UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **September 30, 2014**

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from [ ] to [ ]

Commission file number **000-30193**

NATION ENERGY INC.
(Exact name of registrant as specified in its charter)

Wyoming	**59-2887569**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
RPO Box 60610 Granville Park **Vancouver, British Columbia**	**V6H 4B9**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number **(604) 331-3399**

Former Name, former address and former fiscal year, if changed since last report: N/A

Indicate by checkmark whether the registrant has (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of the Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [X] No [ ] N/A

Indicate by checkmark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definition of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer [ ] (Do not check if a smaller reporting company) Accelerated filer[ ]
Non-accelerated filer [ ] Smaller reporting company[X]

Indicate by checkmark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes [X] No [ ]

APPLICABLE ONLY TO REGISTRANTS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS:

Indicate by checkmark whether the registrant has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes [ ] No [ ] **N/A**

(APPLICABLE ONLY TO CORPORATE REGISTRANTS)

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date. **16,020,000 common shares, par value $0.001, issued and outstanding as of November 14, 2014.**

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PART I

FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

Our unaudited interim financial statements for the period ended September 30, 2014 form part of this quarterly report. They are stated in United States Dollars (US$) and are prepared in accordance with United States Generally Accepted Accounting Principles.

It is the opinion of management that the interim financial statements for the period ended September 30, 2014 includes all adjustments necessary in order to ensure that the interim financial statements are not misleading.

Nation Energy, Inc.
Condensed Balance Sheets

	September 30, 2014 (Unaudited)	March 31, 2014
ASSETS		
Current assets:		
Cash	$ 36,300	$ 2,749
Total current assets	36,300	2,749
Total assets	$ 36,300	$ 2,749
LIABILITIES AND STOCKHOLDERS' (DEFICIT)		
Current liabilities:		
Accounts payable	$ 16,104	$ 10,100
Accounts payable and accrued expenses - related party	768,027	722,256
Loans payable - related party	977,036	847,933
Total current liabilities	1,761,167	1,580,289
Stockholders' (deficit)		
Preferred stock, $.001 par value; 5,000,000 shares authorized; none outstanding	-	-
Common stock, no par value; 5,000,000,000 shares authorized; 16,020,000 shares issued and outstanding	$ 16,020	$ 16,020
Additional paid-in capital	6,868,380	6,868,380
Accumulated (deficit) prior to the development stage	(6,839,714)	(6,839,714)
Accumulated (deficit) during the development stage	(1,638,088)	(1,465,461)
Accumulated comprehensive (loss):		
Foreign currency translation (loss)	(131,465)	(156,765)
Total stockholders' (deficit)	(1,724,867)	(1,577,540)
Total liabilities and stockholders' (deficit)	$ 36,300	$ 2,749

The accompanying notes are an integral part of these financial statements

Nation Energy, Inc.
Condensed Statements of Operations and Comprehensive Loss
For the Three & Six Months Ended September 30, 2014 and 2013
(Unaudited)

	For the Three Months Ended		For the Six Months Ended	
	September 30 2014	September 30 2013	September 30 2014	September 30 2013
Revenue:	$ -	$ -	$ -	$ -
Direct expenses:				
Royalties	-	-	-	-
Operating	-	-	-	-
Operating income	-	-	-	-
General and administrative expenses	46,095	20,470	74,444	26,799
Income (loss) before other income (expense)	(46,095)	(20,470)	(74,444)	(26,799)
Other income (expense):				
Interest (expense)	(51,208)	(41,774)	(98,183)	(79,944)
Interest income	-	-	-	-
Total other income	(51,208)	(41,774)	(98,183)	(79,944)
Net loss	(97,303)	(62,244)	(172,627)	(106,743)
Foreign currency translation gain (loss)	56,069	18,559	25,301	(16,289)
Comprehensive loss	$ (41,234)	$ (43,685)	$ (147,326)	$ (123,032)
Per share information:				
Weighted average number of common shares outstanding - basic and diluted	16,020,000	16,020,000	16,020,000	16,020,000
Net loss per common share - basic and diluted	$ (0.003)	$ (0.003)	$ (0.009)	$ (0.008)

The accompanying notes are an integral part of these financial statements

Nation Energy, Inc.
Condensed Statements of Cash Flows
For the Six Months Ended September 30, 2014 and 2013
(Unaudited)

	For the Six Months Ended September 30 2014	For the Six Months Ended September 30 2013
Cash flows from operating activities:		
Net loss	$ (172,627)	$ (106,743)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Changes in working capital:		
Decrease in accounts receivable	-	-
Decrease in prepaid expense	-	-
Increase (decrease) in accounts payable	6,004	4,872
Increase in accounts payable - related party	107,015	85,291
Net cash (used in) operating activities	(59,608)	(16,577)
Cash flows from investing activities:		
Proceeds from sale of oil and gas properties	-	-
Net cash provided by investing activities	-	-
Cash flows from financing activities:		
Proceeds from loan payable - related party	67,858	-
Payments on loan payable - related party	-	-
Net cash provided by (used in) financing activities	67,858	-
Effect of currency rate change (loss)	25,301	16,286
Net increase (decrease) in cash	33,551	(291)
Beginning balance, cash	2,749	1,566
Ending balance, cash	$ 36,300	$ 1,275
Supplemental cash flow information:		
Cash paid for interest	$ -	$ -
Cash paid for income taxes	$ -	$ -
Non-cash investing and financing activities:		
Non-cash related party advance	$ -	$ -

The accompanying notes are an integral part of these financial statements

Nation Energy Inc.
Notes to Condensed Unaudited Interim Financial Statements
September 30, 2014

Note 1. Basis of Presentation

The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information. They do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of management, all adjustments, consisting only of normal recurring adjustments, considered necessary for a fair presentation, have been included in the accompanying unaudited financial statements. Operating results for the periods presented are not necessarily indicative of the results that may be expected for the full year. For further information, refer to the financial statements and notes thereto, included in the Company's Form 10-K as of and for the year ended March 31, 2014 ("The Annual Report").

Effective June 1, 2008, the Company sold all of its oil and gas properties in the Smoky Hill area of Alberta and is currently reviewing other prospects. To implement any new business plan, significant financing will be required and the Company will need to be successful in its efforts to identify, acquire and develop a new business venture.

Upon the sale of all of its oil and gas assets, the Company re-entered the development stage effective June 1, 2008. Consequently, its operations are subject to all the risks inherent in the establishment of a new business enterprise. For the period from inception through September 30, 2014, the Company has an accumulated (deficit) of ($6,839,714) prior to the development stage and accumulated (deficit) during the development stage of ($1,638,088).

Note 2. Recent Accounting Pronouncements

In May 2014, the FASB issued ASU No. 2014-09, "Revenue from Contracts with Customers," which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The ASU will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective. The new standard is effective for the Company on January 1, 2017. Early application is not permitted. The standard permits the use of either the retrospective or cumulative effect transition method. The Company is evaluating the effect that ASU 2014-09 will have on its financial statements and related disclosures. The Company has not yet selected a transition method nor has it determined the effect of the standard on its ongoing financial reporting.

In June 2014, the FASB issued ASU No. 2014-10 "Development Stage Entities (Topic 915): Elimination of Certain Financial Reporting Requirements, Including an Amendment to Variable Interest Entities Guidance in Topic 810, Consolidation" ("ASU 2014-10"). ASU 2014-10 addresses the cost and complexity associated with the incremental reporting requirements for development stage entities, such as startup companies, without compromising the availability of relevant information and eliminates an exception provided to development stage entities in Topic 810, Consolidation, for determining whether an entity is a variable interest entity on the basis of the amount of investment equity that is at risk. The Company elected to apply ASU 2014-10 for our fiscal quarter year ended September 30, 2014. ASU 2014-10 impacts financial statement presentation only and removes the requirement to present additional inception-to-date information.

In August 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-15,"Presentation of Financial Statements - Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern" ("ASU 2014-15"). ASU 2014-15 is intended to define management's responsibility to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern and to provide related footnote disclosures. Specifically, ASU 2014-15 provides a definition of the term substantial doubt and requires an assessment for a period of one year after the date that the financial statements are issued (or available to be issued). It also requires certain disclosures when substantial doubt is alleviated as a result of consideration of management's plans and requires an express statement and other disclosures when substantial doubt is not alleviated. The new standard will be effective for reporting periods beginning after December 15, 2016, with early adoption permitted. The Company will evaluate the going concern considerations in this ASU; however, as of the current period, management believes that is current disclosures meet the requirement under this ASU.

Note 3. Going Concern

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplates continuation of the Company as a going concern. The Company has incurred (losses) from inception through June 1, 2008 of ($6,839,714) and further (losses) of ($1,638,088) during the development stage. The Company has working capital and stockholders' (deficits) of ($1,724,867) at September 30, 2014, and working capital and stockholders' (deficits) of ($1,577,540) at March 31, 2014. The Company is reliant on raising capital to initiate its business plan. The Company's ability to continue as a going concern is contingent upon being able to secure financing and attain profitable operations.

The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the possible inability of the Company to continue as a going concern.

Note 4. Earnings Per Share

Basic earnings (loss) per share are calculated by dividing net income (loss) by the weighted average number of common shares outstanding for the period. Diluted earnings (loss) per share are calculated by dividing net income (loss) by the weighted average number of common shares and dilutive common stock equivalents outstanding.

Note 5. Related Party Transactions

On January 1, 2009 the Company entered into a written agreement revising the previous verbal agreement with Caravel Management Corp ("Caravel"). The agreement provided for administrative services, office rent and supplies for $8,258 per month. On November 1, 2010, the Company revised its written agreement to provide administrative services, office rent and supplies for $3,500 per month. Caravel is wholly owned by the Company's sole officer and director, John Hislop. Total expenses recognized under this agreement for the six months ended September 30, 2014 and 2013 were $21,000 and $21,000 for each period, respectively.

On March 31, 2006, the Company entered into a revised loan agreement with Caravel and John Hislop. The loan bears interest at 15% per annum, calculated and compounded monthly and is payable on demand. Any principal amount outstanding under the loan is payable upon demand. The loan payable is in Canadian dollars and is secured by a Promissory Note.

As of September 30, 2014, the principal balance of the loan was US$907,430 and accrued interest payable was US$299,389 included in accrued expenses on the balance sheet as compared to a principal balance of US$847,933 and accrued interest payable of US$281,469 at March 31, 2014.

On July 18, 2014, the Company entered into a promissory note with the Company's sole officer and director, John Hislop ("Lender") for $50,000. The loan shall bear interest calculated quarterly, not in advance, at a rate of 15% per annum upon demand by the Lender, both before and after each of maturity, default and judgement commencing effective July 18, 2014. The principal sum and all accrued and unpaid interest will become due and payable on July 18, 2016. As of September 30, 2014, the principal balance of the loan was US$50,000 and accrued interest payable of US$1,541.

On September 2, 2014, the Company entered into a promissory note with the Company's sole officer and director, John Hislop ("Lender") for C$20,000. The loan shall bear interest calculated quarterly, not in advance, at a rate of 15% per annum upon demand by the Lender, both before and after each of maturity, default and judgement commencing effective September 2, 2014. The principal sum and all accrued and unpaid interest will become due and payable on September 2, 2016. As of September 30, 2014, the principal balance of the loan was US$17,858 (C$20,000) and accrued interest payable of US$205 (C$230).

Note 6. Subsequent Events

Management of the Company has evaluated all subsequent transactions through the date the financial statements were available to be issued and has determined that there are no subsequent events that require disclosure.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward Looking Statements

This quarterly report contains forward-looking statements. Forward-looking statements are projections of events, revenues, income, future economic performance or management's plans and objectives for our future operations. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential" or "continue" or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks in the section entitled "Risk Factors" and the risks set out below, any of which may cause our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. These risks include, by way of example and not in limitation:

- risks and uncertainties relating to the interpretation of drill results, the geology, range and continuity of mineral deposits;
- results of initial feasibility, pre-feasibility and feasibility studies, and the possibility that future exploration, development or mining results will not be consistent with our expectations;
- mining and development risks, including risks related to accidents, equipment breakdowns, labor disputes or other unanticipated difficulties with or interruptions in production;
- the potential for delays in exploration or development activities or the completion of feasibility studies;
- risks related to the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses;
- risks related to commodity price fluctuations;
- the uncertainty of profitability based upon our history of losses;
- risks related to failure to obtain adequate financing on a timely basis and on acceptable terms for our planned exploration and development projects;
- risks related to environmental regulation and liability;
- risks that the amounts reserved or allocated for environmental compliance, reclamation, post-closure control measures, monitoring and on-going maintenance may not be sufficient to cover such costs;
- risks related to tax assessments;
- political and regulatory risks associated with mining development and exploration;
- other risks and uncertainties related to our prospects, properties and business strategy; and
- our company is categorized as a "shell company" as that term is used in the Commission's rules.

This list is not an exhaustive list of the factors that may affect any of our forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on our forward-looking statements.

Forward looking statements are made based on management's beliefs, estimates, and opinions on the date the statements are made and we undertake no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performances or achievements. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

Our financial statements are stated in United States Dollars (US$) and are prepared in accordance with generally accepted accounting principles ("US GAAP").

As used in this quarterly report, the terms "we", "us", "our", and "Nation Energy" mean Nation Energy Inc., unless otherwise indicated.

In this quarterly report, unless otherwise specified, all dollar amounts are expressed in United States dollars and all references to “common shares” refer to the common shares in our capital stock.

Our Current Business

We currently have no business and operate as a shell company. We are in the process of evaluating the merits of joint venture opportunities in the resource sector.

Plan of Operation

The following is a discussion and analysis of our plan of operation and the factors that could affect our future financial condition. This discussion and analysis should be read in conjunction with our unaudited financial statements and the notes thereto included elsewhere in this quarterly report.

We currently have no business and operate as a shell company. We are in the process of evaluating the merits of joint venture opportunities in the resource sector.

The Company entered into a letter agreement dated October 11, 2013 whereby the Company proposes to acquire from Paltar Petroleum Limited (“Paltar”), a privately held Australian company, approximately four exploration and development permits and twenty-nine applications for additional exploration and development permits in respect of land located in northern Australia. Details of the transaction can be found in the Form 8K dated October 15, 2013 filed on EDGAR or in the news release dated October 18, 2013 filed on SEDAR. On March 31, 2014, Nation Energy Inc. (“Nation”) entered into a first amendment to the letter agreement dated October 11, 2013 (the “Letter Agreement”) with Paltar Petroleum Limited (“Paltar”), whereby the parties have agreed to amend certain terms of the Letter Agreement as follows:

1. The period of time provided by Paragraph 5 of the Letter Agreement during which Paltar may receive advances under the Line of Credit, as defined in Paragraph 5, is amended so that it shall continue through July 30, 2014, rather than March 31, 2014.

2. Paragraph 7 of the Letter Agreement is amended to provide that the parties will use their reasonable best efforts to ensure that closing occurs on or before July 30, 2014, or on such other date as the parties may agree, to be held at such place and time as the parties may agree.

3. Paragraph 9 of the Letter Agreement is amended to provide that Paltar will provide, prior to closing, audited financial statements regarding the operations of Paltar assets for the two most recent ended fiscal years, prepared by a PCAOB approved auditor, and prior to closing, will provide quarterly financial statements as reviewed by its auditor for the fiscal period ended March 31, 2014, and such additional fiscal period financial statements as may be required under SEC regulations.

In all other respects, the terms and conditions of the Letter Agreement remain in effect.

The Company is currently in negotiations with Paltar to amend the first amendment dated March 31, 2014 to the letter agreement dated October 11, 2013. The negotiations relating to the second amendment entail a proposed extension of the closing date whereby all parties will use their reasonable best efforts to ensure that the closing of the transaction occurs on or before December 31, 2014.

Cash Requirements During the Next Twelve Months

Over the next twelve months, we intend to use funds to evaluate new business acquisitions, as follows:

Estimated Funding Required During the Next Twelve Months

General and Administrative	$60,000
Professional Fees	50,000
Total	$110,000

We have suffered recurring losses from operations. The continuation of our company as a going concern is dependent upon our company attaining and maintaining profitable operations and raising additional capital as needed. Management's plan in this regard is to raise additional capital through a debt or an equity offering. The financial statements do not include any adjustment relating to the recovery and classification of recorded asset amounts or the amount and classification of liabilities that might be necessary should our company discontinue operations.

Due to the uncertainty of our ability to meet our current operating expenses noted above, in their report on the annual financial statements for the year ended March 31, 2014, our independent auditors included an explanatory paragraph regarding concerns about our ability to continue as a going concern. Our financial statements contain additional note disclosures describing the circumstances that lead to this disclosure by our independent auditors.

The continuation of our business is dependent upon obtaining further financing, a successful program of exploration, and, finally achieving a profitable level of operations. The issuance of additional equity securities by us could result in a significant dilution in the equity interests of our current stockholders. Obtaining commercial loans, assuming those loans would be available, will increase our liabilities and future cash commitments.

There are no assurances that we will be able to obtain further funds required for our continued operations. We are pursuing various financing alternatives to meet our immediate and long-term financial requirements. There can be no assurance that additional financing will be available to us when needed or, if available, that it can be obtained on commercially reasonable terms. If we are not able to obtain the additional financing on a timely basis, we will be unable to conduct our operations as planned, and we will not be able to meet our other obligations as they become due. In such event, we will be forced to scale down or perhaps even cease our operations.

Disclosure of Outstanding Share Data

As at the date of this quarterly report, we had 16,020,000 shares of common stock issued and outstanding. We do not have any warrants, options or shares of any other class issued and outstanding as of the date of this quarterly report.

RESULTS OF OPERATIONS – Three Months Ended September 30, 2014 and 2013

The following summary of our results of operations should be read in conjunction with our financial statements for the period ended September 30, 2014, which are included herein.

Our operating results for the three months ended September 30, 2014, for the three months ended September 30, 2013 and the changes between those periods for the respective items are summarized as follows:

	Three Months Ended September 30, 2014	**Three Months Ended September 30, 2013**	**Difference Increase/(Decrease) %**
General and administrative	$46,095	$20,470	125%
Interest expense	$51,208	$41,774	23%
Net (loss)	$(97,303)	$(62,244)	56%

We generated a net (loss) of $(97,303) for the three months ended September 30, 2014 compared to a net (loss) of $(62,244) for the three months ended September 30, 2013. This increased loss is primarily due to increased legal fees pertaining to the Paltar Letter Agreement and increased filing fees paid to SEDAR for filing the Annual Information Form and the year-end filing fees. Net (loss) per common share for the three months ended September 30, 2014 was ($0.003) compared to ($0.003) per common share for the three months ended September 30, 2013. General and administrative expenses increased to $46,095 during the three months ended September 30, 2014 from $20,470 during the three months ended September 30, 2013. This increase is primarily due to increased legal fees pertaining to the Paltar Letter Agreement and increased annual filing fees paid to SEDAR for filing the Annual Information Form and the year-end filing fees.

Interest expense for the three months ended September 30, 2013 totaled $51,208 compared to $41,774 for the three months ended September 30, 2013. The increase was primarily due to the foreign exchange revaluation for the three months ended September 30, 2014 and the addition of two loans described below under the title "Loans

Payable".

We reported a foreign currency translation gain of $84,155 for the three months ended September 30, 2014 compared to a gain of $18,559 for the three months ended September 30, 2013. Our loan and accrued interest were incurred and are calculated in Canadian dollars while the reporting currency is the US dollar. The value of the Canadian dollar at September 30, 2014 was C$0.8929 to US$1.00 compared to C$0.9706 to US$1.00 at September 30, 2013.

The major components of our general and administrative expenses for the period are outlined in the table below:

	Three Months Ended September 30, 2014	**Three Months Ended September 30, 2013**	**Difference Increase/(Decrease) %**
Administration fees	$10,500	$10,500	0%
Office & MIS	$139	$236	(41)%
Legal fees	$21,156	$213	9,804%
Transfer Agent & Filing Fees	$6,090	$20	30,350%
Accounting	$8,210	$9,500	(14)%
Total Expenses	$46,095	$20,470	125%

General and administrative expenses increased to $46,095 in the three month period ended September 30, 2014 from $20,470 in the three month period ended September 30, 2013. General expenses include administration fees which remained the same as the comparative three month period. Office expenses and Management Information System fees decreased to $139 in the three month period ended September 30, 2014 from $236. Legal fees increased to $21,156 in the three month period ended September 30, 2014 from $213 in the prior fiscal year due to increased legal fees relating to the Paltar Letter Agreement. Filing fees and transfer agent fees increased to $6,090 in the three month period ended September 30, 2014 compared to $20 in the three month period ended September 30, 2013. The increase in filing fees is primarily due to fees paid to SEDAR for filing the Annual Information Form and the year-end filing fees. Accounting fees decreased to $8,210 from $9,500 in the comparative three month period.

RESULTS OF OPERATIONS – Six Months Ended September 30, 2014 and 2013

The following summary of our results of operations should be read in conjunction with our financial statements for the period ended September 30, 2014, which are included herein.

Our operating results for the six months ended September 30, 2014, for the six months ended September 30, 2013 and the changes between those periods for the respective items are summarized as follows:

	Six Months Ended September 30, 2014	**Six Months Ended September 30, 2013**	**Difference Increase/(Decrease) %**
General and administrative	$74,444	$26,799	178%
Interest expense	$98,183	$79,944	23%
Net (loss)	$(172,627)	$(106,743)	62%

We generated a net (loss) of $(172,627) for the six months ended September 30, 2014 compared to a net (loss) of $(106,743) for the six months ended September 30, 2013. This increased loss is primarily due to increased legal fees pertaining to the Paltar Letter Agreement and increased filing fees from the OTC Markets and SEDAR filing fees. Net (loss) per common share for the six months ended September 30, 2014 was ($0.009) compared to ($0.008) per common share for the six months ended September 30, 2013. General and administrative expenses increased to $74,444 during the six months ended September 30, 2014 compared to $26,799 during the six months ended September 30, 2013. The increase was primarily due to the higher legal and filing fees during the six months ended September 30, 2014.

Interest expense for the six months ended September 30, 2014 totalled $98,183 compared to $79,944 for the six months ended September 30, 2013. The increase was primarily due to the new loans entered into during the six months ended September 30, 2014.

We reported a foreign currency translation gain of $25,301 to September 30, 2014 compared to a loss of $(16,289) to September 30, 2013. Our loan and accrued interest were incurred and are calculated in Canadian dollars while the reporting currency is the US dollar. The value of the Canadian dollar in the second quarter of fiscal 2015 was C$0.8929 to US$1.00 compared to C$0.9706 to US$1.00 in the second quarter of fiscal 2014.

The major components of our general and administrative expenses for the year are outlined in the table below:

	Six Months Ended September 30, 2014	**Six Months Ended September 30, 2013**	**Difference Increase/(Decrease) %**
Administration fees	$21,000	$21,000	0%
Office & MIS	$350	$918	(62)%
Legal fees	$23,273	$(4,659)	600%
Transfer Agent & Filing Fees	$ 16,110	$40	40,175%
Accounting	$ 13,710	$9,500	44%
Total Expenses	$74,444	$26,799	178%

General and administrative expenses increased to $74,444 in the six month period ended September 30, 2014 compared to $26,799 in the six month period ended September 30, 2013 due to increased legal expenses and transfer agent and filing fees. General expenses included administration fees which remained the same as the comparative period. Office expenses and Management Information System fees decreased to $350 in in the six month period ended September 30, 2014 compared to $918. Legal fees increased to $23,273 in in the six month period ended September 30, 2014 compared to $(4,659) in the prior fiscal year due to increased legal fees relating to the Paltar Letter Agreement.. Filing fees and transfer agent fees increased to $16,110 in in the six month period ended September 30, 2014 compared to $40 in in the six month period ended September 30, 2013. The increase in filing fees is primarily due to fees paid to SEDAR for filing the Annual Information Form and the year-end filing fees and OTCQB Markets annual fees. Accounting fees increased to $13,710 from $9,500 in the comparative period due to fees incurred responding to the British Columbia Securities Commission letters.

Liquidity and Financial Condition

Working Capital

	September 30, 2014	**March 31, 2014**
Current Assets	$36,300	$2,749
Current Liabilities	$1,761,167	$1,580,289
Working Capital (Deficiency)	($1,724,867)	($1,577,540)

Cash Flows

	Six Months Ended September 30,	**Six Months Ended September 30,**

	2014	2013
Cash flows provided by (used in) Operating Activities	$(59,608)	$(16,577)
Cash flows provided by Investing Activities	$Nil	$Nil
Cash flows provided by (used in) Financing Activities	$67,858	$Nil
Effect of exchange rate changes on cash	$25,301	$16,286
Net increase (decrease) in cash	$33,551	$(291)

Operating Activities

Net cash (used in) operating activities was $(59,608) for the six months ended September 30, 2014 compared with net cash (used in) operating activities of $(16,577) for the same period in 2013. The increase in cash provided by operating activities is mainly attributed to an increase in net loss for the six months ended September 30, 2014.

Investing Activities

Net cash provided by (used in) investing activities amounted to $Nil for both years.

Financing Activities

Net cash provided by (used in) financing activities amounted to $67,858 in in the six month period ended September 30, 2014 compared to $Nil in the in the six month period ended September 30, 2013. This increase in financing activities is due to the two loans acquired in in the six month period ended September 30, 2014.

Loans Payable

The Company entered into loan agreements with a related party, in 2003 and 2004 to fund operations. The terms of these loan agreements provided that any principal amount outstanding is payable upon demand and bears interest at 15% per annum, payable quarterly. On March 31, 2006, we consolidated and restructured our loans with the related party. As part of the restructuring, we borrowed an additional CDN $250,000 (US $203,932). The new loan bears interest at 15% per annum, calculated and compounded monthly and is payable quarterly. Any principal amount outstanding under the loan is payable upon demand. The loan is payable in Canadian dollars and is secured by a Promissory Note. As at September 30, 2014, the loan, together with accrued interest totaled US$1,206,819.

On July 18, 2014, the Company entered into a promissory note with the Company's sole officer and director, John Hislop ("Lender") for $50,000. The loan shall bear interest calculated quarterly, not in advance, at a rate of 15% per annum upon demand by the Lender, both before and after each of maturity, default and judgement commencing effective July 18, 2014. The principal sum and all accrued and unpaid interest will become due and payable on July 18, 2016. As of September 30, 2014, the principal balance of the loan was US$50,000 and accrued interest payable of US$1,541.

On September 2, 2014, the Company entered into a promissory note with the Company's sole officer and director, John Hislop ("Lender") for C$20,000. The loan shall bear interest calculated quarterly, not in advance, at a rate of 15% per annum upon demand by the Lender, both before and after each of maturity, default and judgement commencing effective September 2, 2014. The principal sum and all accrued and unpaid interest will become due and payable on September 2, 2016. As of September 30, 2014, the principal balance of the loan was US$17,858 (C$20,000) and accrued interest payable of US$205 (C$230).

Going Concern

The unaudited financial statements accompanying this report have been prepared on a going concern basis, which implies that our company will continue to realize its assets and discharge its liabilities and commitments in the normal course of business. Our company has incurred losses since inception in excess of $8 million and has only generated modest profitable operations when we commenced gas production in fiscal 2006. We have relied solely on shareholder advances to participate and continue operations.

Our company's ability to continue as a going concern is contingent upon being able to secure financing and attain profitable operations. Our company is currently evaluating business opportunities and will require financing for acquisition of any new business venture.

Net cash (used in) operating activities in the six months ended September 30, 2014 totaled $(59,608) versus net cash (used in) operating activities of $(16,577) in the six months ended September 30, 2013. Cash balances were $36,300 and $2,749 as of September 30, 2014 and 2013, respectively. The Company's ability to continue as a going concern is contingent upon being able to secure financing and attain profitable operations.

We have limited operating history. We can only estimate the future needs for capital based on the current status of our operations, our current plans and current economic condition. Due to the uncertainties regarding our future activities, we are unable to predict precisely what amount will be used for any particular purpose.

Future Financings

As of September 30, 2014, we had cash of $36,300. We currently do not have sufficient funds to acquire and develop any future joint ventures. We anticipate continuing to rely on shareholder loans or equity sales of our common stock in order to fund our business operations. Issuances of additional shares will result in dilution to our existing stockholders. There is no assurance that we will achieve any additional sales of our equity or arrange for more debt or other financing to fund any future activities.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Not Applicable.

ITEM 4 . CONTROLS AND PROCEDURES

As required by Rule 13a-15 of the Securities Exchange Act of 1934, our principal executive officer and financial officer evaluated our company's disclosure controls and procedures (as define in Rules 13a-15(e) of the Securities Exchange Act of 1934) as of the end of the period covered by this report. Based on this evaluation, our principal executive officer and financial officer concluded that as of the end of the period covered by this report, these disclosure controls and procedures were not effective to ensure that the information required to be disclosed by our company in reports it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities Exchange Commission and to ensure that such information is accumulated and communicated to our company's management, including our principal executive officer and financial officer, to allow timely decisions regarding required disclosure. The conclusion that our disclosure controls and procedures were not effective was due to the presence of the following material weaknesses in internal control over financial reporting which are indicative of many small companies with small staff:

1. Lack of a sufficient number of independent directors for our board and audit committee. We currently have no independent director on our board, which is comprised of one director. As a publicly-traded company, we strive to have a majority of our board of directors be independent;
2. Insufficient segregation of duties in our finance and accounting functions due to limited personnel. During the six months ended September 30, 2014, we had limited staff that performed nearly all aspects of our financial reporting process, including, but not limited to, access to the underlying accounting records and systems, the ability to post and record journal entries and responsibility for the preparation of the financial statement. This creates certain incompatible duties and lack of review over the financial reporting process that would likely result in a failure to detect errors in spreadsheets, calculations, or assumptions used to compile the financial statements and related disclosures as filed with the SEC. These control deficiencies could result in a material misstatement of our interim or annual financial statements that would not be prevented or detected; and

3. Insufficient corporate governance policies. Although we have a code of ethics which provides broad guidelines for corporate governance, our corporate governance activities and processes are not always formally documented. Specifically, decisions made by the board to be carried out by management should be documented and communicated on a timely basis to reduce the likelihood of any misunderstandings regarding key decisions affecting our operations and management.

We intend to take appropriate and reasonable steps to make the necessary improvements to remediate these deficiencies. We intend to consider the results of our remediation efforts and related testing as part of our year-end 2015 assessment of the effectiveness of our internal control over financial reporting. Subject to receipt of additional financing, we intend to undertake the below remediation measures to address the material weaknesses described in this annual report. Such remediation activities include the following:

1. We plan to recruit at least one, preferably two or more, additional independent board members to join our board of directors and audit committee at such time as additional board members are retained; and

2. We intend to continue to update the documentation of our corporate governance and internal control processes, including formal risk assessment of our financial reporting processes.

It should be noted that a control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our company have been detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of internal control is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

There were no changes in our internal control over financial reporting during the six month period ended September 30, 2014 that have materially affected or are reasonably likely to materially affect, our internal control over financial reporting.

PART II

OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We know of no material, existing or pending legal proceedings against our Company, nor are we involved as a plaintiff in any material proceeding or pending litigation. There are no proceedings in which any of our director and officer or affiliates, or any registered or beneficial stockholder is an adverse party or has a material interest adverse to our interest.

ITEM 1A. RISK FACTORS

The British Columbia Securities Commission has issued a cease trade order affecting our Company's common stock in British Columbia

By Order dated August 21, 2009, the British Columbia Securities Commission ("BCSC") issued a Cease Trade Order (the "Order") with respect to our company's securities under the British Columbia Securities Act (the "BC Act"). The Order was made due to our company's failure to file on Canada's System for Electronic Document Analysis and Retrieval (SEDAR) comparative annual financial statements for our financial year ended March 31, 2009, interim financial statements for the interim periods ended September 30, 2008 and December 31, 2008, Form 51-102F1 Management's Discussion and Analysis for the periods ended September 31, 2008(sic), December 31, 2008 and March 31, 2009 and a Form 51-102F Annual Information Form for the year ended March 31, 2009.

As of the date of this Quarterly Report on Form 10-Q, we have filed each of the documents specified in the Order and all documents required to be filed on SEDAR since the date the Order was entered, and we have requested a revocation of the Order.

The Order requires that all trading of our company's securities in British Columbia, Canada cease until the Executive Director has made an order under section 164 of the BC Act revoking the Order.

The fact that the BCSC issued and continues to maintain the Order may not only cause our company to expend resources, but may also have a negative effect on our company's securities, which could result in a decline in the value of our securities or cause them to be valueless. Further, until the Order is lifted, trading of our securities in British Columbia or by persons subject to the jurisdiction of the BCSC is prohibited, which could cause our company's common stock to have less liquidity. Until the Order is revoked, residents of British Columbia are prohibited from buying or selling our securities.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS

Exhibits Required by Item 601 of Regulation S-K

Exhibit Number and Description

(3) Articles of Incorporation/Bylaws

3.1 Certificate of Merger (Delaware) effective June 12, 2003 (incorporated by reference from our Quarterly Report on Form 10-QSB filed with the Securities and Exchange Commission on August 19, 2003)

3.2 Certificate of Merger (Wyoming) effective June 13, 2003 (incorporated by reference from our Quarterly Report on Form 10-QSB filed with the Securities and Exchange Commission on August 19, 2003)

3.3 Amended & Restated Bylaws (Wyoming) (Incorporated by reference from our Quarterly Report on Form 10QSB filed with the Securities and Exchange Commission on November 14, 2003)

3.4 Certificate of Incorporation (incorporated by reference from our Annual Report on Form 10K filed with the Securities and Exchange Commission on August 13, 2010)

(10) Material Contracts

10.1 1999 Stock Option Plan (incorporated by reference from our Registration Statement on Form 10-SB filed with the Securities and Exchange Commission on March 31, 2000)

10.4 Demand Promissory Note issued to Caravel Management Inc., dated March 31, 2006 (incorporated by reference from our Annual Report on Form 10K filed with the Securities and Exchange Commission on August 13, 2010).

10.8 Management Services Agreement dated November 1, 2010 between Nation Energy Inc., and Caravel Management Corp. (incorporated by reference from our Annual Report on Form 10K filed with the Securities and Exchange Commission on December 2, 2010).

10.9 Letter Agreement dated October 15, 2013 between Nation Energy Inc. and Paltar Petroleum Limited (incorporated by reference from our Current Report on Form 8-K filed with the Securities and Exchange Commission on October 18, 2013).

10.10 First Amendment dated March 31, 2014 to the Letter Agreement dated October 15, 2013 between Nation Energy Inc. and Paltar Petroleum Limited (incorporated by reference from our Current Report on Form 8-K filed with the Securities and Exchange Commission on April 8, 2014).

(14) Code of Ethics

14.1 Code of Business Conduct and Ethics (incorporated by reference from our Annual Report on Form 10-KSB filed with the Securities and Exchange Commission on July 15, 2004).

(31) Section 302 Certifications

31.1* Section 302 Certification under Sarbanes-Oxley Act of 2002

(32) Section 906 Certifications

32.1* Section 906 Certification under Sarbanes-Oxley Act of 2002

(99) Additional Exhibits

99.1 Audit Committee Charter (incorporated by reference from our Annual Report on Form 10K filed with the Securities and Exchange Commission February 9, 2011)

(101) XBRL-Related Documents

101.INS*	XBRL INSTANCE DOCUMENT
101.SCH*	XBRL TAXONOMY EXTENSION SCHEMA
101.CAL*	XBRL TAXONOMY EXTENSION CALCULATION LINKBASE
101.DEF*	XBRL TAXONOMY EXTENSION DEFINITION LINKBASE
101.LAB*	XBRL TAXONOMY EXTENSION LABEL LINKBASE
101.PRE*	XBRL TAXONOMY EXTENSION PRESENTATION LINKBASE

*Filed herewith

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NATION ENERGY INC.

By: *"John R. Hislop"*
John Hislop, Chief Executive
Officer, and Chief Financial
Officer

Date: November 14, 2014

CERTIFICATIONS

Exhibit 31.1

I, John Hislop, Chief Executive Officer and Chief Financial Officer, certify that:

1) I have reviewed this Form 10-Q of Nation Energy Inc.

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4) I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in the Exchange Act Rule 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

1) I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and reporting financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: November 14, 2014

"John R. Hislop"

John Hislop,

Chief Executive Officer and Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, John Hislop Chief Executive Officer and Chief Financial Officer of Nation Energy Inc.("the Company") hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(a) the quarterly report on Form 10-Q of the Company for the quarterly period ended September 30, 2014 ("the Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(b) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 14, 2014

"John R. Hislop"
John Hislop
Chief Executive Officer, and
Chief Financial Officer
Nation Energy Inc.

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 960, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.