 31st 2008)

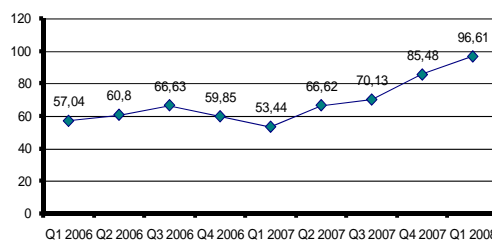
Total production during the first quarter was 1,086,000 (672,000) barrels of oil equivalents, of which 1,086,000 (672,000) barrels of oil and 0 (0) barrels of oil equivalents gas. Production refers to six fields in Tunisia and one in Norway.

Average production amounted to 11,930 (7,470) barrels of oil equivalents per day during the first quarter of 2008. In the end of March, production reached a level of approximately 13,800 barrels of oil per day due to the start of production on the Volve field in Norway and the El Bibane field in Tunisia. The production is in accordance with the forecast previously given.

A total of 1,272,000 (296,000) barrels of oil was sold during the quarter to an average price of 96.61 USD per barrel (53.44).

The oil inventory, excluding the part paid as royalty, decreased during the first quarter by 312,145 barrels and amounted to 139,855 barrels at the end of the period.

PA Resources' average sales price (SEK/barrel) each quarter, the years 2006 – 2008



Operations during first quarter 2008

Tunisia

PA Resources owns shares in six production licenses and three exploration licenses in Tunisia as per December 31st 2007. PA Resources has operated in Tunisia since 1998.

License	License status	Interest PAR
Douleb&Semama	Production Onshore	70%
Tamesmida	Production Onshore	95%
Ezzaouia	Production Onshore	13%
El Bibane	Production Offshore	25%
Didon	Production Offshore	100%
Jelma	Exploration Onshore	35%
Makthar	Exploration Onshore	45%
Zarat	Exploration Offshore	45%

Important events during the first quarter of 2008

Drillings on the Didon field

In February 2008, the drilling of two new horizontal production wells started on the Didon field in Tunisia. After the end of the period, the drilling of the first pilot well was completed with positive results. For more information, see note *Events after balance sheet date*.

Production start at the El Bibane field

In March, the drilling of three wells on the El Bibane field was completed and the production of oil could begin from one of the wells, EBB-4. The peak daily production rate thus far is approximately 1,400 barrels of oil per day (of which net 350 barrels per day to PA Resources).

The second production well in the El Bibane re-development project, EBB-3, was also completed in March. The operator expects production to begin from this well during the second quarter of 2008.

Drilling and production tests on Makthar

The drilling of the exploration well Serraguia-1 in the exploration area Makthar in Tunisia was completed in January 2008 and a production test was carried out. Another production test with pump will be carried out during the second quarter.

In the beginning of October 2007, the drilling of the exploration well Linda-1 was completed on the Makthar permit. An additional production test with pump will be carried out as soon as the test of Serraguia-1 is completed. A first production test of the exploration well Linda-1 was completed in January 2008.

The results from the tests will be presented thereafter.

Planned activities

Ezzaouia field

The operator Candax Energy (Ecumed) will start the drilling of two new production wells on the Ezzaouia field during the second and third quarter of 2008, which are intended to be put into production during the summer/fall 2008.

Elyssa and Zarat fields

During the quarter, PA Resources has completed a study regarding the development of the Elyssa and Zarat fields. The result shows that a development is commercially viable both as a development of each field separately and as a joint development. The forward work will include concept studies and field development plans. Furthermore, a new appraisal well is to be drilled on the Elyssa field. Work will begin as soon as the national oil company ETAP gives its approval.

Zarat exploration permit

A new exploration well, Didon North, is planned to be drilled during the third quarter of 2008 to appraise a separate structure located to the north of the field. Another high potential prospect in the exploration area will be tested through drilling during 2009.

PA Resources is discussing with ETAP to carry out a joint regional geological survey of the Zarat permit.

Makthar exploration permit

An application for a one year extension of the permit has been initiated.

Jelma exploration permit

In the short term, the exploration activities will focus on seismic acquisition, seismic reprocessing and securing a rig for the drilling of two prospects in 2008/2009.

Norway/Greenland

PA Resources owns shares in twelve licenses on the Norwegian continental shelf as at March 31st 2008. During the first quarter, the production of oil started on the Volve field, and is thus the first of PA Resources' assets in Norway to start production.

During the first quarter of 2008, PA Resources was approved as an operator in Greenland and has applied for an exploration license in West Greenland.

License	License status	Interest PAR
PL 046 - Volve	Development Offshore	10%
PL 274 & Oselvar	Exploration Offshore	30%
PL 274CS	Exploration Offshore	30%
PL 001B	Exploration Offshore	15%
PL 028B	Exploration Offshore	15%
PL 242	Exploration Offshore	15%
PL 305	Exploration Offshore	10%
PL 305B	Exploration Offshore	10%
PL 332	Exploration Offshore	10%
PL 341	Exploration Offshore	10%
PL 414	Exploration Offshore	20%
PL 418	Exploration Offshore	20%

Important events during the quarter

Production start on the Volve field

On February 12th 2008, the production of oil and gas started on the Volve field and this is a significant step forward in the development of PA Resources' Norwegian activities.

The production at Volve will now be gradually increased and the field is estimated to reach its peak production of 50,000 barrels per day during the first quarter of 2009. The field is expected to produce during four to five years. Recoverable reserves are estimated to 78.6 million barrels of oil and 1.5 billion cubic meter of gas, according to the operator StatoilHydro.

Drillings at Oselvar in PL 274

In the beginning of January 2008, the drilling of the appraisal well 1/3-10 was completed on the Oselvar discovery. The result confirms 50 metres of net hydrocarbon pay and good reservoir qualities.

In February 2008, the drilling of a sidetrack to the appraisal well was completed which shows that the size of the total discovery is approximately 12-38 million barrels oil equivalents oil/condensate and 12-25 million barrels oil equivalents gas.

The results from the two wells on the Oselvar were encouraging and the license partners are planning to submit a plan for development and operation of the discovery towards the end of 2008. Production from the Oselvar is expected to start during 2010.

Drilling on the Draupne prospect in PL 001B

On February 19th 2008, the drilling of an exploration well began on the Draupne prospect in license PL 001B. The drilling was completed in April 2008, after the balance sheet date. An interesting oil and gas discovery was made. For more information, see note 13 *Events after the balance sheet date*.

This discovery could lead to a co-ordinated development of Draupne together with the West Cable discovery in the same license, as well as the Hanz discovery in PL 028B and other possible discoveries in the area.

Other awarded and relinquished licenses

The license partners at Oselvar (PL 274) was, within the framework of the APA 2007, awarded the license PL 274CS during the first quarter of 2008. This new license is located in block 1/2 and contains a part of the Oselvar structure according to estimations.

The license PL334 has been relinquished to the Norwegian authorities in March 2008.

Approved as operator on Greenland

During the first quarter of 2008, PA Resources was approved as operator on Greenland by the Greenlandic authorities. An application for one license in Block 8 in Disco West in West Greenland has previously been submitted, and an announcement is expected during the second quarter of 2008. The license in question is 11,071 km² and is located offshore the western coast of Greenland, north-west of the village Sisimiut.

Planned activities

Continued drillings on the Volve field

The first water injection well on the Volve field in Norway (F-4) will be completed during April/May 2008. The second oil producing well, F-14, will be completed in June 2008 according to StatoilHydro's plans.

Drillings on the Ipswich prospect

The planning of an exploration well on the Ipswich prospect south of the Oselvar discovery, which will also be drilled by the drilling rig Maersk Guardian, is now in progress, and the well is expected to be initiated towards the end of the second quarter of 2008. If the results are positive, a development of Ipswich will be evaluated rapidly in order to co-ordinate it with the development of Oselvar.

Field Development Plan for Oselvar

During 2008, PA Resources will, together with the operator and other partners, prepare a Field Development Plan for the Oselvar field in license PL 274.

Equatorial Guinea

PA Resources AB owns shares in two exploration areas in the Gulf of Guinea off the coast of Equatorial Guinea in West Africa.

License	License status	Interest PAR
Block I	Exploration Offshore	6%
Block H	Exploration Offshore	3%

Important events during the quarter

New significant discovery in Block I

In mid January 2008, a new, significant discovery of condensate and natural gas was made in Block I. The exploration well "I-4" encountered a high quality Miocene reservoir that, when tested, yielded flow rates amounting to 1,634 barrels per day of condensate and 28.9 million cubic feet per day of natural gas (equivalent to approximately 6,450 barrels of oil equivalents per day). The well is on trend with the Belinda discovery in the adjacent Block O in Equatorial Guinea.

Dispute regarding Block H

Arbitration negotiations are still in progress in Block H to resolve the dispute between the license partners.

Planned activities

Drilling program on Block I

During the second quarter of 2008, a two well drilling program will be carried out by the drilling rig Sedco 700 on Block I.

In mid April, the operator Noble Energy started the drilling of the appraisal well I-5 on the Benita discovery. The well will appraise the extent of the oil and gas discovery that was encountered by the wells that were previously drilled on the Benita structure.

The results from the drilling are expected to be available in the late second or early third quarter of 2008. The second well will be an exploration well on a new prospect in the block.

The Republic of Congo (Brazzaville)

PA Resources has a 85 percent license share in the license Marine XIV and is the operator.

In November 2007, PA Resources AB signed an agreement with Murphy West Africa Ltd to acquire a 35 percent share in the exploration license Mer Profond Sud including a 35 percent share in the Azurite field, which is under development. The acquisition is subject to normal regulatory approvals by the authorities, and these approvals were received in April after the balance sheet date. Consequently, the deal could be finalized. For more information, see note 13 *Events after the balance sheet date*.

License	License status	Interest PAR
Marine XIV	Exploration Offshore	85%
Mer Profond Sud	Exploration Offshore	35%
Azurite	Development Offshore	35%

Important events during the quarter

Marine XIV

During the first quarter of 2008, geological and geophysical evaluation work has continued to define prospects and to prepare for drilling of an exploration well, most probably during 2009. If a commercial discovery of hydrocarbons is found, production on the Marine XIV can be started in approximately two to three years at the earliest.

Planned activities

Development of the Azurite field

According to the Field Development Plan, the field will be developed using a moored production vessel (FDPSO) with subsea wells. According to plans the drilling of a production well will commence in the end of 2008. Expected production start is in the second quarter of 2009 with an expected peak production of 40,000 barrels of oil per day (gross), of which 14,000 barrels of oil per day net to PA Resources.

The Mer Profond Sud permit also includes a large exploration area covering in excess of 3,500 km² with 19 un-drilled prospects and identified leads. According to plans an exploration well will be drilled in the end of 2008.

United Kingdom/Denmark/Netherlands

PA Resources AB acquired the entire share capital in the British oil exploration company Scotsdale Ltd during the fourth quarter of 2007. PA Resources today owns shares in ten licenses, two of which are located offshore Denmark, one offshore the Netherlands and the others on the British Continental Shelf. All licenses are operated by the Group except for P 1550 in the East Irish Sea, and Block Q7 in the Netherlands.

License	License status	Interest PAR
United Kingdom:		
License 1342	Exploration Offshore	50%
Licems P1319	Exploration Offshore	50%
License 1336	Exploration Offshore	50%
License P1527	Exploration Offshore	40%
License 1528	Exploration Offshore	40%
License 1529	Exploration Offshore	40%
License P1550	Exploration Offshore	40%
Denmark:		
License/Block 11/06	Exploration Offshore	64%
License/Block 12/06	Exploration Offshore	64%
Netherlands:		
License/Block Q/7	Exploration Offshore	50%

Important events during the quarter

Award of exploration license in the Netherlands

In the beginning of February 2008, PA Resources' British subsidiary was awarded a 50 percent working interest in the exploration license Block Q/7 offshore the Netherlands. Smart Energy Solutions BV owns the remaining 50 percent and is the operator. The license award represents PA Resources' first venture in the Netherlands.

Block Q/7 includes a gas discovery and in addition a number of un-drilled potential leads of hydrocarbons have been mapped, and will be further evaluated.

Renewal of the licenses P 1319, P 1342 and P 1336 in the United Kingdom

The Department for Business, Enterprise and Regulatory Reform (DBERR) has renewed the three licenses P 1319, P 1342 and P 1336. This means that the license partners now have committed to acquiring new seismic data and to carry out drillings on the licenses.

Completion of analysis of three licenses in the UK

A geological and geophysical analysis was completed on the three licenses P 1527, P 1528 and P 1529 in the United Kingdom in the beginning of 2008. Following the interpretation of seismic data, a relinquishment of approximately 40 percent of the total license area has been made to the authorities, while the remaining part of the licences is to be seen as highly qualitative.

Application to drill in license 11/06 in Denmark

The license partners in the block have decided to submit a formal application to drill in the block to the authorities. Drilling of the first well can start in mid 2009 according to plans.

Application to drill in license 12/06 in Denmark

Following meetings with the other block partners, it was decided during the first quarter of 2008 to submit a formal application to drill at the block. Drilling of the first well can start in the second quarter of 2009 according to these plans.

Drilling program during 2008

Planned and settled drillings during 2008 on licenses where PA Resources owns shares are summarized in the table below.

Country/ License	Prospect/ Well	Time	Activity
Tunisia:			
Makthar	Linda-1	Q 2, 2008	Prod. test exploration well
Makthar	Serraguia-1	Ongoing	Prod. test exploration well
Didon	Didon-7	Ongoing	Drilling production well
Didon	Didon-9	Q 2, 2008	Drilling production well
Zarat	Didon North	Q 3, 2008	Drilling exploration well
Zarat	Elyssa-4	Q 4, 2008	Drilling appraisal well
Jelma	Ksar Baroud	Q 1, 2009	Drilling exploration well
Jelma	Maahakbar	Q 1, 2009	Drilling exploration well
Zarat		Q 1, 2009	Drilling exploration well
Ezzaouia	Ezzaouia-5st	Q 2, 2008	Drilling production well
Ezzaouia	Ezzaouia-17	Q 2, 2008	Drilling production well
Ezzaouia	Ezzaouia-18	Q 3, 2008	Drilling production well
Norway:			
PL 046BS	Volve F-14	Ongoing	Drilling production well
PL 046BS	Volve F-5	Q 2, 2008	Drilling water injection well
PL 046B	Volve South	Q 3, 2008	Drilling exploration well
PL 046BS	Volve F-15	Q 4, 2008	Drilling production well
PL 046BS	Volve West	Q 1, 2009	Drilling exploration well
PL 274	Ipswich	Q 2, 2008	Drilling exploration well
Equatorial Guinea:			
Block I	Benita-3 (I-5)	Ongoing	Drilling appraisal well
Block I	Diega (I-6)	Q 2, 2008	Drilling exploration well
Republic of Congo:			
MPS		Q 4, 2008	Drilling exploration well
Azurite		Q 4, 2008	Drilling production well

Production forecast

PA Resources' forecast is that the production during the second half of 2008 will be significantly higher after drilling of two new production wells on Didon. The production will in average amount to between 16,000 and 21,000 barrels of oil per day. The production is expected to be on the upper edge of the interval mentioned by the end of the year. The forecast takes into consideration the established delays on the Volve field in Norway and the El Bibane field in Tunisia.

During 2011, the company estimates that production levels will reach about 50,000 barrels of oil per day. This forecast includes the currently producing fields as well as the El Bibane field in Tunisia, the Volve field in Norway, and the Azurite field and Marine XIV in the Republic of Congo. It does not include the discoveries in Block I in Equatorial Guinea.

This forecast has not been adjusted from previously announced production forecast in the Year-End Report 2007.

THE GROUP

Financial result and revenue

Q1, 2008 (January 1st – March 31st 2008)

The Group's revenue increased by SEK 372.9 million to SEK 657.1 million, to be compared with SEK 284.2 million prior year. The Group's revenue refers to production and sales of oil in Tunisia and Norway. The principal reason for the increase is due to the fact that the platform on the Didon field in Tunisia was put in operation in December 2006 and gradually increased the production rate during the first quarter of 2007. Furthermore, the oil price has had a record high level which has had a positive effect on the Group's revenue.

EBITDA (earnings before interests, taxes, and depreciations) amounted to SEK 452.6 million (164.4).

Operating profit amounted to SEK 368.7 million (126.4) and the operating profit margin was 56 percent (44). The principal reason for the increase in operating profit is the increased production combined with the record high oil prices. Profit after financial items amounted to SEK 416.1 million (79.2) during the quarter.

The Group's profit after tax increased by SEK 194.2 million to SEK 234.1 million, compared to SEK 39.9 million during the corresponding period 2007.

Income tax recorded during the period amounted to SEK 182.1 million (39.3), which includes a positive tax effect in the subsidiary PA Resources Norway AS amounting to net SEK 9.8 million. For more information, see note 6 *Income tax*.

Earnings per share before dilution was 1.61 SEK (0.28) and earnings per share after dilution was 1.61 SEK (0.27). The dilution effect is referred to the Group's share option program from October 2005.

Return on total capital employed amounted to 6.7 percent (1.6). Return on operational capital employed amounted to 5.7 percent (5.6).

Investments during the quarter

The Group's investments in tangible fixed assets amounted to SEK 318.8 million (661.0) during the period relating to investments in oil and gas assets. Investments in intangible fixed assets amounted to SEK 70.3 million (30.2) during the period and referred to investments in oil and gas assets.

Liquidity and financing

The Group's operating cash flow amounted to SEK -993.3 million (42.5) for the period which includes SEK -1,222 million relating to the issued bond loan accounted for as other receivables. Net cash flow after financing and investments was SEK -52.1 million (-148.7).

Cash and cash equivalents amounted to SEK 231.0 million (527.0) at the end of the period and does not include the bond loan issued during the quarter. Shareholders' equity amounted to SEK 3,513.3 million (2,445.1) on the balance sheet date resulting in a financial strength of 43.4 percent (45.5).

The Parent company

Q1, 2008 (January 1st – March 31st 2008)

The Parent company's revenue mostly refers to sales within the Group and amounted to SEK 2.4 million (2.7) during the period. Profit before tax amounted to SEK 16.5 million (-80.4) and has principally been affected by a positive development concerning the financial items. Cash and cash equivalents amounted to SEK 35.9 million (407.5) on the balance sheet date and shareholders' equity amounted to SEK 1,897.6 million (1,772.8).

No significant investments have been made during the quarter.

Risks and uncertainties

A description of PA Resources' financial and operating risks, business risks and social risks can be found in the Annual report 2007 published on April 8th 2008, in the chapter *Risks and risk management*. PA Resources assesses that there has been no significant changes regarding the risks since then. Risks in the near future are possible disruptions in production at the Didon field in Tunisia related to the ongoing drilling campaign, as drillings will be performed in connection with the production platform. Furthermore, delays of new production wells may lead to a lower production than previously estimated for the year.

The risks that above all concern the Parent company are the financial risks, mostly with regard to available financing of future acquisitions.

Share warrants

During the first quarter of 2008, no allocation of share warrants has taken place. As per March 31st 2008, the total number of allocated share warrants amounted to 4,425,000. For more information, see note 10 *Provisions* in this interim report.

Bond loan

The bond issue amounting to USD 200 million, which was initiated during the fourth quarter of 2007, was closed during the first quarter of 2008. The bond issue was fully subscribed by major institutional investors. The bond loan has one year duration and falls due in January 2009.

Cash equivalents received from the bond loan is handled as blocked blank account as per 31 March, 2008, and is classified as other receivable included within the balance sheet item for accounts receivables and other receivables for the Group and within the balance sheet item for other receivables for the Parent company.

Nomination committee

PA Resources AB's nomination committee for the annual general meeting 2008 consists of the following representatives:

- Niklas Adler, Chairman of the nomination committee, appointed by the shareholder Bertil Lindkvist
- Jan Kvarnström, Chairman of the Board, appointed at the AGM 2007

- Lars Olof Nilsson, appointed by the shareholder Ulrik Jansson with controlled companies
- Harald Hellebust, appointed by the shareholder Jan Haudemann-Andersen with controlled companies

The nomination committee has for the annual general meeting of 2008 among other things left proposals for new members of the Board, the composition of the Board, the Chairman of the Board, directors' and auditors' fees as well as Chairman of the AGM. The nomination committee's entire proposal will be available on the Group's website www.paresources.se well ahead of the Annual General Meeting.

Personnel

PA Resources has offices in Stockholm (Sweden), Oslo (Norway), Tunis (Tunisia), London (the UK) and Pointe Noire (the Republic of Congo). In addition, the Group has personnel on the production facilities in Tunisia.

Average number of employees in the Group during the first quarter of 2008 was 137.3 (118) persons. Total number of employees as per March 31st 2008 was 140 (120) persons, of which 5 (3) in Sweden, 21 (13) in Norway, 113 (104) in Tunisia and 1 (0) in the Republic of Congo. The office in the United Kingdom is run by the previous owners and consultants, but recruiting is in progress. Of the total number of employees in the Group, 112 (102) were men and 23 (18) were women.

The PA Resources share

PA Resources AB's share is primary listed on the Oslo Stock Exchange in Norway (segment OB Match) and secondary listed on the OMX Nordic Exchange in Stockholm (segment MidCap). The share's abbreviation is PAR. A board lot covers 200 shares on both the Oslo Stock Exchange and the OMX Nordic Exchange.

Annual general meeting

The 2008 annual general meeting of PA Resources takes place on Wednesday, May 14th 2008, at 18.30 (CET), at Ingenjörshuset (Citykonferensen) in room Polhem, Malmskillnadsgatan 46 in Stockholm, Sweden.

The notice and other information for the annual general meeting are available on the Group's website www.paresources.se.

Dates for financial reports

- *Interim report Jan – Sep 2008 (incl. Q3):*
October 29th, 2008
- *Year-End report 2008 (incl. Q4):*
February 11th, 2009
- *Interim report Jan – June 2008 (incl. Q2):*
August 13th, 2008

Quarterly presentation on April 29th 2008

PA Resources AB invites to a presentation of the interim report. The capital market meeting is held on Tuesday April 29th at 09.00 (CET) at Felix Konferansesenter, Munkedamsveien 45, in Oslo, Norway. You can also follow the presentation live via Internet, or watch a recording afterwards, on the company's website www.paresources.se. For more information about the meeting, see the invitation on the website.

This Interim report has been prepared in Swedish and translated in-house to English. In the event of any discrepancies between the Swedish and English version, the former shall have precedence.

This interim report has not been subject to particular review by the company's auditors.

PA Resources AB (publ)
Stockholm, April 29th, 2008

Ulrik Jansson
President and CEO

For more information about PA Resources visit the Group's website www.paresources.se or send an e-mail to info@paresources.se. If you have any questions regarding this report, please contact:

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INTERIM REPORT JANUARY - MARCH 2008

FINANCIAL REPORTS

Group – Income Statement Summary

TSEK	Notes	Jan - March 2008	Jan - March 2007	Jan - Dec 2007
Revenue	3, 4	657,058	284,246	2,793,831
Changes in inventory and work in progress		-450	428	-8,995
Cost of sales		-131,157	-57,578	-515,537
Other external expenses		-53,243	-34,143	-159,627
Personnel expenses	10	-19,568	-28,524	-115,912
Depreciations and write-downs	4	-83,958	-38,078	-453,800
Operating profit	4	368,682	126,351	1,539,960
Financial revenue	5	149,263	12,584	245,432
Financial expenses	5	-101,810	-59,716	-257,587
Total financial items		47,453	-47,132	-12,155
Profit before tax	4	416,135	79,219	1,527,805
Income tax	6	-182,084	-39,323	-580,702
Profit for the period		234,051	39,896	947,103
Profit for the period attributable to:				
Equity holders of the Parent Company		234,051	39,896	947,103
Minority interest	9	-	-	-
Profit for the period		234,051	39,896	947,103
Earnings per share before dilution		1.61	0.28	6.53
Earnings per share after dilution		1.61	0.27	6.47

Earnings per share is attributable to shareholders of the Parent Company

INTERIM REPORT JANUARY - MARCH 2008

Group – Balance Sheet Summary

TSEK	Notes	March 31 2008	March 31 2007	Dec 31 2007
ASSETS				
Intangible fixed assets		771,148	317,711	713,946
Tangible fixed assets		4,921,713	4,075,933	4,728,234
Financial assets	8	176,229	1,885	137,041
Total non-current assets		5,869,090	4,395,529	5,579,221
Inventory		5,665	15,538	6,115
Accounts receivables and other receivables		1,669,340	345,762	507,504
Tax receivables	6	299,527	66,296	321,425
Cash and cash equivalents		230,985	526,997	285,281
Total current assets		2,205,517	954,593	1,120,325
Assets available-for-sale	7	15,403	19,200	16,867
TOTAL ASSETS		8,090,010	5,369,322	6,716,413
EQUITY				
Equity attributable to equity holders of the Parent company				
Share capital		72,507	72,507	72,507
Other capital contribution		1,791,995	1,791,995	1,791,995
Reserves		-81,088	35,390	-34,669
Retained earnings and profit for the period	10	1,729,886	545,227	1,493,558
Total equity		3,513,300	2,445,119	3,323,391
LIABILITIES				
Interest-bearing loans and borrowings		1,631,408	2,166,309	1,976,627
Derivative financial instruments	8	19,049	-	23,295
Deferred tax liability	6	338,469	-	383,136
Provisions	10	20,375	41,486	22,837
Total non-current liabilities		2,009,301	2,207,795	2,405,895
Provisions		3,671	10,709	3,752
Tax liabilities		289,195	62,588	227,035
Accounts payables and other liabilities		2,269,278	641,119	750,699
Total current liabilities		2,562,144	714,416	981,486
Liabilities referred to assets available-for-sale	7	5,265	1,992	5,641
TOTAL EQUITY AND LIABILITIES		8,090,010	5,369,322	6,716,413
PLEGDED ASSETS		1,604,242	97,770	1,752,315
CONTINGENT LIABILITIES		14,000	14,000	14,000

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Group – Changes in equity

TSEK	Notes	Attributable to equity holders of the parent company				Total
		Share capital	Other capital contribution	Reserves	Retained earnings and Net result	
Balance at 1 January 2007		70,007	1,784,960	-33,907	488,017	2,309,077
Accounting fair value of financial instruments					-1,212	-1,212
Exchange differences				69,297		69,297
Total income and expenses recognised directly in equity				69,297	-1,212	68,085
Net result for the period					39,896	39,896
Total income and expenses for the financial period				69,297	38,684	107,981
January - March 2007				69,297	38,684	107,981
New share issue		2,500	-2,500			0
Issue expenses			-961			-961
Exchange difference referred to new share issue			10,496			10,496
Share based payments	10				18,526	18,526
Closing balance at 31 March 2007		72,507	1,791,995	35,390	545,227	2,445,119
Balance at 1 April 2007		72,507	1,791,995	35,390	545,227	2,445,119
Accounting fair value of financial instruments					21,335	21,335
Exchange differences				-70,059		-70,059
Total income and expenses recognised directly in equity				-70,059	21,335	-48,724
Net result for the period					907,207	907,207
Total income and expenses for the financial period				-70,059	928,542	858,483
April - December 2007				-70,059	928,542	858,483
Share based payments	10				19,789	19,789
Closing balance at 31 December 2007		72,507	1,791,995	-34,669	1,493,558	3,323,391
Balance at 1 January 2008		72,507	1,791,995	-34,669	1,493,558	3,323,391
Exchange differences				-46,419		-46,419
Total income and expenses recognised directly in equity				-46,419		-46,419
Net result for the period					234,051	234,051
Total income and expenses for the financial period				-46,419	234,051	187,632
January - March 2008				-46,419	234,051	187,632
Share based payments	10				2,277	2,277
Closing balance at 31 March 2008		72,507	1,791,995	-81,088	1,729,886	3,513,300

Total shares amounted to 145,014,004 at 31 March 2008. No dividend has been proposed for the financial year 2007 or earlier years. The item for existing reserves refers to effects due to revaluation of businesses in foreign currencies.

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Group – Cash Flow Statement Summary

TSEK	Jan - March 2008	Jan - March 2007	Jan - Dec 2007
Cash flow from operations			
Income after financial items	416,135	79,219	1,527,805
Adjustments for items not included in cash flow	115,274	157,938	154,462
Income tax paid	-143,712	-28,137	-334,427
Total cash flow from operations before change in working capital	387,697	209,020	1,347,840
Cash flow from changes in working capital			
Increase (-)/Decrease (+) in inventories	-232	-428	8,177
Increase (-)/Decrease (+) in assets	-1,191,383	313,455	366,287
Increase (+)/Decrease (-) in liabilities	-189,366	-479,527	-495,372
Cash flow from operating activities	-993,284	42,520	1,226,932
Cash flow from investing activities			
Investments in intangible fixed assets	-70,269	-30,221	-376,396
Investments in tangible fixed assets	-318,758	-660,954	1,848,111
Investments in financial assets	-118	-1,102	-45,197
Cash flow from investing activities	-389,145	-692,277	2,269,704
Cash flow from financing activities			
Redemption stock option programme (excl soc sec contr)	-	-	-4,400
Loans raised	1,773,624	715,841	1,148,614
Amortization of liabilities	-443,270	-214,752	-494,517
Cash flow from financing activities	1,330,354	501,089	649,697
Cash flow for the period	-52,075	-148,668	-393,075
Liquid assets at the beginning of period	285,281	669,555	669,555
Exchange rate difference in liquid assets	-2,221	6,110	8,801
Liquid assets at the end of period	230,985	526,997	285,281
Adjustments for items not included in cash flow			
Depreciations and write-downs	83,958	38,078	453,800
Exchange gains	-297,547	-23,292	-319,530
Exchange losses	181,712	167,118	240,950
Accounting fair value of financial instruments	-44,858	16,247	-60,037
Share based payments (incl soc sec contr)	-584	15,323	36,400
Oil sale referred to Net Entitlement Method (net)	141,666	-76,103	-206,268
Accrued interest (net)	50,528	21,116	7,675
Other items (net)	399	-549	1,472
Total	115,274	157,938	154,462

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Parent company – Income Statement Summary

TSEK	Notes	Jan - March 2008	Jan - March 2007	Jan-Dec 2007
Net sales		2,356	2,675	41,791
Other external expenses	11	-3,996	-4,113	-24,026
Personnel expenses		-3,150	-9,334	-35,161
Depreciations and write-downs		-39	-32	-114
Operating profit		-4,829	-10,804	-17,510
Financial revenues and similar revenues	5, 8	85,482	11,339	197,962
Financial expenses and similar expenses	5	-64,191	-80,966	-174,607
Total financial items		21,291	-69,627	23,355
Profit before tax		16,462	-80,431	5,845
Income tax		-	-	-
Profit/loss for the period		16,462	-80,431	5,845

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Parent company – Balance Sheet Summary

TSEK	Notes	March 31 2008	March 31 2007	Dec 31 2007
ASSETS				
Tangible fixed assets		266	171	146
Financial assets		2,740,152	2,238,104	2,703,522
Total non-current assets		2,740,418	2,238,275	2,703,668
Receivables Group companies		511,655	217,508	404,957
Tax receivables		138	224	114
Other receivables		1,224,110	429	2,026
Prepaid expenses and accrued income		6,711	17,467	26,743
Cash and cash equivalents		35,944	407,546	46,905
Total current assets		1,778,558	643,174	480,745
TOTAL ASSETS		4,518,976	2,881,449	3,184,413
SHAREHOLDERS EQUITY				
<i>Restricted equity</i>				
Share capital		72,507	72,507	72,507
Statutory reserve		985,063	985,063	985,063
<i>Total restricted equity</i>		<i>1,057,570</i>	<i>1,057,570</i>	<i>1,057,570</i>
<i>Non-restricted equity</i>				
Share premium reserve		776,568	776,568	776,568
Profit/loss brought forward and profit/loss for the period		63,425	-61,380	44,686
<i>Total non-restricted equity</i>		<i>839,993</i>	<i>715,188</i>	<i>821,254</i>
Total shareholders equity		1,897,563	1,772,758	1,878,824
LIABILITIES				
Bond loans		872,336	1,038,149	938,125
Derivative financial instruments	8	19,049	-	23,295
Provisions		5,132	8,814	6,580
Total non-current liabilities		896,517	1,046,963	968,000
Liabilities Group companies		447,041	14,424	300,574
Account payables		1,217	1,318	999
Other liabilities		1,222,423	17,052	1,199
Accrued expenses and prepaid income		54,215	28,934	34,817
Total current liabilities		1,724,896	61,728	337,589
TOTAL SHAREHOLDERS EQUITY AND LIABILITIES		4,518,976	2,881,449	3,184,413
PLEGDED ASSETS		1,575,036	97,000	1,690,940
CONTINGENT LIABILITIES		14,000	14,000	14,000

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Currency rates

	Closing day rate (average)	Average rate Jan - March 2008	Closing day rate (average)	Average rate Jan - March 2007
	March 31 2008		March 31 2007	
1 EUR in SEK	9.41	9.41	9.33	9.19
1 USD in SEK	5.95	6.28	7,00	7.01
1 TND in SEK	5.25	5.28	5.46	5.42
1 NOK in SEK	1.17	1.18	1.15	1.13
1 GBP in SEK	11.87	12.42	13.74	13.71

Key ratios and shares data

		March 31 2008	March 31 2007	Dec 31 2007	Dec 31 2006	Dec 31 2005
Revenue	TSEK	657,058	284,246	2,793,831	843,356	395,319
Operating profit	TSEK	368,682	126,351	1,539,960	355,308	239,094
EBITDA	TSEK	452,640	164,429	1,993,760	467,337	248,866
Operating profit per produced barrel of oil	SEK	339.49	188.02	279.54	181.60	267.70
Operating profit per share after dilution	SEK	2.54	0.86	10.52	2.57	2.14
Income after financial items per share after dilution	SEK	2.86	0.54	10.44	2.15	1.90
Earnings per share after dilution	SEK	1.61	0.27	6.47	1.67	1.05
Return on equity	Percent	6.7%	1.6%	28.5%	10,0%	9,0%
Return on capital employed	Percent	5.7%	5.6%	33.8%	9.3%	20.2%
Shareholders equity per share before dilution	SEK	24.23	16.86	22.92	15.92	10.11
Shareholders equity per share after dilution	SEK	23.51	16.40	22.24	15.50	10.11
Profit margin	Percent	63.3%	27.9%	54.7%	35.3%	53.7%
Equity/Assets ratio	Percent	43.4%	45.5%	49.5%	46.9%	38,0%
Debt/Equity ratio	Percent	94.8%	80.3%	64.6%	54.5%	68.8%
Share price at year end of period	SEK	48.90	63.50	51,00	72.25	39,00
Share price/Shareholders equity per share before dilution	Times	2.02	3.77	2.23	4.54	3.86
Price earnings per share*	Times	7.57	57.70	7.81	43.18	37.12
Number of outstanding shares before dilution	Number	145,014,004	145,014,004	145,014,004	145,014,004	128,114,004
Number of outstanding shares after dilution	Number	149,439,004	149,064,004	149,439,004	148,964,004	128,114,004
Average number of outstanding shares before dilution	Number	145,014,004	145,014,004	145,014,004	137,824,278	111,514,004
Average number of outstanding shares after dilution	Number	145,304,585	146,355,392	146,354,287	138,403,000	111,514,004

PA Resources possesses no own shares at the end of reporting period

Information about key ratio definitions can be obtained in latest annual report for the financial year 2007.

* Price earnings per share for interim reports calculated based on whole year basis.

Shareholder structure – the 10 principle shareholders

10 principle shareholders as at March 31, 2008	Number of shares	Share of capital/votes
Bertil Lindqvist	13,680,000	9.4 %
Hunter Hall International (through controlled funds)	9,179,100	6.3 %
Ulrik Jansson (through controlled companies)	8,512,512	5.9 %
AFA Försäkring (through controlled companies)	5,707,517	3.9 %
Folketrygdfondet	2,619,400	1.8 %
UBS AG, London (client account)	2,129,123	1.5 %
Nordnet Pensionförsäkringar AB	1,958,512	1.4 %
Jan Pihl Grimnes (through controlled company)	1,950,000	1.3 %
Livförsäkringsbolaget	1,923,600	1.3 %
Vital Forsikring ASA	1,782,078	1.2 %
Total - 10 principle shareholders	49,441,842	34.1 %
Total - other shareholders	95,572,162	65.9 %
Total number of shares	145,014,004	100.0 %

NOTES TO THE FINANCIAL REPORTS FOR THE GROUP AND PARENT COMPANY

1. Corporate information

PA Resources AB (publ), corporate identity no. 556488-2180, registered in Stockholm, Sweden, is listed on the Stockholm Nordic Stock Exchange since 2006 and on the Oslo Stock Exchange in Oslo, Norway (segment OB Match) since 2001. The company's businesses including subsidiaries are described under the section "Operational review".

2. Accounting principles

The interim report for the first quarter ended March 31st, 2008 has been prepared according to IAS 34 and Annual Accounts Act. The accounting principles applied during the period are unchanged compared to financial year 2007. The interim report does not contain all the information and disclosures available in the annual report and the interim report should be read together with the annual report for 2007.

The accounting of exchange differences referred to operations has been changed. These exchange differences have been included within the net financial revenues and expenses earlier but as from first quarter 2008 they are now included within the operating profit and loss. Comparative figures for corresponding periods have been recalculated.

3. Revenues

Total outstanding oil inventory in number of barrels as per reporting date is accounted for as if the oil inventory would have been sold in accordance with the accounting principle Net Entitlement Method. The total effect of this accountancy during first quarter 2008 became a decrease of Group total revenue amounted to SEK 209.890 thousand depending on a low outstanding oil inventory as per March 31, 2008 compared to total outstanding oil inventory as per December 31, 2007. Revenue referred to Net Entitlement Method and recorded in fourth quarter 2007, which has been reversed during first quarter 2008, exceeded revenue referred to Net Entitlement Method recorded in first quarter 2008 whereof the negative effect came up. At the same time this negative effect within total revenues led to a positive reversing effect within the income statement items changes in inventory and work in progress (SEK 68.224 thousand) and deferred income tax (SEK 70.833 thousand). Total net effect during first quarter 2008 referred to Net Entitlement Method became by that means a minus amounted to SEK 70.833 thousand and this amount only corresponds to a distribution effect between the interim periods.

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4. Segment reporting

The primary classification to the segment reporting for the Group is based on geographical areas which are the same entities that information is reported internally to the management and the Board. The elements which the Group's classification are based on motivates that all segments should be classified as primary segments and secondary segments are missing. At the segment reporting of geographical areas, entities with similar risks and possibilities are reported as one common segment. Within the segment results, assets and liabilities items directly assignable to and items which have been able to be allocated to a specific segment in a reasonable and reliable way are included. Group sales referred to each segment respectively includes general and third party costs which are further invoiced without any overhead charge and also costs referred to work performed between the entities which are invoiced based on the employees' local salaries and with an overhead charge of five percent.

Interim period TSEK	January - March 2008							Total
	Tunisia	Norway	Sweden	Eq. Guinea	Rep. Congo	Great Britain	Eliminations	
Revenue, external	626,883	30,106	69	-	-	-	-	657,058
Revenue, internal	-	1,827	2,287	-	-	-	-4,114	0
Operating profit	382,491	1,486	-8,775	-	-2,718	-3,802	-	368,682
Profit before tax	420,791	-4,878	11,932	-2,397	-5,151	-4,162	-	416,135
Depreciations and write-downs	-78,182	-5,420	-39	-	-31	-286	-	-83,958

Interim period TSEK	January - March 2007							Total
	Tunisia	Norway	Sweden	Eq. Guinea	Rep. Congo	Great Britain	Eliminations	
Revenue, external	284,211	-	35	-	-	-	-	284,246
Revenue, internal	-	2,237	4,654	-	-	-	-6,891	0
Operating profit	158,663	-15,887	-11,252	-11	-5,162	-	-	126,351
Profit before tax	186,542	-21,279	-80,871	-11	-5,162	-	-	79,219
Depreciations and write-downs	-37,967	-88	-23	-	-	-	-	-38,078

TSEK	March 31 2008							Total
	Tunisia	Norway	Sweden	Eq. Guinea	Rep. Congo	Great Britain	Eliminations	
Fixed assets	4,299,017	1,105,231	52,067	90,557	196,445	125,773	-	5,869,090
Current assets, external	532,538	379,562	1,282,390	-	1,484	9,543	-	2,205,517
Current assets, internal	453,533	48,595	711,499	-	-	-	-1,213,627	0
Non-current liabilities	-201,920	92,492	2,118,729	-	-	-	-	2,009,301
Current liabilities, external	1,740,467	736,102	81,288	-	370	3,917	-	2,562,144
Current liabilities, internal	40,044	536,537	447,041	84,817	92,428	12,760	-1,213,627	0
Investments tangible assets (gross amounts)	192,037	114,538	159	12,024	-	-	-	318,758
Investments intangible assets (gross amounts)	9,636	59,694	-	-	-	939	-	70,269

TSEK	March 31 2007							Total
	Tunisia	Norway	Sweden	Eq. Guinea	Rep. Congo	Great Britain	Eliminations	
Fixed assets	3,688,550	585,351	216	31,940	89,472	-	-	4,395,529
Current assets, external	448,429	58,777	445,721	-	1,666	-	-	954,593
Current assets, internal	62,347	6,376	433,592	-	-	-	-502,315	0
Non-current liabilities	774,819	386,013	1,046,963	-	-	-	-	2,207,795
Current liabilities, external	636,356	7,347	70,153	-	560	-	-	714,416
Current liabilities, internal	36,231	223,977	219,440	16,342	6,325	-	-502,315	0
Investments tangible assets (gross amounts)	306,740	352,997	-	1,217	-	-	-	660,954
Investments intangible assets (gross amounts)	-	30,028	-	-	193	-	-	30,221

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5. Financial revenue and financial expenses during the interim period

Exchange gains and losses are accounted for at net within the income statement for the Group and Parent company.

TSEK	Group			Parent Company		
	March 31 2008	March 31 2007	Dec 31 2007	March 31 2008	March 31 2007	Dec 31 2007
Interests	15,719	12,584	79,276	39,936	11,339	83,269
Exchange gains	92,932	-	76,088	27,185	-	81,386
Other financial items	40,612	-	90,068	18,361	-	33,307
Total financial income (net)	149,263	12,584	245,432	85,482	11,339	197,962

TSEK	Group			Parent Company		
	March 31 2008	March 31 2007	Dec 31 2007	March 31 2008	March 31 2007	Dec 31 2007
Charges and overdrafts	-96,661	-56,308	-253,630	-60,244	-40,262	-140,619
Exchange losses	-	-2,411	-	-	-39,707	-
Other financial items	-5,149	-997	-3,957	-3,947	-997	-33,988
Total financial expenses (net)	-101,810	-59,716	-257,587	-64,191	-80,966	-174,607

Exchange gains / losses are broken down as follows;

	Group	Group	Group	Parent Company	Parent Company	Parent Company
	March 31 2008	March 31 2007	Dec 31 2007	March 31 2008	March 31 2007	Dec 31 2007
Exchange gains referred to bank equivalents (gross)	4,749	10,369	25,350	2	9,297	19,724
Exchange gains referred to borrowings (gross)	274,756	19,796	239,265	183,730	12,257	191,556
Exchange losses referred to bank equivalents (gross)	-79,933	-11,167	-43,851	-70,651	-10,755	-28,997
Exchange losses referred to borrowings (gross)	-106,640	-21,409	-144,676	-85,896	-50,506	-100,897
Total exchange gains / losses (net)	92,932	-2,411	76,088	27,185	-39,707	81,386

6. Income tax

As from 2005 and forward oil companies operating in Norway, which are not in tax position, will get a 78 percent refund of total costs referred to exploration from the Norwegian Government. However, this refund is limited to the taxable losses for the same year. As per March 31st, 2008 total income tax revenue amounted to SEK 87.9 million for the first quarter 2008 referred to exploration expenses and recorded in the accounts for the subsidiary PA Resources Norway AS. This income tax revenue is expected to be refunded from the Norwegian Government. As per March 31st, 2008 a deferred income tax amounted to SEK 78.2 million is recorded in PA Resources Norway AS and refers to the subsidiary's interests in oilfields on the Norwegian continental shelf and outstanding loan obligations recorded in balance sheet which are connected to the interests. The income tax is calculated according to the liability method and is based on applicable local tax rules and tax rates as per reporting date.

7. Assets available-for-sale

Net results referred to assets held for sale amounted to SEK -2.2 million for the financial period January 1st – March 31st, 2008. Assets held for sale and liabilities referred to assets held for sale are shown in the table below.

Assets available-for-sale			
TSEK	March 31 2008	March 31 2007	Dec 31 2007
Tangible assets	15,373	17,874	16,547
Cash and cash equivalents	30	1,326	320
Total	15,403	19,200	16,867

Liabilities referred to assets available-for-sale			
TSEK	March 31 2008	March 31 2007	Dec 31 2007
Non-current liabilities	3,903	1,905	3,906
Current liabilities	1,362	87	1,735
Total	5,265	1,992	5,641

8. Accounting for financial instruments

The assets owned by PA Resources Group predominantly consist of international oil and gas discoveries which are valued in USD and generates income in USD. The Group consequently seeks to reduce its foreign exchange risks by various measures of which currency hedge of the interest bearing debt is one of the most important measures. As such, the Group has entered into two currency swap agreements which should match in exposure the Group's two NOK denominated bond loans amounting in total of NOK 630 million. A combining of the bond loans with the currency swap contracts these two loans will carry a joint exposure that corresponds to two USD denominated loans. The currency swap agreements are valued at market value as per March 31st, 2008 which generated an unrealized exchange gain amounted to SEK 40.6 million which has been recorded within the financial assets.

On May 22nd, 2007, PA Resources signed an oil hedge contract with Merrill Lynch Commodities Trading Limited with the purpose to secure part of the Group sale of oil against decreasing oil price in US Dollar and by that means reduce the Group risk. The contract includes a total oil quantity of 2,500 barrels of oil per day secured to a minimum oil price of 50 US Dollar per barrel and the contract has duration of 24 months with a maturity date of May 31st, 2009. The oil hedge contract is valued at market value as per March 31st, 2008 and is recorded in the Parent company as a long-term liability amounted to SEK 19.1 million. The total effect of the oil hedge contract resulted in a revenue amounted to SEK 1.2 million during first quarter 2008.

9. Accounting for minority interest

The profit for the period as per March 31st, 2008 includes a loss amounted to SEK 673 thousand recorded in the subsidiary PA Energy Africa Ltd which refers to the minority owners. This means that this loss has been distributed to the majority (PA Resources AB). Accumulated losses taken by the majority (PA Resources AB) but referred to the minority owners will be settled against future positive results recorded in PA Energy Africa Ltd.

10. Provisions

Accounting for share warrants:

The Group's share warrant programme resulted in a revenue amounted to SEK 584 thousand during first quarter 2008. Total social security contributions calculated on allocated share warrants amounted to SEK 9.2 million as per March 31st, 2008 which are recorded as provisions within the balance sheet item for non-current liabilities in the balance sheet. Total cost amounted to SEK 87.2 million has been recorded against shareholders equity as per March 31st, 2008.

Total number of outstanding shares before full utilization of share warrants amounted to 145,014,004 at the end of the interim period. Total number of outstanding shares after full utilization of share warrants (4,425,000) would amount to 149,439,004.

11. Transactions with related parties

No significant transactions have been entered into between the Parent company and related parties during first quarter 2008.

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12. Pledged assets and contingent liabilities

As per March 31st, 2008 total pledged assets amounted to SEK 1,604 million and total contingent liabilities amounted to SEK 14 million within the Group. For the Parent company solely total pledged assets amounted to SEK 1,575 million and total contingent liabilities amounted to SEK 14 million as per March 31st, 2008. Total pledged assets have decreased by SEK 148 million within the Group compared to December 31st, 2007. The decrease refers to guarantee of shares in oilfield in Tunisia against Norsk Tillitsmann ASA and also to standby letter of credit against ABC Bank and guarantee in clearing account for taxes and charges referred to the subsidiary PA Resources Norway AS have been realized during the quarter. As for the Parent company, total pledged assets have decreased by SEK 116 million during the first quarter 2008 compared to December 31st, 2007 and the explanation for the decrease refers to the corresponding decrease as for the Group.

Total contingent liabilities within the Group and the Parent company are unchanged compared to December 31st, 2007.

Total pledged assets and contingent liabilities for both the Group and the Parent company as per March 31st, 2008 compared to December 31st, 2007 and March 31st, 2007 are shown below.

Pledged assets - TSEK	Group			Parent Company		
	March 31 2008	March 31 2007	Dec 31 2007	March 31 2008	March 31 2007	Dec 31 2007
<i>The pledged assets are divided as follows:</i>						
Standby letter of credit against ABC Bank	-	97,000	19,210	-	97,000	19,210
Guarantee of shares in oilfield in Tunisia against Norsk Tillitsmann ASA	1,189,860	-	1,280,680	-	-	-
Guarantee of pledged shares in Didon Tunisia Pty Ltd against Norsk Tillitsmann ASA	-	-	-	1,189,860	-	1,280,680
Guarantee of shares in oilfields in Norway against Norsk Tillitsmann ASA	385,176	-	391,050	-	-	-
Guarantee commitment of subsidiaries loan obligations	-	-	-	385,176	-	391,050
Oil inventory referred to payment of royalty in kind	29,206	770	7,477	-	-	-
Guarantee in clearing account for taxes and charges referred to PA Resources Norway AS	-	-	53,897	-	-	-
Total pledged assets	1,604,242	97,770	1,752,315	1,575,036	97,000	1,690,940

Contingent liabilities - TSEK	Group			Parent Company		
	March 31 2008	March 31 2007	Dec 31 2007	March 31 2008	March 31 2007	Dec 31 2007
<i>The contingent liabilities are divided as follows:</i>						
Contingent liabilities referred to acquisition of Adeco Congo BVI Ltd	14,000	14,000	14,000	14,000	14,000	14,000
Total contingent liabilities	14,000	14,000	14,000	14,000	14,000	14,000

Note 13. Events after the balance sheet date

Oil discovery at the Draupne prospect in Norway

The drilling of the exploration well 16/1-9 on the Draupne prospect in license PL 001B in Norway was completed in mid April, and an oil and gas discovery was made in a 44 meters thick sandstone layer.

The drilling result confirms the presence of oil with a small gas cap in a sandstone layer in the Hugin/Sleipner formation of Middle Jurassic age. The sandstone layer has a thickness of 44 meters and varying reservoir properties. The well has not established any oil-water contact. An extensive amount of data has been collected including core and fluid samples. These will be analysed in detail before the forward work program will be decided.

This oil discovery is, together with the previously made discoveries at the West Cable in the same license as well as the Hanz discovery in license PL 028B, important for the development and commercialisation of the oil resources in the area to be realized in a near future. For more information, see PA Resources' press release from April 16th 2008.

Drilling starts on Block I in Equatorial Guinea

In mid April, the technical operator Noble Energy started the drilling of the appraisal well I-5 on Block I with the drilling rig Sedco 700. The well will appraise the extent of the oil and gas discovery made by the wells I-1 and I-2 previously drilled on the Benita structure. Results from the drilling are expected to be available in the late second or early third quarter of 2008. This is the first well that is being drilled by the Sedco 700 as part of a two well program in Block I during the second quarter of 2008. PA Resources has a six percent working interest in Block I, through its wholly-owned subsidiary Osborne Resources. For more information, see PA Resources' press release from April 18th 2008.

Acquisition in the Republic of Congo approved and completed

On April 21st, 2008, PA Resources AB formally closed the transaction relating to the previously announced acquisition of 35 percent in the license Mer Profond Sud including the Azurite field situated offshore the Republic of Congo (Brazzaville). This was possible since the required regulatory approvals were achieved by the Congolese Authorities.

The acquired assets will be consolidated in PA Resources' accounts as from the second quarter 2008. Capital expenditures incurred during the period from the signing of the agreement until closure will also be part of the settlement for PA Resources' 35 percent share of Mer Profond Sud. For more information, see PA Resources' press release dated the 20th of November 2008.

Pilot well confirms a larger than expected oil column at the Didon field

In the end of April 2008, PA Resources completed the drilling of a pilot well as part of the development of new production wells on the Didon field in Tunisia. The pilot well has been drilled by the jack-up rig Ensco 85 from the Didon platform into a reservoir location in the central parts of the Didon field. The reservoir section came in higher than prognosis and the data gathered in the pilot well has proven a larger than expected vertical oil column and confirmed the excellent reservoir quality in the area.

The pilot well section will now be plugged before the horizontal production drain of the Didon-7 will be drilled. The horizontal drain is planned to have a length of 550 meters and will be placed along the top of the reservoir section. Once completed, the Didon-7 well is expected to increase the production significantly, well in line with the announced production forecast. For more information, see PA Resources' press release from the 28th of April 2008.