



First quarter report 2017

Quarter ended 31 March 2017

- Revenue of TUSD 2,664, up 170% from Q1 2016
- Cash Flow from Operations improved to TUSD 626, compared with TUSD -1,030 in Q1, 2016
- EBITDA of TUSD 419 compared with -546 in Q1 2016
- Result before tax of TUSD -1,303 compared with TUSD -2,290 in Q1 2016
- Net result for the period of TUSD -1,303, compared with -2,290 in Q1 2016
- Earnings per share amounted to -0.04 USD per share compared with - 0.07 USD per share in Q1 2016
- TUSD 5,701 (before issue costs) raised through new share issues of which TUSD 277 were received in April 2017
- Oil and gas gross production amounted to 654 boepd, up 30% from Q1 2016
- 3 oil and gas production wells drilled in the first quarter
- Accelerated drilling program in the second quarter

Subsequent events

- Matra Petroleum AB (publ) listed on NASDAQ First North, Stockholm on April 20, 2017

	<u>Q1, 2017</u>	<u>Q1, 2016</u>
<u>Operational results</u>		
Sold crude oil production, bbl	25,670	14,174
Sold gas and natural gas liquids production, mcf	130,147	122,030
Selling price oil, USD/bbl	48.70	30.60
Selling price gas USD/mcf	6.51	3.17
<u>Financial results</u>		
Revenue, TUSD	2,664	988
EBITDA	419	(565)
Operating result	117	(968)
Result for the period	(1,303)	(2,290)
Basic and diluted earnings per share, USD	(0.04)	(0.07)
Number of employees	27	22

Matra Petroleum AB (publ) is a Swedish independent oil and gas exploration and production company operating in the United States, where the company owns and operates 136 leases, covering an area of 38,800 net acres in the Panhandle region in Texas. Matra Petroleum 's shares are traded on NASDAQ First North in Sweden under the symbol MATRA.

Dear Shareholders,

I am pleased to present Matra Petroleum AB (publ) first quarterly report as a listed company.

In the first quarter 2017, Matra recorded significant improvements in financial and operating performance compared to the first quarter 2016, driven mainly by higher production and improved oil and gas prices.

During the quarter Matra drilled and completed three new wells that were successfully tested and recently put on production. New wells produce at significantly higher rates than the current average and the plan is to replace low performing wells with production from new drilling.

The company has adapted to recent years' challenging operating conditions by increasing efficiency in operations and investments, eliminating uneconomic production and securing financing to maintain an active drilling program. The Company's debt portfolio has been restructured to secure long term debt financing for coming years and additional equity was raised to strengthen the balance sheet and fund capital expenditures.

Matra's asset portfolio has been thoroughly evaluated and selected wells have been drilled in order to gain valuable insight into the field and optimize future drilling plans. In this process, we identified 466 drilling opportunities. Reserves are conventional and wells are shallow and quick to drill, presenting attractive returns at today's oil prices. In addition, approximately 200 idle wells can be brought back to production.

An active drilling program has been launched, aimed at raising production from the current asset base up to 6000 boepd in coming years and bringing long term improvements in financial performance.

With the recent listing on Nasdaq First North and improved access to capital markets Matra is well positioned to grow organically and through selective acquisitions.

23 May 2017

Maxim Barskiy
Chief Executive Officer

Production and development

Matra Petroleum AB (publ) (“Matra Petroleum”, “Matra” or the “Company”) owns and operates 136 oil and gas leases, covering an area of 38,800 net acres in the Panhandle region in Texas, USA.

Crude oil and gas production, sales volumes and achieved selling prices are presented in the tables below:

Q1 2017	Oil, bbl	Gas, Mcf	Total oil equivalent
Produced volume, gross	29,897	173,734	58,853
Average daily production, gross	332	1,930	654
Produced volume, net	24,534	130,147	46,225
Average daily production, net	273	1,446	514
Sold volume	25,670	130,147	47,361
Net price (USD/Unit)	48.70	6.51	44.30
Revenue from sales of oil and gas (TUSD)	1,250	848	2,098

Q1 2016	Oil, bbl	Gas, Mcf	Total oil equivalent
Produced volume, gross	17,696	167,585	45,627
Average daily production, gross	194	1,842	501
Produced volume, net	13,851	122,030	34,189
Average daily production, net	152	1,341	376
Sold volume	14,174	122,030	34,512
Net price (USD/Unit)	30.60	3.17	23.76
Revenue from sales of oil and gas (TUSD)	433	387	820

The net production in the first quarter 2017 amounted to 46,225 barrels of oil equivalent (“boe”), corresponding to 510 barrels of oil equivalent per day (boepd). 53 percent of the production was oil and 47 percent was gas. The production increased by 30 percent compared to the first quarter 2016. The production increase resulted from drilling and completing new wells in 2016 and workovers on existing wells.

Revenue

Total revenue in the first quarter 2017 amounted to TUSD 2,664, representing a 170 percent increase compared with the first quarter 2016 (Q1 2016: TUSD 988). The total revenue included revenue from sales of oil (TUSD 1,250), gas (TUSD 848), change in oil and gas prices hedging position (TUSD 264) and other income (TUSD 302). The increase in revenue was primarily due to higher production and crude oil and gas prices.

The average received selling prices for oil and gas increased by 86 percent during the quarter and amounted to USD 48.70 per bbl for oil and USD 6.51 per mcf for gas (Q1 2016: USD 30.60 per bbl and USD 3.17 per mcf). The difference in gas price was affected mainly by two factors: 1) overall market situation, and 2) increased share of Dial CL lease gas production from 20% in Q1 2016 to almost 36% in Q1 2017 as a result of active drilling.

Matra sells its oil to the Valero refinery located in the Northwest Moore County in the Panhandle area. The gas is tied into the DCP Midstream L.P. gas pipeline network, and the Energy Transfer Partners pipeline system, both local Texas systems.

Costs

Production costs for the reporting period amounted to TUSD 1,456 representing an increase of 91 percent compared with the first quarter 2016 (Q1 2016: TUSD 761). This increase in production costs was mainly attributable to higher production and field activity.

Production costs include inventory movements, production taxes, electricity, crude oil heat treatment (during the winter period), compressor lease/maintenance, field operating team compensation, maintenance/work-over costs and other costs.

General and administrative expenses amounted to TUSD 789 for the first quarter 2017, which was in line with the first quarter 2016 (Q1 2016: TUSD 773)

Operating result and EBITDA

The operating result for the first quarter 2017 amounted to TUSD 117, compared to TUSD -968 in the first quarter 2016. The EBITDA for the quarter amounted to TUSD 419 (Q1 2016: TUSD -565).

The improvement in Operating result and EBITDA was explained by increased sales resulting from higher production and prices in the first quarter 2017.

Net financial items

The net financial items amounted to TUSD 1,420 in the first quarter 2017 compared to TUSD 1,322 in the first quarter 2016.

Tax

There was no tax charge for the reporting period (Q1 2016: nil).

Result

For the first quarter 2017 Matra reports a net result after tax of TUSD -1,303 corresponding to a net result per share of USD -0.04 (TUSD -2,290 and -0.07 USD per share in the first quarter 2016).

Investment and work program

Total investments in the first quarter 2017 amounted to TUSD 1,626, compared to TUSD 1,213 in the first quarter 2016.

In the first quarter 2017 Matra drilled three new production wells that were put on production in the second quarter.

Matra has secured a rig for continuous drilling and is accelerating the drilling program. 10 new wells, 9 producers and 1 salt-water disposal well have been scheduled to be drilled in the coming 3 months. In parallel, Matra is installing new "fit for purpose" facilities including flow lines and tank batteries to handle production from new wells.

Financing and Liquidity

In October 2016, Matra Petroleum AB (publ) was formed as the new group parent company, to consolidate 100 percent of Matra Petroleum USA Inc. The consolidation was completed in February 2017 through a series of transactions. In connection with this, Matra renegotiated and extended its long term debt agreements, raised additional equity capital and widened its Swedish shareholder base.

The Company raised a total of TUSD 5,701 through several equity placements, a private placement directed to qualified investors, and a public offering. The public offering of TSEK 2,500 (corresponding to TUSD 277) before issue costs was registered after the end of the reporting quarter.

As of March 31, 2017 Matra's total liquidity amounted to TUSD 5,372 (December 31, 2016: TUSD 1,532). Cash flow from operations, before changes in working capital, for the quarter amounted to TUSD 107 (Q1 2016: TUSD -541). Cash flow from operations for the quarter amounted to TUSD 626 (Q1 2016: TUSD -1,030).

Parent company

The parent company's net result before tax from the incorporation on October 24, 2016 until 31 March 2017 amounted to TSEK -376 (TUSD -42). The parent company became the parent company of the group in the first quarter 2017.

As of March 31, 2017, the liquidity of the parent company amounted to TSEK 34,086 (TUSD 3,816).

Share data

The formation of Matra Petroleum AB (publ) included a number of share issues in the first quarter 2017, including:

- New share issue of 450,000 shares to make the Matra Petroleum AB (publ) a public limited liability company.
- A share split 1:1,000
- In-kind share issue of 10,950,513,775 shares to acquire 100 percent of Matra Petroleum Ltd at a valuation of SEK 78,649,950.60 corresponding to a subscription price per share of SEK 0.0072 prior to the reverse split (SEK 7.20 after reverse share split).
- In-kind share issue 22,020,218,798 shares to acquire app. 67 percent of Matra Petroleum USA Inc. at a valuation of SEK 158,155,969.40 corresponding to a subscription price per share of SEK 0.0071 prior to the reverse split (SEK 7.10 after reverse share split).
- A reverse share split 1,000:1
- New share issue of 1,359,485 shares directed to Forsinvest Aktiebolag, in the amount SEK 1,373,079.85 corresponding to a subscription price per share of SEK 1.01 after to the reverse split, in order for Forsinvest Aktiebolag to retain agreed ownership of the Company through a Scheme of Arrangement in connection with the acquisition of Matra Petroleum Ltd and Matra Petroleum USA Inc.
- New share issue of 4,595,000 shares directed to qualified investors, in the amount SEK 45,950,000 corresponding to a subscription price per share of SEK 10
- New share issue to the public in the amount of SEK 2,500,000 of 250,000 shares corresponding to a subscription price per share of SEK 10

As per 31 March 2017, the number of outstanding shares in Matra Petroleum AB (publ) amounted to 39,425,217.

Risk and uncertainties

A statement of risks and uncertainties are presented in Note 2.

Transactions with related parties

In the fourth quarter 2016, Matra borrowed TUSD 100 from Almaxo Investments Ltd. The loan was repaid in full by the end of the reporting period.

On 8 February 2017, it was resolved to issue a maximum of 1,859,485 warrants in order to replace previous ownership assurances to management in Matra USA. Each warrant entitles the holder to subscribe for one (1) new share in the Company at a subscription price of SEK 1.01 per share during the period between 31 August 2017 and 31 January 2022. If the warrants are fully exercised it will lead to a dilution of about 4.5 percent of the share capital and votes in the Company.

Significant events after the reporting period

On April 6, the new share issue to the public was registered.

As per reporting date, the number of outstanding shares in Matra Petroleum AB (publ) amounted to 39,675,217. The fully diluted number of shares amounted to 41,534,702.

On April 20, 2017, the trading of shares in Matra Petroleum commenced on Nasdaq First North.

CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

<i>Expressed in TUSD</i>	Note	<i>1 Jan 2017 - 31 Mar 2017 3 months</i>	<i>1 Jan 2016 - 31 Mar 2016 3 months</i>	<i>1 Jan 2016 - 31 Dec 2016 12 months</i>
Revenue:	3	2,664	988	5,146
Cost of sales:				
Production costs	4	(1,456)	(761)	(3,986)
Depletion and accretion		(302)	(403)	(980)
Gross profit/loss		906	(176)	180
General and administrative		(789)	(792)	(3,910)
Operating profit/loss		117	(968)	(3,730)
Net financial items				
Finance costs	5	(1,420)	(1,242)	(5,493)
Change in fair value of warrants		-	(80)	185
		(1,420)	(1,322)	(5,308)
Profit/loss before tax		(1,303)	(2,290)	(9,038)
Result for the period		(1,303)	(2,290)	(9,038)
Attributable to:				
Shareholders of the Parent Company		(1,303)	(2,290)	(9,038)
Non-controlling interest		-	-	-
		(1,303)	(2,290)	(9,038)
Other comprehensive result				
Currency translation gains/losses		(74)	-	-
		(74)	-	-
Total comprehensive loss		(1,377)	(2,290)	(9,038)
Attributable to:				
Shareholders of the Parent Company		(1,377)	(2,290)	(9,038)
Non-controlling interest		-	-	-
		(1,377)	(2,290)	(9,038)
Basic and diluted earnings per share, \$		(0.04)	(0.07)	(0.27)
Weighted number of shares		35,036,478	32,970,733	32,970,733

CONSOLIDATED BALANCE SHEET

<i>Expressed in TUSD</i>	At 31 March 2017	At 31 December 2016
ASSETS		
Non-current assets		
Oil and gas properties	78,255	76,882
Other tangible fixed assets	342	391
Derivative instruments	88	-
Other non-current assets	6 250	250
Total non-current assets	78,935	77,523
Current assets		
Inventories	139	163
Trade and other receivables	7 1,298	1,113
Derivative instruments	293	466
Cash and cash equivalents	5,372	1,532
Total current assets	7,102	3,274
TOTAL ASSETS	86,037	80,797
EQUITY AND LIABILITIES		
Equity		
Shareholders' equity	27,496	23,980
Non-controlling interest	1,795	1,795
Total equity	29,291	25,775
Liabilities		
Non-current liabilities		
Financial liabilities	8 49,432	47,015
Decommissioning provision	952	930
Derivative instruments	-	89
Total non-current liabilities	50,384	48,034
Fair value of warrants	-	1,559
Current Liabilities:		
Financial liabilities	134	135
Trade and other payables	9 3,376	2,306
Accrued liabilities	10 2,852	2,988
Total current liabilities	6,362	5,429
Total liabilities	56,747	55,022
TOTAL EQUITY AND LIABILITIES	86,037	80,797

CONSOLIDATED STATEMENTS OF CASH FLOWS

	1 Jan 2017	1 Jan 2016	1 Jan 2016
	-	-	-
	31 Mar	31 Mar	31 Dec
	2017	2016	2016
	3 months	3 months	12 months
<i>Expressed in TUSD</i>			
Cash flows from operating activities:			
Net result	(1,303)	(2,290)	(9,038)
Adjustments for:			
Depletion, depreciation and amortization	302	403	980
Finance cost	1,420	1,242	5,493
Unrealised loss on derivative contracts	(5)	316	2,045
Unrealised gain/loss on warrants	-	80	(185)
Interest paid	(308)	(310)	(1,253)
Changes in working capital	520	(471)	563
Total cash flows from operating activities	626	(1,030)	(1,395)
Cash flows from investing activities:			
Investment in oil and gas properties	(1,626)	(1,211)	(4,461)
Investment in other fixed assets	-	(2)	(2)
Total cash flows from investing activities	(1,626)	(1,213)	(4,463)
Cash flows from financing activities:			
Proceeds from issue of issue of shares	5,424	-	-
Issue costs	(584)	-	-
Total cash flows from financing activities	4,840	-	-
Change in cash and cash equivalents	3,840	(2,243)	(5,858)
Cash and cash equivalents at the beginning of the period	1,532	7,390	7,390
Cash and cash equivalents at the end of the period	5,372	5,147	1,532

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

<i>Expressed in TUSD</i>	Share capital	Additional paid in capital/Other reserves	Non-controlling interest	Foreign currency translation reserve	Retained deficit	Total
Total equity as at 1 January 2016		71,931	1,795	-	(38,913)	34,813
Result for the period	-	-	-	-	(2,290)	(2,290)
Total comprehensive income for the period	-	-	-	-	(2,290)	(2,290)
New shares issue (cash), net	-	-	-	-	-	-
New shares issue (share for share), net	-	-	-	-	-	-
Total equity as at 31 March 2016	-	71,931	1,795	-	(41,203)	32,523

<i>Expressed in TUSD</i>	Share capital	Additional paid in capital/Other reserves	Non-controlling interest	Foreign currency translation reserve	Retained deficit	Total
Total equity as at 1 January 2016	-	71,931	1,795	-	(38,913)	34,813
Result for the period	-	-	-	-	(9,038)	(9,038)
Total comprehensive income for the period	-	-	-	-	(9,038)	(9,038)
New shares issue (cash), net	-	-	-	-	-	-
New shares issue (share for share), net	-	-	-	-	-	-
Total equity as at 31 December 2016	-	71,931	1,795	-	(47,951)	25,775

<i>Expressed in TUSD</i>	Share capital	Additional paid in capital/Other reserves	Non-controlling interest	Foreign currency translation reserve	Retained deficit	Total
Total equity as at 1 January 2017	-	71,931	1,795	-	(47,951)	25,775
Result for the period	-	-	-	-	(1,303)	(1,304)
Translation differences	-	-	-	(74)	-	(74)
Total comprehensive income for the period	-	-	-	(74)	(1,303)	(1,378)
Acquisition of Matra Petroleum USA, Inc.	3,665	(3,665)	-	-	-	-
Not registered share issue	-	280	-	-	-	280
New shares issue (cash)	729	4,695	-	-	-	5,424
Issue cost	-	(811)	-	-	-	(811)
Total equity as at 31 March 2017	4,394	72,430	1,795	(74)	(49,254)	29,291

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the quarters and years ended March 31, 2017, March 31, 2016 and December 31, 2016. (Tabular amounts are in US Dollars, unless otherwise stated).

Note 1 - Corporate information and basis of preparation

This interim report has been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, and the Swedish Annual Accounts Act (SFS 1995:1554).

Matra Petroleum AB (publ) ("Matra AB" or "The Company") was formed in October 2016 as the parent company of the group. Matra AB consolidated 100 percent of Matra Petroleum USA, Inc. ("Matra USA"), making it a fully owned subsidiary in February 2017. Through several transactions, Matra USA was acquired from its previous shareholders Rovelo Investment Ltd and Matra Petroleum Ltd ("Matra Ltd"). In exchange, Matra AB issued shares to Rovelo Investment Ltd and Matra Ltd's former shareholders.

The transaction did not meet a definition of a business combination in accordance with IFRS 3, Business Combinations, as it was a transaction under common control, consequently these financial statements are issued under the legal parent, Matra AB, but are deemed to be a continuation of the legal subsidiaries Matra USA and Matra Ltd, which have been under common control, and hence comparative information have been included. The capital structure reflects the number of shares and the stated capital of Matra AB.

These consolidated financial statements (the "Financial statements") reflect the activity for the quarter ended March 31, 2017 and the comparative for Matra USA for the quarter ended March 31, 2016 and year ended December 31, 2016.

The financial report of the Parent Company has been prepared in accordance with accounting principles generally accepted in Sweden, applying RFR 2 Reporting for legal entities, issued by the Swedish Financial Reporting Board and the Annual Accounts Act (SFS 1995:1554).

Under Swedish company regulations it is not allowed to report the Parent Company results in any other currency than Swedish Krona or Euro and consequently the Parent Company's financial information is reported in Swedish Krona and not the Group's reporting currency of US Dollar.

Note 2 Risks and uncertainties

Matra Petroleum AB (publ)'s activities expose it to a number of risks and uncertainties which are continuously monitored and reviewed. The main risks and uncertainties are operational, financial and oil and gas price risks described below. A detailed analysis of Matra Petroleum's risks and uncertainties is described in the Company Description published in connection to the listing on NASDAQ First North, available on Matra Petroleum's web.

Operational risk

Matra's estimated proved reserves are based on many assumptions that may turn out to be inaccurate and any significant inaccuracies in these reserve estimates or underlying assumptions could materially affect the actual quantities and present value of such reserves.

Matra's long-term commercial success depends on its ability to appraise, develop, explore and commercially produce oil and gas reserves. Matra must continually locate and develop or acquire new reserves to replace its existing reserves that are being depleted by production. Future increases in Matra's reserves will depend not only on its ability to appraise, develop and explore its existing assets but also on its ability to select and acquire suitable additional assets through acquisitions.

Financial risks

There is a risk that Matra will not be able, or only at a significantly higher cost, to obtain access to financing in order to meet its contractual obligations. If the Company fails to raise the necessary capital it could have a material adverse effect on the Company's business, financial condition and results of operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Oil and gas price risks

Both oil and gas prices can be volatile and are subject to fluctuation. Any material decline in oil prices could result in a reduction of Matra's net production revenue. Historically, oil prices have fluctuated widely for many reasons. It is impossible to accurately predict future oil and gas price movements. Accordingly, oil and gas prices may not remain at their current levels. The economics of producing from some of Matra's wells may change as a result of lower prices, which could result in a reduction in the volumes of Matra's reserves if some are no longer economically viable to develop.

Note 3 - Revenue

<i>Expressed in TUSD</i>	1 Jan 2017 - 31 Mar 2017 3 months	1 Jan 2016 - 31 Mar 2016 3 months	1 Jan 2016 - 31 Dec 2016 12 months
Oil	1,250	433	3,346
Natural gas	848	387	2,015
Other income	302	-	321
Net gain/loss on derivative contracts	264	168	(536)
	2,664	988	5,146

Note 4 - Production costs

<i>Expressed in TUSD</i>	1 Jan 2017 - 31 Mar 2017 3 months	1 Jan 2016 - 31 Mar 2016 3 months	1 Jan 2016 - 31 Dec 2016 12 months
Oil and gas production costs	1,344	730	3,778
Production taxes	89	34	244
Change in inventory position	23	(4)	(35)
	1,456	761	3,986

Note 5 - Finance costs

<i>Expressed in TUSD</i>	1 Jan 2017 - 31 Mar 2017 3 months	1 Jan 2016 - 31 Mar 2016 3 months	1 Jan 2016 - 31 Dec 2016 12 months
Interest expense	1,076	898	4,131
Unwinding of decommissioning provision discount	23	21	85
Amortisation of deferred financing fees	135	135	526
Amortisation of debt instrument discount	49	50	200
Amortisation of warrant discount	138	138	550
	1,420	1,242	5,493

Note 6 - Other non-current assets

<i>Expressed in TUSD</i>	1 Jan 2017 - 31 Mar 2017 3 months	1 Jan 2016 - 31 Dec 2016 12 months
Deposit to Rail Road Commission	250	250
	250	250

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 7 - Trade and other receivables

<i>Expressed in TUSD</i>	1 Jan 2017 - 31 Mar 2017 3 months	1 Jan 2016 - 31 Dec 2016 12 months
Trade receivables	627	760
Joint operations debtors	131	185
Prepayments	540	169
	1,298	1,113

Note 8 - Financial liabilities

<i>Expressed in TUSD</i>	1 Jan 2017 - 31 Mar 2017 3 months	1 Jan 2016 - 31 Dec 2016 12 months
Non-current:		
Bank loan	25,000	25,000
Mezzanine loan	25,985	23,609
Capitalised warrants obligations	(963)	(1,101)
Capitalised financing fees	(744)	(669)
Warrants	-	1,559
Finance lease	154	175
	49,432	48,574
Current:		
Finance lease	134	136
	134	136

Note 9 - Trade and other payables

<i>Expressed in TUSD</i>	1 Jan 2017 - 31 Mar 2017 3 months	1 Jan 2016 - 31 Dec 2016 12 months
Trade payables	3,107	2,112
Joint operations creditors	269	194
	3,376	2,306

Note 10 - Accrued liabilities

<i>Expressed in TUSD</i>	1 Jan 2017 - 31 Mar 2017 3 months	1 Jan 2016 - 31 Dec 2016 12 months
Deferred directors costs	2,577	2,760
Interest payable	106	106
Other accrued expenses	65	6
	2,748	2,872

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 11 - Financial instruments

Expressed in TUSD

For financial instruments measured at fair value in the balance sheet, the following fair value measurement hierarchy is used:

- Level 1: based on quoted prices in active markets;
- Level 2: based on inputs other than quoted prices as within level 1, that are either directly or indirectly observable;
- Level 3: based on inputs which are not based on observable market data.

Based on this hierarchy, financial instruments measured at fair value can be detailed as follows:

31 March 2017

<i>Expressed in TUSD</i>	Level 1	Level 2	Level 3
Assets			
Derivative instruments - non-current	-	88	
Derivative instruments - current	-	199	371
	-	287	371
Liabilities			
Derivative instruments - non-current	-	-	
Derivative instruments - current	-	-	-
	-	-	-

31 December 2016

<i>Expressed in TUSD</i>	Level 1	Level 2	Level 3
Assets			
Derivative instruments - non-current			
Derivative instruments - current		371	
	-	371	-
Liabilities			
Derivative instruments - non-current	-	89	-
Derivative instruments - current	-	-	-
	-	89	-

There were no transfers between the levels during the reporting period.

The fair value of the financial assets and financial liabilities is estimated to equal the carrying value. The fair value, of the Derivative instruments, is calculated using the crude oil and natural gas futures curve for the crude oil and natural gas price hedging contracts. The hedge counterparties are all banks which are party to the loan facility agreement.

PARENT COMPANY INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

*From 26 Oct 2016 to
31 Mar 2017*

Expressed in TSEK

General and administrative expenses	<u>(376)</u>
Operating loss	<u>(376)</u>
Net result	<u>(376)</u>
<hr/>	
Other comprehensive income /loss	<u>-</u>
Total comprehensive income/loss	<u>(376)</u>

PARENT COMPANY BALANCE SHEET

<i>Expressed in TSEK</i>	At 31 March, 2017	At 31 December, 2016
ASSETS		
Non-current assets		
Investments	242,117	-
Total non-current assets	242,117	-
Current assets		
Trade and other receivables	5,285	-
Cash and cash equivalents	34,086	-
Total current assets	39,371	-
TOTAL ASSETS	281,488	-
EQUITY AND LIABILITIES		
Shareholders' equity	279,506	-
Total equity	279,506	-
Current liabilities		
Trade and other payables	1,058	-
Accrued liabilities	923	-
Total current liabilities	1,981	-
Total liabilities	281,488	-
TOTAL EQUITY AND LIABILITIES	281,488	-

FINANCIAL INFORMATION

The report for the second quarter report 2017 (January - June 2017) will be published on 24 August 2017.

This report has not been subject to review by the auditors of the Company.

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