



Interim Financial Statements

For the nine months ended September 30, 2007

Notice

The unaudited interim financial statements for the nine months ended September 30, 2007 were not reviewed by the Company's auditor.

Anterra Energy Inc. (formerly Anterra Corporation)
Consolidated Balance Sheets

As at
Unaudited **September 30, 2007** As at
December 31, 2006

Assets

Current

Cash and cash equivalents	\$ -	\$ 121,734
Accounts receivable	1,440,992	920,736
Deposits and prepaid expenses	298,081	230,127
Income taxes recoverable	43,077	32,494
	1,782,150	1,305,091

Property and equipment (Note 4)	18,164,598	12,593,525
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Intangible assets	292,942	303,505
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Goodwill	606,017	606,017
	\$20,845,707	\$ 14,808,138

Liabilities and Shareholders' Equity

Current

Bank indebtedness	\$ 1,499,118	-
Accounts payable and accrued liabilities	2,703,712	\$ 2,059,756
Bank loan (Note 5)	1,806,560	4,250,000
	6,009,390	6,309,756

Asset retirement obligation (Note 6)	1,625,321	1,371,697
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Future income taxes	2,520,825	1,219,137
	10,155,536	8,900,590

Share capital (Note 7)	10,686,120	5,803,400
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Contributed surplus (Note 8)	414,738	330,320
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Retained (deficit)	(410,687)	(226,172)
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	10,690,171	5,907,548
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	\$ 20,845,707	\$ 14,808,138
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Contingencies (Note 13)

Subsequent events (Note 14)

See accompanying notes

Approved on behalf of the Board:

 "signed" Director
 Owen Pinnell

 "signed" Director
 James Coleman

Anterra Energy Inc. (formerly Anterra Corporation)

Unaudited Consolidated Statements of Operations, Comprehensive Loss and Retained Earnings (Deficit)

	Three Months Ended September 30		Nine Months Ended September 30	
	2007	2006	2007	2006
Revenues				
Revenue	\$ 1,957,912	\$ 1,432,498	\$ 5,009,760	\$ 4,275,757
Royalties	(134,676)	(99,763)	(348,547)	(357,188)
	1,823,236	1,332,735	4,661,213	3,918,569
Expenses				
Operating	788,080	656,764	1,923,864	1,904,587
Transportation	60,944	47,022	171,795	110,243
General and administrative	437,042	267,648	1,127,391	932,163
Stock compensation	10,282	6,929	97,408	56,492
Interest	34,981	60,590	182,477	143,181
Asset retirement accretion	34,116	27,529	98,588	80,174
Depletion, depreciation and amortization	567,465	446,715	1,337,977	1,077,567
	1,932,910	1,513,197	4,939,500	4,304,407
Loss before taxes	(109,674)	(180,462)	(278,287)	(385,838)
Income taxes				
Current	-	(40,010)	-	55,706
Future	(61,660)	(58,561)	(93,772)	(184,069)
	(61,660)	(98,571)	(93,772)	(128,363)
Net loss and comprehensive loss	(48,014)	(81,891)	(184,515)	(257,475)
Retained earnings, (deficit), beginning of the period	(362,673)	169,596	(226,172)	345,180
Retained earnings (deficit), end of period	(410,687)	87,705	(410,687)	87,705
Basic loss per Class A share				
	\$ (0.002)	\$ (0.005)	\$ (0.009)	\$ (0.017)
Diluted loss per Class A share				
	\$ (0.001)	\$ (0.005)	\$ (0.006)	\$ (0.017)
Weighted average Class A shares outstanding				
	25,483,100	15,910,188	20,683,700	15,110,875

See accompanying notes

Unaudited

**Anterra Energy Inc. (formerly Anterra Corporation)
Consolidated Statements of Cash Flows**

	Three Months Ended September 30		Nine Months Ended September 30	
	2007	2006	2007	2006
Cash flows from operating activities				
Operations				
Net loss for the period	\$ (48,014)	\$ (81,891)	\$ (184,515)	\$ (257,475)
Items not involving cash				
Stock compensation	10,282	6,929	97,408	56,492
Depletion, depreciation and amortization	567,465	446,715	1,337,977	1,077,567
Asset retirement accretion	34,116	27,529	98,588	80,174
Future income taxes	(61,660)	(58,561)	(93,772)	(184,069)
Funds flow from operations	502,189	340,721	1,255,686	772,689
Changes in non-cash working capital balances				
Accounts receivable	(265,695)	(150,204)	(520,256)	(348,324)
Deposits and prepaid expenses	(45,614)	(35,920)	(67,954)	(54,646)
Accounts payable	226,278	(642,505)	643,956	(808,030)
Income taxes payable (recoverable)	34,997	(40,010)	(10,583)	(171,258)
Cash flow from operating activities	452,155	(527,918)	1,300,849	(609,569)
Financing activities				
Issue of common shares	2,112,299	-	2,182,577	2,176,300
Share issue costs	(271,275)	-	(573,538)	(187,533)
Bank loan	(1,000,000)	1,400,000	(2,443,440)	2,100,000
Payments of long term debt	-	-	-	(171,000)
	841,024	1,400,000	(834,401)	3,917,767
Investing activities				
Cash acquired (paid) on acquisition	-	-	4,309,792	(1,269,854)
Additions to property and equipment	(2,533,436)	(692,278)	(6,397,092)	(2,610,214)
	(2,533,436)	(692,278)	(2,087,300)	(3,880,068)
Increase (decrease) in cash and cash equivalents	(1,240,257)	179,804	(1,620,852)	(571,870)
Cash (bank indebtedness) and cash equivalents, beginning of the period	(258,861)	(53,072)	121,734	698,602
Cash (bank indebtedness) and cash equivalents end of the period	\$ (1,499,118)	\$ 126,732	\$ (1,499,118)	\$ 126,732
Supplementary Disclosures (Note 11)				

See accompanying notes

1. Basis of Presentation

The interim consolidated financial statements of the Company have been prepared by management, without audit or review by the Company's auditor, in accordance with Canadian generally accepted accounting principles. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. The interim financial statements have, in management's opinion, been properly prepared using careful judgment with reasonable limits of materiality. These interim financial statements do not include all the note disclosures required for annual financial statements and therefore they should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2006.

2. Significant Accounting Policies

Changes in accounting policies

On January 1, 2007 the Company adopted the Canadian Institute of Chartered Accountants ("CICA") Handbook Section 1530 "Comprehensive Income", Section 3251 "Equity", Section 3855 "Financial Instruments – Recognition and Measurement", and Section 3865 "Hedges", retrospectively with no restatement of prior periods.

The Company has evaluated the impact of these new standards and determined that the adoption of these standards has had no material impact on the Company's net earnings or cash flows. The other effects of the implementation of the new standards are discussed below.

Comprehensive Income

The new standards introduce comprehensive income, which consists of net earnings and other comprehensive income ("OCI"). Because the Company does not have any OCI, the Company's interim financial statements do not include a Statement of Comprehensive Income which would otherwise describe the components of comprehensive income. Accordingly, since there are no cumulative changes in OCI to be included in accumulated other comprehensive income ("AOCI"), the Company has not presented AOCI as a new category within shareholders' equity in the interim balance sheet and has not included a Statement of Accumulated Other Comprehensive Income, which would otherwise provide the continuity of the AOCI balance.

Financial Instruments

The financial instruments standard establishes the recognition and measurements criteria for financial assets, financial liabilities and derivatives. All financial instruments are required to be measured at fair value on initial recognition of the instrument, except for certain related party transactions. Measurements in subsequent periods depends on whether the financial instrument has been classified as "held-for-trading", "available-for-sale", "held-to-maturity", "loans and receivables", or "other financial liabilities" as defined by the standard.

Financial assets and financial liabilities "held-for-trading" are measured at fair value with changes in those fair values recognized in net earnings. Financial assets "available-for-sale" are measured at fair value, with changes in those fair values recognized in OCI. Financial assets "held-to-maturity", "loans and receivables" and "other financial liabilities" are measured at amortized cost using the effective interest method of amortization. The methods used by the Company in determining fair value of financial instruments are unchanged as a result of implementing the new standard.

Cash and cash equivalents are designated as "held-for-trading" and are measured at carrying value, which approximates fair value due to the short-term nature of these instruments. Accounts receivable are designated as "loans and receivables". Accounts payable and accrued liabilities and bank loans are designated as "other liabilities". Risk management assets and liabilities are derivative financial instruments classified as "held-for-trading" unless designated for hedge

accounting. The Company has no commodity contracts or fixed-price physical contracts in place at this time.

Section 1506 – Accounting Changes

Beginning January 1, 2007 the Company adopted Section 1506 “Accounting Changes” the only impact of which is to provide disclosure of when an entity has not applied a new source of GAAP that has been issued but is not yet effective. This is the case with Section 3862 “Financial Instruments Disclosures” and Section 3863 “Financial Instruments Presentation” which are required to be adopted for fiscal years beginning on or after October 1, 2007. The Company will adopt these standards on January 1, 2008 and it is expected the only effect on the Company will be incremental disclosures regarding the significance of financial instruments for the entity’s financial position and performance; and the nature, extent and management of risks arising from financial instruments to which the entity is exposed.

3. Business Acquisition

On May 1, 2007, the Company was formed following the amalgamation of Anterra Corporation with Resolve Energy Inc. The combination has been accounted for as an acquisition of Resolve assets by Anterra Corporation as the majority of the Class A shares of the Company were to be held by former shareholders of Anterra Corporation; and Resolve had no significant operations to the date of amalgamation. The acquisition of Resolve assets can be summarized as follows:

Net Assets Acquired

Cash	\$ 4,309,792
Working capital	(7,801)
Property, plant and equipment	354,160
Future income taxes	(1,217,859)
Fair Value of Net assets acquired	<u>\$ 3,438,292</u>

Purchase Consideration

Class A shares and Class B shares issued as consideration	<u>\$ 3,438,292</u>
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On March 15, 2006, the Company acquired all of the issued and outstanding common shares of Panterra Energy Corp. Ltd., a private Alberta based energy company. The acquisition was accounted for using the purchase method with the results of operations included from March 15, 2006, the effective date of acquisition. An independent reserve evaluation was prepared on the Matziwin properties owned by Panterra, which valued proved and probable reserves (discounted at 10%) in excess of the fair value reflected by the purchase price below.

	<u>Book Value</u>	<u>Fair Value</u>	<u>Difference</u>
Working capital	Nil	Nil	-
Property, plant and equipment	975,452	1,737,291	761,839
Asset retirement obligation	-	(169,113)	(169,113)
Future income taxes	-	(298,324)	(298,324)
Net assets acquired	<u>\$ 975,452</u>	<u>\$ 1,269,854</u>	<u>\$ 294,402</u>
Purchase price			
-Cash		<u>1,269,854</u>	
		<u>\$ 1,269,854</u>	

4. Property and Equipment

	September 30, 2007			December 31, 2006		
	Cost	Accumulated depletion, depreciation and amortization	Net Book Value	Cost	Accumulated depletion, depreciation and amortization	Net Book Value
Petroleum and natural gas properties and equipment	\$ 19,714,939	\$ 3,969,458	\$ 15,745,481	\$ 12,845,615	\$ 2,759,155	\$ 10,086,460
Processing equipment and furniture and fixtures	2,983,577	564,460	2,419,117	2,954,415	447,350	2,507,065
	\$ 22,698,516	\$ 4,533,918	\$ 18,164,598	\$ 15,800,030	\$ 3,206,505	\$ 12,593,525

Pursuant to a flow-through financing completed by the Company in July 2007, the Company is committed to spending \$2,111,000 on qualified exploration and development expenditures by December 31, 2008. As at September 30, 2007, there were no qualified expenditures related to this financing.

Pursuant to a flow-through financing completed by Resolve Energy Inc. in December 2006, the Company is committed to spending \$4,374,000 on qualified exploration and development expenditures by December 31, 2007. As at September 30, 2007 the Company had expended \$3,516,000 on qualified expenditures related to this financing.

Pursuant to a flow-through financing completed by Anterra Corporation in April 2006, the Company was committed to spending \$1,124,300 on qualified exploration and development expenditures by December 31, 2007, which, as at June 30, 2007, had been expended.

5. Bank Loan

The Company has a \$5,750,000 (2006 - \$4,500,000) revolving demand loan facility and an additional \$1,500,000 non-revolving acquisition and development demand loan facility with a Canadian chartered bank. The revolving loan bears interest at prime plus 3/4%, and the non-revolving loan at prime plus 1%, and the loans are secured by a general assignment of book debts and a \$10,000,000 first floating charge debenture over all assets of the Company. The availability under the facilities is subject to periodic review. The loans are shown as a current liability due to their demand nature despite the lender having not demanded repayment of the loan. At September 30, 2007, including bank indebtedness, there was a balance outstanding on the loans of \$3,305,600 (2006 - \$4,150,000).

6. Asset Retirement Obligation

The following table presents the reconciliation of the beginning and ending aggregate carrying amount of the obligation associated with the retirement of oil and gas properties.

	September 30, 2007	December 31 2006
Asset retirement obligation, beginning of period	\$ 1,371,697	\$ 1,083,540
Liabilities assumed on corporate acquisition	-	169,112
Liabilities incurred	155,036	11,263
Accretion expense	98,588	107,782
Asset retirement obligation, end of period	\$ 1,625,321	\$ 1,371,697

The undiscounted amount of cash flows, required over the estimated reserve life of the underlying assets, to settle the obligation, adjusted for inflation, is estimated at \$4,347,000 (2006 - \$3,591,000). The obligation was calculated using a credit-adjusted risk free discount rate of 9 percent and an inflation rate of 2 percent.

7. Share Capital

(a) Authorized

Unlimited number of Class A Shares

Unlimited number of Class B Shares

Unlimited number of Preferred shares issuable in series, rights and privileges to be determined upon issue.

The Class B shares are convertible, at the option of the Corporation, at any time after October 1, 2009 and before the close of business on September 30, 2011, into Class A shares upon five days prior notice to the holders of Class B shares. The number of Class A shares obtained upon conversion of each Class B share shall be equal to \$10.00 divided by the greater of \$1.00 and the then current market price of the Class A shares. If the Corporation fails to exercise the conversion option by the close of business on September 30, 2011, then the Class B shares shall be convertible at the option of the shareholder at any time after October 1, 2011 and before November 1, 2011 into Class A shares pursuant to the conversion formula described above. Any Class B shares not converted by the close of business on November 1, 2011 shall be automatically converted into Class A shares pursuant to the conversion formula described above.

(b) Issued

<u>Share Capital of Anterra Corporation</u>	<u>Nine Months Ended September 30, 2007</u>		<u>Year Ended December 31, 2006</u>	
	<u>Number of Shares</u>	<u>Amount</u>	<u>Number of Shares</u>	<u>Amount</u>
Balance, beginning of year	27,842,833	\$ 5,803,400	23,865,000	\$ 3,741,633
Shares issued on option exercise	375,000	81,240	-	-
Private placement of flow-through shares for cash	-	-	1,873,833	1,124,300
Private placement of common shares for cash	-	-	2,104,000	947,852
Common share warrants issued as part of units above, and broker warrants in Private Placement	-	-	-	127,537
Share issue costs, net of \$73,000 future tax benefit.	-	-	-	(137,922)
Tax benefits renounced on flow-through shares	-	(361,125)	-	-
Balance, May 1, 2007	28,217,833	\$ 5,523,515	27,842,833	\$ 5,803,400

Share Capital of Anterra Energy Inc.

	<u>Class A Shares</u>	<u>Class B Shares</u>	<u>Amount</u>
May 1, 2007, (date of business combination)	16,124,474	372,476	\$ 5,523,515
Issued to acquire Resolve	6,710,000	380,538	3,438,292
Private placement of Class A shares for cash	3,518,332		2,110,999
Share issue costs, net of tax of \$183,524			(390,014)
Share warrants exercised	12,800		3,328
Balance, September 30, 2007	26,365,606	753,014	\$ 10,686,120

On July 23, 2007, the Company issued 3,444,999 Class A shares; and on August 7, 2007, pursuant to an over-allotment option, issued a further 73,333 Class A shares under a bought deal

private placement “flow-through” financing at a price of \$0.60 per share for aggregate gross proceeds of \$2,110,999.

On May 1, 2007, 28,217,833 common shares of Anterra Corporation were exchanged for 16,124,475 Class A shares and 372,476 Class B shares in Anterra Energy Inc. Comparative share numbers have been restated to reflect the Class A share conversion factor.

On April 7, 2006, Anterra Corporation completed a private placement of \$2,176,300, issuing 1,873,833 common shares on a flow-through basis at a price of \$0.60 per share and 2,104,000 units at a price of \$0.50 per unit. Each unit consisted of one common share and one half of a common share purchase warrant. Each whole warrant was exercisable into one unit at an exercise price of \$0.75 until October 7, 2007, on which date they all expired. Each unit entitled the holder to acquire 0.5714285 of a Class A share and 0.0132 of a class B share. In addition, broker’s warrants were granted to acquire an aggregate 238,670 common shares at \$0.60 per share, all of which expired on April 7, 2007.

Pursuant to the rules of the TSXV, the shares of the previous directors, officers and insiders of Resolve (which were exchanged for shares of the Company) are subject to escrow conditions, whereby 10 percent of Class A shares were released from escrow upon receipt of a listing notice on the TSX Venture Exchange. The remaining 90 percent of the escrowed Class A shares shall be released in equal 15 percent tranches every six months thereafter, for a period of 36 months. As at September 30, 2007, 3,335,400 Class A Shares remained in escrow pursuant to these conditions. In addition, pursuant to an agreement among Resolve, certain Resolve shareholders and the agent, all Class A shares of Resolve issued prior to its initial public offering (4,156,000 shares) are subject to a hold period which expires on December 31, 2007.

(c) Stock options

The Company has a stock option plan under which employees, directors and consultants are eligible to receive grants. At September 30, 2007 2,000,000 Class A shares (2006 1,950,000 Anterra Corporation common shares) were reserved for issuance under the plan. Options granted under the plan have varying vesting periods and are determined by the Board at the grant date.

A summary of the status of the Company’s stock option plan as at September 30, 2007 and December 31, 2006 and changes during the periods ending on those dates is presented below.

Stock Options	Nine Months Ended September 30, 2007		Year Ended December 31, 2006	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Anterra Corporation				
Beginning of period	1,825,000	\$0.38	2,210,000	\$0.37
Granted	-	-	640,000	\$0.43
Exercised	(375,000)	\$0.18	-	-
Cancelled	(1,450,000)	\$0.43	(1,025,000)	\$0.44
May 1, 2007	-	\$ -	1,825,000	\$0.38
Anterra Energy Inc.				
Granted	2,000,000	\$0.56		
Exercised	-	-		
Cancelled	-	-		
End of period	2,000,000	\$0.56		
Exercisable, end of period	1,266,667	\$0.56	1,505,000	\$0.38

d) Warrants

On May 1, 2007, the Company assumed 871,790 warrants on the amalgamation with Resolve Energy Inc. Each warrant entitles the warrant holder to acquire one Class A share of the

Company at the exercise price of \$0.26. 371,790 warrants have an expiry date of December 29, 2007 and 500,000 warrants have an expiry date of December 29, 2008. The warrants have been fair valued and the value is included in share issue costs. As at September 30, 2007, 12,800 warrants have been exercised.

On April 7, 2006, the Company issued 1,052,000 warrants as part of the private placement of 2,104,000 units. Each whole warrant was exercisable at \$0.75, entitling the holder to acquire 0.5714285 of a Class A share and 0.0132 of a class B share. The warrants expired on October 7, 2007. Also, on April 7, 2006, 238,670 broker's warrants were issued providing the right to purchase one common share, at an exercise price of \$0.60 per warrant. These warrants expired on April 7, 2007.

The following is a continuity of the warrants outstanding:

	Nine Months Ended September 30, 2007		Year Ended December 31, 2006	
	Number of warrants	Weighted average Class A exercise price	Number of warrants	Weighted average exercise price
Beginning of period	1,290,670	\$0.72	-	-
Issued	-	-	1,290,670	\$0.72
Exercised	-	-	-	-
Forfeited	(238,670)	\$0.60	-	-
May 1, 2007	1,052,000	\$0.75	1,290,670	\$0.72
Warrants assumed on acquisition of Resolve	871,790	\$0.26		
Warrants exercised	(12,800)	\$0.26		
End of Period	1,910,990	\$0.53		
Exercisable, end of period	1,910,990	\$0.53	1,290,670	\$0.72

8. Contributed Surplus

The following table presents the reconciliation of the beginning and ending balance of the contributed surplus:

	Nine months ended September 30, 2007	Year Ended December 31, 2006
Contributed surplus, beginning of period	\$ 330,320	\$ 213,489
Exercised stock options	(12,990)	-
Stock compensation expense	97,408	116,831
Contributed surplus, end of period	\$ 414,738	\$ 330,320

9. Financial Instruments

Fair values of Financial Instruments

The carrying values of cash, accounts receivable, and accounts payable and accrued liabilities approximate their fair values due to the near-term maturity of these instruments.

10. Related Party Transactions

Except as disclosed elsewhere the Company had the following related party transactions:

During the nine month period a company owned by a director charged \$90,058 (2006 - \$52,200) to the Company for office space and related services. On June 1, 2007 the Company assumed all financial obligations with respect to the office lease with a monthly payment of \$13,196. Prior to this date the monthly lease payment was \$10,557 (2006 - \$5,800). A legal firm, of which a director is a partner, charged the Company \$208,509 (2006 - \$77,378) for fees and services. A legal firm, of which another director is a partner, charged the Company \$30,118 (2006 - nil).

An officer of the Company has an agreement with the Company whereby a company controlled by the officer has a 2% gross overriding royalty on all revenues from the earning well to be drilled on the Judy Creek property and also with respect to future revenues arising from the area of mutual interest for the Judy Creek area.

All related party transactions in the normal course of operations have been measured at the agreed to exchange amounts, which is the amount of consideration established and agreed to by the related parties and which is similar to those negotiated with third parties.

11. Supplementary Information – Statement of Cash Flows

During the nine months ended September 30, 2007, the Company paid \$182,477 in interest (2006 - \$143,181) and \$Nil in income taxes (2006 - \$55,706). Cash and cash equivalents at September 30, 2007 and at December 31, 2006 include only nominal cash equivalents.

12. Segmented Information

The Company has two reportable segments. The Oil and Gas Production segment explores for, develops and produces oil and gas. The Midstream Processing segment provides processing and disposal services in the oil and gas industry.

For the nine months ended September 30, 2007	Oil and Gas Production	Midstream Processing	Other Corporate	Eliminations	Consolidated
Revenue	\$ 4,276,030	\$ 866,496	\$ -	\$ (139,097)	\$ 5,003,429
Other revenue	6,331	-	-	-	6,331
Total Revenue	4,282,361	866,496	-	(139,097)	5,009,760
Royalties	(348,547)	-	-	-	(348,547)
Net Revenue	3,933,814	866,496	-	(139,097)	4,661,213
Operating expenses	1,670,363	564,392	-	(139,097)	2,095,659
Depletion, depreciation	1,225,586	112,391	-	-	1,337,977
Asset retirement accretion	87,261	11,327	-	-	98,588
Income before corporate items	950,604	178,386	-	-	1,128,989
General and administrative	862,376	174,752	90,263	-	1,127,391
Stock compensation	-	-	97,408	-	97,408
Interest	151,730	30,747	-	-	182,477
Income taxes	(82,730)	(11,042)	-	-	(93,772)
Net profit (loss)	\$ 19,228	\$ (16,071)	\$ (187,671)	\$ -	\$ (184,515)
Capital expenditures, net	\$ 6,714,288	\$ 29,162	\$ -	\$ -	\$ 6,743,450

For the nine months ended September 30, 2006	Oil and Gas Production	Midstream Processing	Other Corporate	Eliminations	Consolidated
Revenue	\$ 3,789,840	\$ 641,658	\$ -	\$ (155,741)	\$ 4,275,757
Other revenue	-	-	-	-	-
Total Revenue	3,789,840	641,658	-	(155,741)	4,275,757
Royalties	(357,188)	-	-	-	(357,188)
Net Revenue	3,432,652	641,658	-	(155,741)	3,918,569
Operating expenses	1,488,227	682,344	-	(155,741)	2,014,830
Depletion, depreciation	972,329	105,238	-	-	1,077,567
Asset retirement accretion	69,781	10,393	-	-	80,174
Income (loss) before corporate items	902,315	(156,317)	-	-	745,998
General and administrative	874,012	20,422	37,729	-	932,163
Stock compensation	-	-	56,492	-	56,492
Interest	72,594	70,587	-	-	143,181
Income taxes	30,395	(158,758)	-	-	(128,363)
Net loss	\$ (74,686)	\$ (88,568)	\$ (94,221)	\$ -	\$ (257,475)
Capital expenditures, net	\$ 4,311,547	\$ 102,092	\$ -	\$ -	\$ 4,413,639

13. Contingencies

The Company has been undergoing an audit by Canada Revenue Agency ("CRA") of its flow-through agreements for 2004 and 2005 taxation years. At this time, discussions with the CRA have not been concluded and, accordingly, the ultimate outcome is not determinable.

14. Subsequent Events

On November 9, 2007, the Company issued 4,000,000 units, under a private placement financing at a price of \$0.85 per unit for aggregate gross proceeds of \$3,400,000. Each unit consists of one Class A share ("Share") and one-half of one purchase warrant ("Warrant") of Anterra. Each whole Warrant will entitle the holder to purchase one Share at an exercise price of \$1.10 per Share expiring on November 9, 2008.

Under an agreement dated October 11, 2007, a company owned by a director farmed in on a property owned by the Company paying 30% of the costs of a test well for a 30% interest before payout and a 15% interest after payout in the scheduled farmout lands.

**ANTERRA ENERGY INC
CORPORATE INFORMATION**

Directors

James H. Coleman
Ross O. Drysdale
Jacob T. Haldorson
John McGilvary
Owen C. Pinnell
John K. Read
J. Ronald Woods

Officers

Owen Pinnell	– Executive Chairman and CEO
Giles Parker	– Vice President, Finance and CFO
Bob McCuaig	– Executive Vice President and General Manager
Doug Wine	– Vice President, Exploration
Gordon Marsden	– Vice President, Production and Engineering
Alastair Robertson	– Treasurer and Corporate Secretary
Marlene Stewart	– Assistant Corporate Secretary

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Web Site

www.anterraenergy.com

Abbreviations

ARTC Alberta Royalty Tax Credit
bbls/d barrels per day
boe barrels of oil equivalent
mbbl thousand barrels
mmboe million barrels of oil equivalent
mcf/d thousand cubic feet per day
WTI West Texas Intermediate

Conversion of Units

1.0 bbl = 0.159 cubic meters
1.0 mcf = 28.2 cubic meters
Natural gas is equated to oil on the basis
of 6mcf = 1 boe

Stock Exchange

TSXV Venture Exchange
Trading Symbols: A Shares: AE.A
B Shares: AE.B

Auditors

Deloitte & Touche LLP

Bankers

National Bank of Canada

Legal Counsel

Macleod Dixon LLP

bbl barrel
bcf billion cubic feet
boe/d barrels of oil equivalent per day
mboe thousand barrels of oil equivalent
mcf thousand cubic feet
NGLs natural gas liquids
TSX TSX Venture Exchange

6.29 bbls = 1.0 cubic meter
0.035 mcf = 1.0 cubic meter