

FRAM EXPLORATION AS

Interim Financial Statements

Quarter Ended March 31, 2017



Fram Exploration is an international E&P company with oil & gas assets onshore in the states of Colorado and North Dakota in the United States. The Company has significant worldwide industry experience in the technical disciplines of geology, geophysics, reservoir modeling, petroleum engineering, operations management, drilling, and completion expertise. The Company targets undervalued assets in regions with politically stable regimes and attractive fiscal terms. For more details see www.framexploration.com

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Consolidated Statements of Financial Position

	(Unaudited) March 31, 2017	(Unaudited) December 31, 2016
Assets		
Current assets		
Cash and cash equivalents	\$ 589,796	\$ 571,647
Marketable securities	796,867	792,772
Receivables	2,101,962	2,151,172
Inventory	27,725	27,725
Total current assets	3,516,350	3,543,316
Non-current assets		
Oil and gas properties	22,545,889	22,545,889
Property plant and equipment	5,308,371	5,308,371
Other	5,190	5,190
Total non-current assets	27,859,450	27,859,450
Total Assets	\$ 31,375,800	\$ 31,402,766
Liabilities and Shareholders' Equity		
Current liabilities		
Current portion, borrowings external	\$ 4,417,761	\$ 4,417,761
External trade creditors	737,562	696,971
Other short term liabilities, external	3,207	3,316
Total current liabilities	5,158,530	5,118,048
Non-current liabilities		
Decommissioning provision	1,705,759	1,665,759
Total non-current liabilities	1,728,580	1,665,759
Shareholders' equity		
Share capital	13,991,772	13,991,772
Share premium reserve	10,496,918	10,627,187
Total shareholders' equity	24,488,690	24,618,959
Total liabilities and shareholders' equity	\$ 31,375,800	\$ 31,402,766

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Consolidated Statements of Operations

Three Months Ended March 31,	(Unaudited) 2017	(Unaudited) 2016
Revenue:		
Petroleum and natural gas revenue	\$ -	\$ -
Operating expenses		
Exploration expenses	-	100,765
Operating expenses	140,187	319,338
Total operating expenses	140,187	420,103
General and administrative expenses	-	127,868
Depreciation, depletion and amortization	-	130,543
Results from operating activities	(140,187)	(678,514)
Finance income	10,377	219,589
Finance expense	-	5,113,151
Gain (loss) on marketable securities	-	(6,086,530)
Foreign exchange gain (loss)	8,681	(419,780)
Net loss	(121,129)	(1,852,084)