

**32,169,040 Class A Shares**  
**753,014 Class B Shares**

### **Anterra Energy Provides Operations Update**

**CALGARY, ALBERTA, March 25, 2008** – Anterra Energy Inc. (“Anterra” or the “Company”) today provided an update on operations for the Company’s 2007/2008 winter drilling program and its strategic focus for 2008.

“Last year posed a number of operational and financial challenges that encouraged us to reassess Anterra’s growth strategy,” said Owen Pinnell, Chairman and CEO. “Our goal is to steadily increase shareholder value, but the long-term nature of our high-impact projects made it difficult to deliver on this target. Our technical successes, which represent significant milestones as we move toward growing production, were less visible to shareholders. As a result, we have realigned our focus within our balanced portfolio of high-impact opportunities, low-risk development projects, and midstream operations. Moving forward, we plan to deploy our capital on development opportunities at Breton and Frontier and to continue developing the potential of our high-impact projects through joint venture partners and farm-out agreements.”

#### **Operations Overview**

During the 2007/2008 drilling program, the Company achieved a number of successes with its \$10 million, seven-well capital expenditure program. In addition to raising more than \$7 million of flow through capital to fund its high-impact projects, the Company increased its proved plus probable reserves (discounted at 10% and before income taxes, based on forecast prices) by \$12 million, growing its net asset value per share by more than 25%. In addition, Anterra has maintained solid cash flow from existing production and from its two midstream operations. These funds supplemented the flow through capital and allowed the Company to pursue a combination of high-risk, high-impact Devonian reef projects in north central Alberta and to drill its lower risk development projects at Breton in central Alberta and at Frontier in southwestern Saskatchewan.

The Company experienced close to 100% success on the lower risk development projects while more work is needed on the high-risk, high-impact Devonian reef projects before final results can be assessed. These deep reef projects, which are bold for a company of Anterra’s size and financial capacity, are a work in progress and have yet to deliver any substantial new production. Due in part to aggressive targets and the lack of substantial production and reserve additions from these projects, the Company did not meet production expectations. Aggravating these factors were the related external challenges, including isolated locations, complex drilling programs, and

delays with regulatory and forestry and logging company approvals. Current production remains at 325 boepd.

Despite the delays on the high-impact projects, the lower risk development projects, especially those in Saskatchewan, were completed on time and have provided the Company with a large number of development opportunities, including an exciting new Lower Shaunavon play at Frontier. In addition, the Company acquired interests in a considerable amount of land, and now holds more than 30,000 gross acres of land and 20,000 net acres of land in Alberta and Saskatchewan. Given the company's current size and rate of production, as well as the nearer-term potential of the lower risk development projects and the established base of reserves, Anterra's 2008 focus will be on growing production through development at Breton and Frontier. The Company has more than 20 infill drilling locations on these two properties.

Anterra remains opportunity rich in terms of high-impact exploration opportunities. In 2008, the Company plans to move these projects forward with joint venture partners and farm-out agreements. Although the Company's exploration budget this year will be larger than it was in 2007, Anterra's own capital will be dedicated to development drilling and increasing production in 2008. Management also intends to complement this internal growth through accretive property acquisitions that have significant exploitation potential.

### **Producing Properties Summary**

**Breton:** At Breton in central Alberta, Anterra drilled two development wells and implemented the first phase of its waterflood program in the south portion of the field. With an average of 200 boepd, Breton remains Anterra's primary producing property. During 2008, management plans to drill a second water injection well and drill at least one more development well. While there are a total of five development wells to be drilled, the drilling of four of these wells will be delayed until there is evidence of increasing reservoir pressure from the water injection system.

**Frontier:** Anterra has five 100% working interest Upper Shaunavon oil producers at Frontier, producing in excess of 60 bopd. This southwestern Saskatchewan property has become a core development area for the Company, with more than 12 Upper Shaunavon development and water injection wells to be drilled. The property is also located on trend with an emerging Lower Shaunavon Bakken-like play in the area where, as a result of advances in horizontal drilling and hydraulic fracturing, operators are drilling long leg horizontal wells that have initially produced more than 200 bopd of 22 API oil. Management is reviewing its business plan and assessing its capital needs for the area, as each vertical well costs \$500,000, and each horizontal well costs more than \$2 million, to drill and complete. Frontier has emerged as a priority development project with significant reserve and production potential.

**Sakwatamau:** At Sakwatamau in north central Alberta, the Company operates a small amount of

Belloy production as well as a pipeline-connected processing facility. Following review of 3-D seismic over a portion of the property, the Company drilled a Shunda exploration well at LSD 06-32. The well, in which the Company has a 20% interest before pay-out and a 60% interest after pay-out, is now on production. In light of this success, and due to the presence of hydrocarbons in several uphole formations, the Company drilled a second well at LSD (2) 06-32. Anterra has a 60% working interest in this well, which has gas in the Wilrich and Belly River zones. Once pipeline access is available, this well will be dual completed as a Wilrich and Belly River gas well. There are also three Shunda development well locations on the property.

### **Midstream Operations Summary**

Midstream operations at Breton and Suffield, Alberta, remained busy throughout the winter, providing cash flow for oil and gas development activities. No expansion of these facilities is contemplated in the short term, although the current commodity price environment is driving increasing levels of business at both facilities. At Breton, Anterra owns and operates a central treating and terminalling facility which is connected to the Pembina Pipeline system. At Suffield, the Company owns and operates a Class 1b and Class 2 water disposal facility. Management continues to assess the value of company-owned suspended wells for future conversion to commercial water disposal.

### **Exploration Properties Summary**

**Judy Creek:** At Judy Creek in north central Alberta, Anterra drilled two 100% working interest exploration wells. The first well at LSD 09-19 was placed on production as an oil well in the fall of 2007. The second well at LSD 14-20 was drilled during December 2007 and is awaiting completion. Following several months of production at the LSD 09-19 well, it became evident that water saturations in the Swan Hills formation were much higher than originally anticipated. Without infrastructure to process the emulsion and dispose of the water, management determined that it was too costly to produce the well. Logs from the LSD 14-20 well indicate that the same high water saturation levels are present in this second well, although the productive zone is much thicker and the well is capable of producing greater volumes of fluid.

Management concluded that it was uneconomical to produce the wells without infrastructure and that more wells were necessary to justify the \$3 million estimated investment in facilities, gathering pipelines and water disposal wells. After determining that four productive wells, even with high water cuts, would justify the investment in infrastructure, the Company reached an agreement with a third party for Anterra as operator to run further 3-D seismic and to drill two more wells on the property. The two new wells are scheduled to be drilled by the joint venture partner in the first six months of the year. Following completion of this second phase of the project, which is estimated to cost the joint venture partner up to \$5 million, Anterra's working interest in the lands will be reduced to between 45% and 60%. Management continues to be very

optimistic about the possibility for significant 2008 production additions from Judy Creek, which remains Anterra's highest impact project.

Although the Swan Hills formation at Judy Creek is Anterra's primary target, the LSD 14-20 well also encountered gas in two uphole zones. As the well is adjacent to a third-party natural gas gathering line, the Company plans to complete the well later this year and tie it into the gas gathering system.

**McLeod and Crooked Lake:** During December 2007, and following an extensive regulatory approval process, Anterra re-entered the LSD 14-20-55-14W5M well at McLeod in north central Alberta and drilled and cased it to 3,500 metres, targeting the Swan Hills Devonian reef formation that produces sour gas in the area. The Swan Hills reef reservoir was not as porous and permeable as expected, and the anticipated reserves were not present. There were, however, indications of hydrocarbons in the Keg River, Gilwood, and Wabamun formations. As the Keg River and Gilwood formations appeared to hold sweet gas or condensate, the well was perforated and tested, but both zones, which have now been abandoned, produced water. The Wabamun formation appears to be capable of commercial production (as much as 5 mmscfd) of sour gas (12% H<sub>2</sub>S). Management is considering bringing in a major company with sour gas expertise to complete and tie in the well to a gathering system and processing facility. Anterra's interest in the well is 52.5% before pay-out and 31.5% after pay-out. The Company is also offering to farm out its Crooked Lake Devonian reef project to interested parties.

**Shadow:** Anterra acquired 2¾ sections of lands at Shadow at a recent Alberta Crown land sale and with 3-D seismic has defined three prospective Gilwood well locations on the property. The Company intends to farm out the drilling of one or several Gilwood tests this summer. The Gilwood is at 2,400 metres, and a typical well will cost \$800,000 to drill and complete. Anterra intends to retain a 40% to 50% after pay-out working interest in the project. Typical Gilwood wells in the area produce at rates exceeding 100 bopd and have historically produced more than 500,000 boe per well. Anterra currently owns 100% interest in the 1,760 acre property.

### **About Anterra Energy**

Anterra Energy is an emerging energy company with a balanced portfolio of high-impact exploration and lower risk exploitation projects. Complementing this strong exploration and development focus, the Company owns and operates oil and gas production and associated fee-based midstream facilities in western Canada. Anterra is a public Canadian company listed on the TSX Venture Exchange under the symbols AE.A and AE.B. More information about Anterra is available on the internet at [www.anterraenergy.com](http://www.anterraenergy.com)

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**Forward-Looking Information**

This news release contains forward-looking information related to the Company's planned drilling program, production and operating costs. These statements are based on current expectations that involve a number of risks and uncertainties, which could cause actual results to differ from those anticipated. These risks include, but are not limited to, risks associated with the oil and gas industry (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates in relation to reserves, production and expenses; health, safety and environmental risks; and the uncertainty of dealing with government and obtaining regulatory approvals). [Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in the Company's securities should not place undue reliance on them.](#)

In addition, the term BOE or BOEs may be misleading, particularly if used in isolation. A BOE (barrel of oil equivalent) conversion ratio of 6 Mcf per one (1) BOE is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

**Reader Advisory**

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