

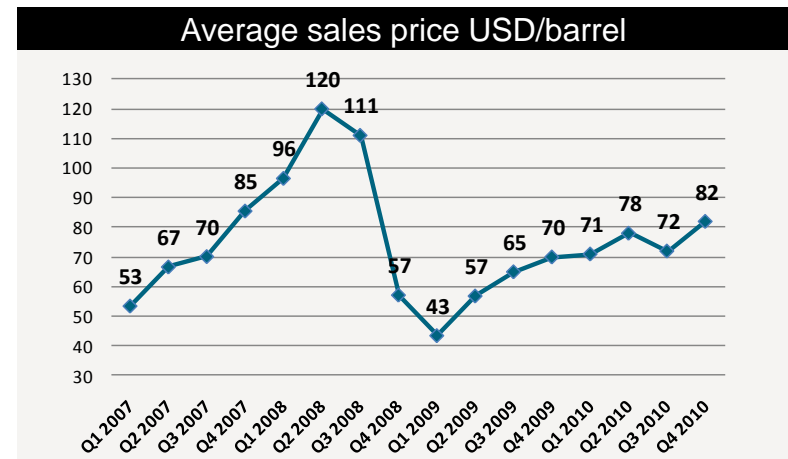
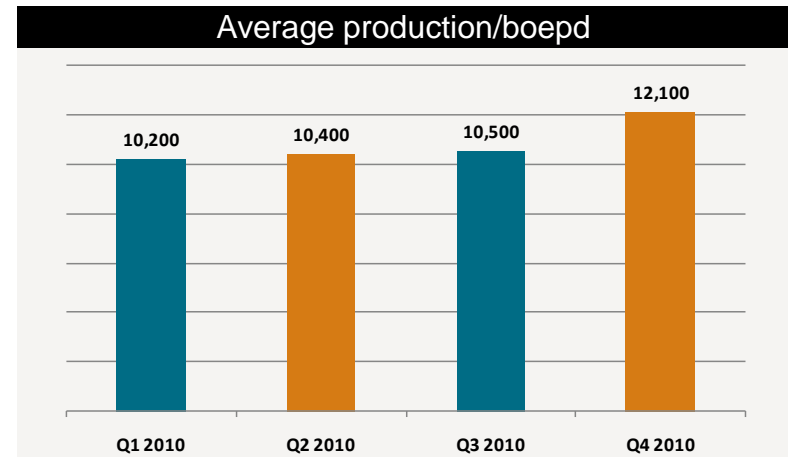
# Production and Drilling update Q4 2010

**Analyst & Media telephone conference**  
7 January 2011



# Production and sales in Q4 2010

- Azurite field in Congo main producing field followed by Didon field in Tunisia and five smaller fields in Tunisia
- Average gross production of 12,100 in Q4 and 10,700 boepd full-year 2010
  - » 8,050 boepd in Congo
  - » 4,050 boepd in Tunisia
- Production target of 15,000 – 20,000 boepd by year-end 2010 not reached
- Azurite field production disappointing in Q4 much due to last three producers' need of pressure support
- Average sales price increased to 82 USD/barrel
- Total sales amounted to 681,300 barrels



# Improved fiscal terms in Republic of Congo

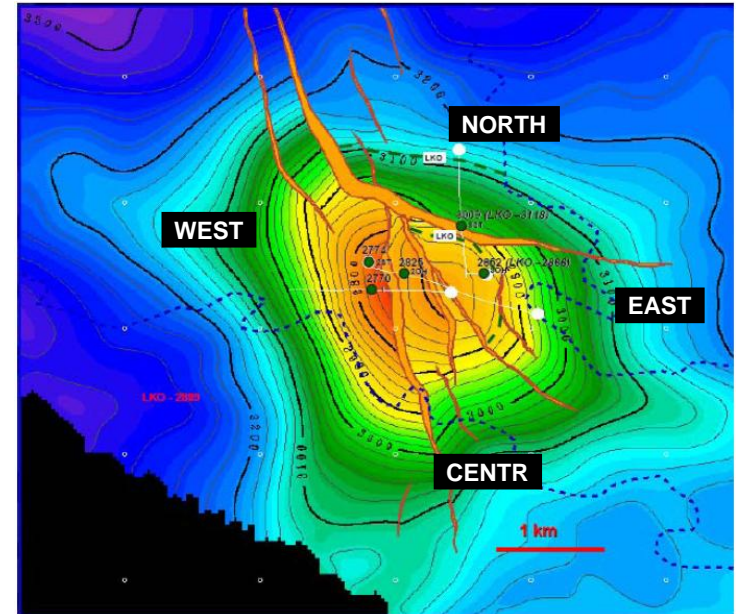
- Government wants to encourage and facilitate continued investments and development of deepwater oil and gas fields in Congo
- Agreement unanimously approved by Council of Ministers, will be submitted for Parliamentary approval
- Increasing net entitlement share of produced oil due to lower taxation compensates for lower production
- Financial impact of improved licence terms for Azurite gives PAR net entitlement of approx. 23% (16%)
- Also leads to improved conditions for Turquoise discovery and other prospects on the MPS licence



**Licence Group:** Operator Murphy (50%), PA Resources (35%) and SNPC (15%)

# Development of Azurite field

- First producer on stream in August 2009, since then over 7 million barrels in gross production
- Located on 1,400 meter water depth, produced via industry's first FDPSO vessel
- Initial drilling program of six producers and four water injectors in total
- Last three producers added in Q4 2010 produce at reduced rates, awaiting planned water injectors to provide necessary pressure support
- Third water injector is currently being drilled, followed by a new production well. Fourth injector to be drilled after that. Field development estimated to be completed in Q2 2011
- Field's maximum production of 40,000 boepd will, according to PA Resources' assessment be lower. New forecast pending completion and evaluation of remaining wells



**Licence Group:** Operator Murphy (50%), PA Resources (35%) and SNPC (15%)

# Outlook for PA Resources

- High exposure to oil price
- Refinancing of SEK 850 million bond loan completed in Q4
- Keep focus on accelerated development of existing, prioritised assets:
  - » Remaining injectors and well to increase production levels on Azurite field
  - » Progress development of Didon North, next producing field, with planned production start second half 2011
  - » Development of Aseng proceeding according to plan. Wells and production facilities to be completed and tested in 2011
  - » Approval of Alen Plan of Development. Beneficial cost synergies with Aseng field
  - » Zarat appraisal well, drilling on adjacent licence enables unitization and development application
- Drilling on Danish licence, with possible potential on new adjacent German licence
- Interpretation of Greenland seismic first half 2011



**Thank you!**

