ANTRIM ENERGY INC.

INTERIM FINANCIAL REPORT – FIRST QUARTER 2008

Three Months Ended March 31, 2008

HIGHLIGHTS:

- **Successful drilling on the UK Fyne Field**
- **Rig under contract to accelerate UK drilling program**
- **Agreed terms for a $50 million working capital facility**
- **Continued drilling and infrastructure development in Argentina**

In the first quarter, Antrim successfully drilled the Antrim-operated well 21/28a-9 on the Fyne Field in the UK Central North Sea. The multi-lateral drilling program encountered significant oil columns in each leg, with the final sidetrack 21/28a-9y now cased to be used as a future production well.

With the successful results from the initial Fyne drilling program, further appraisal drilling and development can be accelerated using the Transocean Prospect semi-submersible drilling rig under contract to Antrim in June 2008. Further appraisal drilling activity is also planned for the Causeway development. Our growth through the drill bit, and drive to bring new reserves to production as quickly as possible, means we are well positioned to transform our assets into a source of growing cash flow for our shareholders.

Antrim anticipates funding its growth, where possible, with pre-development debt facilities and upon field development approval, senior field development debt facilities. In the first quarter of 2008, Antrim announced it had agreed terms for an initial $50 million working capital facility to be available for pre-development costs associated with the Causeway property.

In Argentina, quarterly production remained stable while significant additional drilling and infrastructure development work continued in Tierra del Fuego. Cash flow from operations increased in the three months ended March 31, 2008 to $1.4 million from $0.8 million in the first quarter of 2007. In the first quarter of 2008, Antrim changed its reporting currency from Canadian to US dollars. All comparative financial information has been translated and restated as if the US dollar had been used as the Company's reporting currency.

Financial and Operating Results (unaudited)	**Three Months Ended March 31,**	
	2008	**2007**
Financial Results (US$000's except per share amounts)		
Revenue	3,724	3,358
Cash flow from operations	1,439	795
Cash flow from operations per share	0.01	0.01
Net income (loss)	(808)	(1,084)
Net income (loss) per share - basic	(0.01)	(0.01)
Working capital	70,350	88,924

Expenditures on petroleum and natural gas properties	16,647	3,043
Debt	-	-
Common Shares Outstanding (000's)		
End of period	117,599	95,202
Weighted average - basic	117,581	88,258
Weighted average - fully diluted	121,999	91,574
Production		
Oil , natural gas and NGL production (boe per day)(1)	1,503	1,502

(1)The boe conversion ratio of 6 mcf:1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

OVERVIEW OF OPERATIONS

United Kingdom – Block 211/22a South East and Block 211/23d ("Causeway")

Antrim intends to follow-up its 2007 Causeway drilling program with additional appraisal/development drilling in 2008. Antrim has contracted AGR Peak Well Management of Aberdeen and the semi-submersible drilling rig the Transocean Prospect for the drilling program. Antrim has operatorship and a 65.5% working interest in the Causeway Blocks 211/22a South East and 211/23d.

Preparation of a Field Development Plan (FDP) to be submitted to the Department for Business Enterprise and Regulatory Reform (DBERR) is proceeding. Facility construction is planned on approval of the FDP.

United Kingdom – Block 21/28a ("Fyne and Dandy")

In April 2008, Antrim completed drilling operations on the Antrim-operated well 21/28a-9 on the Fyne Field in the UK Central North Sea. The multilateral 21/28a-9 well was drilled as planned with three legs, one pilot hole and two sidetracks into the Eocene Tay Sandstone. All three holes encountered significant oil columns. As originally designed, the final sidetrack 21/28a-9y has been cased to be used as a future production well.

Full analysis of the log and test data from 21/28a-9y has led to an upward revision of the net oil pay thickness from the previously reported 52 ft True Vertical Depth (TVD) net oil pay and 35 ft net gas pay to 65 ft net oil pay and 30 ft net gas pay. As designed, the well was drilled at a 60 degree angle resulting in wellbore measured thicknesses of 120 ft net oil pay and 47 ft net gas pay. The oil and gas pay intervals in Fyne are separate with the gas pay confined to the Upper Tay Formation and the oil pay contained within several sandstones in the Middle and Lower Tay Formations.

Logging and testing results indicate that the Tay sandstones penetrated in all three legs of the well are very porous (average 33%) and highly permeable. Oil recovered from the reservoir from a Modular Formation Dynamics Test was analyzed and shown to have an API of 25° with a viscosity very similar to the viscosity of Tay Formation oil from the producing fields in the proximity of Fyne. Test data indicates potential production rates of between 3,000 and 4,500 bopd, in line with the test results from the Fyne discovery well (21/28a-2) drilled in 1986. Internal estimates indicate that there is sufficient gas in the Upper Tay to provide artificial lift for oil production from the Middle and Lower Tay sandstones.

The Fyne drilling operation and results from the drilling and logging program were at the upper end of Antrim's pre-drill expectations of reservoir quality, reservoir thickness and reservoir continuity. The well location was based on high quality 3D seismic acquired in 2007 over the entire block. A number of other drilling prospects on the block have been identified from the 3D seismic.

At year-end 2007, the Fyne and Dandy licence as a whole was determined to hold 131 million barrels of oil in place or 21 million barrels of recoverable oil (Antrim net 98 million barrels and 16 million barrels respectively). The reservoir information collected from this operation will be supplied to independent engineering evaluator McDaniel & Associates to produce an updated reserve report on the field.

Antrim expects to accelerate the Fyne appraisal and development using the contracted Transocean Prospect which is scheduled to begin a multi-well drilling program for Antrim in June of this year. Two additional wells are planned on the field before the company submits an application to DBERR for development approval. The Fyne Field is on trend with several other Tay fields in the area, including the Guillemot, Pict and Saxon developments. Oil from the Fyne field, similar to adjacent fields, is likely to be produced through a Floating Production Storage and Offloading (FPSO) system and Antrim is actively searching for a suitable vessel. Fyne is also situated approximately 20 kilometres from existing infrastructure which provides production services for several fields in the area.

Assuming FDP approval is granted in 2009, first production is targeted for as early as 2010. Antrim is operator of the licence and holds a 75% working interest in the block. Antrim acquired its interest in the block in November 2006 and has agreed to pay the seller of the block an additional $10 million on approval of a FDP.

United Kingdom – Block 211/22a North West ("Kerloch")

In late 2007, Antrim participated in drilling the non-operated Kerloch prospect in Block 211/22a North West. The well, approximately 10 km northwest of Causeway, discovered a 116 foot thick oil column in the Ness Formation. The Kerloch well was not tested and was suspended to allow for potential re-entry and future use. Further technical evaluation of the prospect will be undertaken in 2008. Antrim holds a 21% working interest in Block 211/22a North West.

Argentina – Tierra del Fuego, Austral Basin

In September 2007, Antrim announced the start of its planned two-year drilling program in Tierra del Fuego. To date, Antrim has participated in drilling 12 wells on the concessions. Six wells have targeted the Los Patos oil pool discovered in 2006. Of these wells, three wells have been completed and placed on production with a further two wells awaiting tie in or completion. One well had mechanical problems and could not be salvaged. An additional four wells have been drilled targeting gas in the Los Patos, Los Flamencos, and San Luis fields. Gas development, including additional treatment and compression facilities, is being undertaken in anticipation of completion later this year of improved gas transportation capacity from the concessions. The remaining two wells of the 12 wells drilled to date target continued development of the Las Violetas oil field.

Installation of a pipeline that will connect the Las Violetas licence to the San Martin pipeline and an expansion of gas processing facilities are in progress. Construction of the new gas pipeline, tie-in to the San Martin pipeline and installation of additional compression facilities is expected to be completed by the third quarter of 2008. Upon completion, gross gas processing capacity is expected to increase to approximately 40 mmcf per day at which time previous gas discoveries can be placed on production. Antrim's working interest in the Tierra del Fuego licences is 25.78%.

Net production to Antrim from the Tierra del Fuego licences in the first quarter of 2008 was 1,162 barrels of oil equivalent per day (boepd) compared to 1,155 boepd for the comparable period in 2007. Net oil production in the first quarter of 2008 was 316 bopd compared to 335 bopd for the comparable period in 2007. Gas and natural gas liquids (NGL) production in the first quarter of 2008 was 4.7 mmcf/d and 67 barrels per day, respectively. Gas and NGL production for the comparable period in 2007 was 4.5 mmcf/d and 71 barrels per day, respectively.

Argentina – Medianera and Tres Nidos Sur, Neuquen Basin

Net production to Antrim from the Medianera licence in the first quarter of 2008 was 61 bopd compared to 25 bopd for the comparable period in 2007. Antrim is planning a multi-well follow-up drilling program on the licence in 2008. Antrim has a 70.0% working interest in the Medianera and Tres Nidos Sur licences. Under the terms of the Tres Nidos Sur licence, Antrim must acquire a minimum of 50 km^2 of 3D seismic in 2008 and drill an exploration well in 2009.

Argentina – North West Basin

On the Capricorn licence, the second of two wells drilled under a previously announced farmout agreement is currently being evaluated with results expected in the second quarter of 2008.

Net production to Antrim from the Puesto Guardian licence in the first quarter of 2008 was 280 bopd compared to 323 bopd for the comparable period in 2007. Antrim has a 40% working interest in the Puesto Guardian licence.

MANAGEMENT’S DISCUSSION AND ANALYSIS

The following management’s discussion and analysis (MD&A), dated May 13, 2008, should be read in conjunction with Antrim’s unaudited consolidated financial statements for the three months ended March 31, 2008 and Antrim’s MD&A and audited consolidated financial statements for the year ended December 31, 2007. The calculations of barrels of oil equivalent (boe) are based on a conversion rate of six thousand cubic feet of natural gas to one barrel of oil. The boe conversion ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Unless otherwise stated, all dollar amounts are expressed in US dollars.

Forward-Looking Statements

This MD&A contains forward-looking statements. Forward-looking statements often, but not always, are identified by the use of words such as “seek”, “anticipate”, “believe”, “plan”, “estimate”, “expect”, “targeting” and “intend” and statements that an event or result “may”, “will”, “should”, “could”, or “might” occur or be achieved and other similar expressions. Forward-looking statements are based on current expectations that involve a number of risks and uncertainties. As a consequence, actual results might differ materially from results forecast or suggested in these forward looking statements. Such risks, uncertainties and other factors include the uncertainties inherent in oil and gas exploration and development activities, the effect of actions by third parties, fluctuations in world oil prices and other risks detailed in the Company’s Annual Report and Annual Information Form (AIF). Additional information relating to the Company including the Company’s AIF is on SEDAR at www.sedar.com. Antrim assumes no obligation to update forward-looking statements should circumstances or management’s estimates change except as may be required by applicable Canadian securities laws and AIM Rules in the UK.

In accordance with AIM guidelines, Mr. Kerry Fulton, P. Eng and Chief Operating Officer of Antrim, is the qualified person that has reviewed the technical information contained in this MD&A.

Non-GAAP Measures

Cash flow from operations, cash flow from operations per share and netback does not have a standard meaning under generally accepted accounting principles (GAAP) and may not be comparable to that reported by other companies. Management believes that cash flow from operations is a useful supplementary measure that may assist investors. Cash flow from operations is defined as cash flow from operating activities before changes in working capital.

Financial and Operating Review

Oil, Gas and NGL Revenue

Oil and gas revenue increased to $3,723,949 in the three months ended March 31, 2008 compared to $3,357,685 in the three months ended March 31, 2007. Revenues increased primarily due to timing of oil deliveries. This increase was partially offset by a change in November 2007 to the export tax regime in Argentina which created uncertainty in the domestic market as to its impact on longer term oil sales contracts and quality differentials. The change limited the maximum price producers could receive for crude oil exports and domestic oil sales, to US$42 per barrel, regardless of the price of WTI. In January 2008, the Argentine Secretary of Energy issued Resolution 1/2008 which states that for the purposes of calculating provincial production taxes, the US$42 reference price pertains only to the lowest quality of crude oil produced in the country. Crude oil produced from the Company's properties is generally of a higher quality than the average quality crude oil produced in the country.

Net revenues, after royalties and export taxes, increased to $3,235,672 from $2,422,208 as a result of lower export taxes following a decision in September 2007 to accumulate and sell oil production in Tierra del Fuego domestically rather than export it via tanker truck to Chile.

Net production to Antrim in the first quarter of 2008 was 1,503 boepd compared to 1,502 boepd for the comparable period in 2007 and 1,553 boepd in the fourth quarter of 2007. Gas plant construction and remediation in Tierra del Fuego produced some variation in production rates with corporate production reaching as high as 2,000 boepd in January, 2008. Average net oil production in the three month period ended March 31, 2008 was 657 bopd compared to 683 bopd for the comparable period in 2007. Oil prices averaged $44.42 per barrel in the three month period ended March 31, 2008 compared to $42.90 per barrel for the comparable period in 2007.

Average net gas production in the three month period ended March 31, 2008 was 4.7 mmcf/d compared to 4.5 mmcf/d for the comparable period in 2007. Sales gas prices in Argentina averaged $1.00 per mcf in the first quarter of 2008 compared to $1.24 per mcf for the comparable period in 2007. Gas prices decreased as a greater proportion of gas production in the period was delivered to the Tierra del Fuego residential market. The price received for gas is expected to increase significantly following completion of the tie-in to the San Martin pipeline.

Average net NGL production in the three month period ended March 31, 2008 was 67 barrels per day compared to 71 barrels per day for the comparable period in 2007. NGL prices before export taxes averaged $48.78 per barrel in the first quarter of 2008 compared to $32.78 per barrel for the comparable period in 2007. NGL exports to Chile are subject to a 20% export tax applied on the sales value after the tax.

Netbacks

Antrim realized a per unit netback of $15.16/boe in the first quarter of 2008 compared to a per unit netback of $12.89/boe for the comparable period in 2007. The following table provides a comparative analysis of field netbacks for the three months ended March 31, 2008 and 2007.

	Three Months Ended March 31,	
	2008	**2007**
US$/boe		
Wellhead price	**25.76**	24.79
Royalties	**(3.03)**	(2.90)
Export tax	**(0.34)**	(4. 00)
Operating expenses	**(7.23)**	(5.00)
Netback	**15.16**	12.89
Oil, natural gas and NGL production (boe)	**136,792**	135,213
Oil , natural gas and NGL production (boe per day)	**1,503**	1,502

General and Administrative

General and administrative (G&A) costs increased in the first quarter of 2008 to $1,998,790 compared to $1,288,166 for the comparable period in 2007. During the period, Antrim also capitalized $668,896 (2007 - $522,127) of G&A costs related to exploration and development activity in Argentina and the United Kingdom. G&A costs increased in 2008 due to greater corporate activity, increased personnel and increases in associated personnel costs within the oil and gas industry.

Foreign Exchange Gain (Loss)

The Company incurred a foreign exchange gain in the three month period ended March 31, 2008 of $505,246 compared to a loss of $474,164 for the comparable period in 2007. The Company's functional currency is Canadian dollars whereas a significant amount of the Company's activities are transacted in or referenced to US dollars or Pounds Sterling. The Company will hold US dollars and Pound Sterling, as required, to support drilling operations in the UK North Sea. Amounts received from joint venture partners and other accounts payable related to oil and gas operations will also be denominated in foreign currency.

Cash Flow and Net Income (Loss)

Antrim had cash flow from operations of $1,438,905 ($0.01 per share) in the first quarter of 2008 compared to $795,346 ($0.01 per share) for the comparable period in 2007. Net loss in the first quarter of 2008 was $807,720 ($0.01 per share) compared to a net loss of $1,083,540 ($0.01 per share) for the comparable period in 2007. Net loss decreased due to increased net revenue, after royalties and export taxes, higher interest income on greater cash balances and foreign exchange gains in the period, offset to a lesser degree by increased general and administrative costs, stock based compensation expense and higher depletion costs.

Financial Resources and Liquidity

At March 31, 2008, Antrim had working capital of $70,349,563 (December 31, 2007 - $88,923,886), unrestricted cash of $71,183,830 (December 31, 2007 - $98,794,077) and no debt. Restricted cash at March 31, 2008 of $21,870,849 relates to US dollar and Pound Sterling denominated standby letters of credit issued with respect to the Company's 2008 drilling program in the UK North Sea. Accounts payable and accrued liabilities increased to $28,707,403 at March 31, 2008 primarily as a result of the UK drilling program.

In the United Kingdom, drilling commenced in March 2008 on the Fyne Field. A second rig contract has been signed which will provide Antrim with the Transocean Prospect semi-submersible drilling rig for a minimum of 80 days scheduled to begin in June 2008. The rig rate is approximately $300,000 per day. The drilling contract will allow Antrim to accelerate appraisal activity on the Company's existing properties in the Northern and Central North Sea and is also expected to provide Antrim with the flexibility to add additional drilling opportunities to its 2008 program.

A field development plan (FDP) is currently being prepared. Further Causeway drilling is planned for 2008 including at least one pressure support well. Facility construction is also planned for 2008 on approval of the FDP.

In March 2008, Antrim announced that it had agreed terms for a $50 million working capital facility to be available for pre-development costs associated with the Causeway property. The working capital facility is subject to satisfactory due diligence, execution of full documentation and achievement of all conditions precedent. To date, no amounts have been drawn on this facility. Upon approval of the FDP, the facility is expected to be replaced with a $150 million senior secured field development facility and $40 million contingent cost overrun facility.

Cash flow from operations in Argentina is expected to be reinvested in Argentina during the year. In Tierra del Fuego, 16 wells are expected to be drilled in 2008 and additional 3D seismic is also planned. Pipeline and facility expansion for increased oil and gas production continue. Construction of a new gas pipeline, tie-in to the San Martin pipeline and installation of additional compression facilities is expected to be completed by the third quarter of 2008. Upon completion, gross gas processing capacity is expected to increase to approximately 40 mmcf per day at which time previous gas discoveries can be placed on production.

In October 2007, Antrim was awarded an exploration licence for the Tres Nidos Sur Block immediately adjacent to and north of the Medianera Block in the Neuquen Basin. In 2008, Antrim plans to coordinate exploration and development of the Tres Nidos Sur Block with the Medianera Block. Antrim expects to acquire 50 km^2 of 3D seismic in the year and, up to six wells are planned to be drilled on the two blocks, subject to rig availability.

Summary of Quarterly Results

($US000's, except per share amounts)	**Oil and Gas Net Revenue, Net of Royalties**	**Cash Flow from Operations**	**Net Income (Loss)**	**Net Income (Loss) Per Share – Basic**
2008				
First quarter	3,236	1,439	(808)	(0.01)
Total	3,236	1,439	(808)	(0.01)
2007				
Fourth quarter	3,297	1,060	(1,754)	(0.02)
Third quarter	2,601	882	(2,260)	(0.02)
Second quarter	2,830	1,720	(3,330)	(0.03)
First quarter	2,422	795	(1,084)	(0.01)
Total	11,150	4,457	(8,428)	(0.08)
2006				
Fourth quarter	2,481	528	(666)	(0.01)
Third quarter	3,031	1,473	575	0.01
Second quarter	2,135	213	810	0.01
First quarter	2,147	1,077	473	0.01
Total	9,795	3,290	1,192	0.02

Critical Accounting Policies and Estimates

Preparing financial statements in accordance with Canadian GAAP requires management to make certain judgments and estimates. Changes to these judgments and estimates could have a material effect on the Company's financial statements and financial position. The estimates of proved and probable reserves is critical to many aspects of the Company's financial statements, including net income and the carrying amount of petroleum and natural properties and future asset retirement obligations.

The Company also incurs costs related to properties for which no proved reserves may be attributable. These costs must also be assessed to ascertain whether impairment has occurred. In certain instances, the Company may be required under Canadian GAAP to record an impairment charge against these costs even though the Company has and intends to maintain the underlying licence or agreement pertaining to the properties.

New Accounting Standards and Recent Accounting Pronouncements

Effective January 1, 2008, the Company adopted the Canadian Institute of Chartered Accountants (CICA) Section 1535 "Capital Disclosures, Section 3031 "Inventories", Section 3862 "Financial Instruments Disclosures", and Section 3863 "Financial Instruments Presentation". Where applicable, these standards have been adopted prospectively.

CICA Section 1535 "Capital Disclosures" requires companies to disclose their objectives, policies and procedures for managing capital, as well as whether externally imposed capital requirements have been complied with.

CICA Section 3031 "Inventories" provides revised guidance on the measurement and disclosure requirements for inventory, and also clarifies that major spare parts and standby equipment not in use should be included in property, plant and equipment.

CICA Section 3862 "Financial Instruments Disclosures" and Section 3863 "Financial Instruments Presentation" require the Company to provide additional disclosure to enable users to evaluate the significance of financial instruments to the Company's financial position, performance and cash flows and how those risks are managed.

Effective for fiscal years commencing on or after October 1, 2008, the Company will be required to adopt new CICA Section 3064. "Goodwill and Intangible Assets" clarifying the criteria for the recognition of assets, intangible assets and internally developed intangible assets. The Company is currently evaluating the impact the new section will have, if any, on the Company's financial statements.

In February 2008, the Canadian Accounting Standards Board (AcSB) confirmed that the mandatory changeover from existing Canadian GAAP to International Financial Reporting Standards (IFRS) is to take effect for financial years beginning on or after January 1, 2011. As at December 31, 2008, the Company will be required to provide preliminary disclosure of the policy impact adopting IFRS will have on the Company's financial statements.

Related Party and Off-Balance Sheet Transactions

Antrim may from time to time enter into arrangements with related parties. In the first quarter of 2008, the Company incurred fees of $18,887 (2007 - $1,464) payable to Burstall Winger LLP, a law firm in which Mr. Jay Zammit, a director of the Company, is a partner. The Company had no off-balance sheet transactions in the first quarter of 2008.

Disclosure Controls and Procedures and Internal Controls Over Financial Reporting

Antrim has established disclosure controls, procedures and corporate policies so that its consolidated financial results are presented accurately, fairly and on a timely basis. The Chief Executive Officer and Chief Financial Officer have designed or have caused such internal controls over financial reporting to be designed under their supervision to provide reasonable assurance regarding the reliability of financial reporting and preparation of the Company's financial statements in accordance with Canadian GAAP. There were no changes in the Company's internal controls over financial reporting that occurred during the first quarter that have materially affected, or are reasonably likely to materially affect the Company's internal controls over financial reporting.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, these systems provide reasonable, but not absolute assurance, that financial information is accurate and complete.

Risks and Uncertainties

Risks and uncertainties are detailed in the Company's Annual Report and AIF and have not changed significantly from those identified for the year ended December 31, 2007.

Stephen Greer
President and Chief Executive Officer
May 13, 2008

Antrim Energy Inc.
Consolidated Balance Sheets
As at March 31, 2008 and December 31, 2007 (unaudited)

	2008 US $	2007 US $
Assets		
Current assets		
Cash and cash equivalents	**71,183,830**	98,794,077
Restricted cash (note 4)	**21,870,849**	6,791,941
Accounts receivable	**5,246,841**	5,035,160
Inventory and prepaid expenses (note 5)	**755,446**	842,497
	99,056,966	111,463,675
Petroleum and natural gas properties (note 6)	**199,239,087**	189,890,781
Office equipment	**731,891**	559,673
Future income taxes	**808,008**	911,783
Investments and other non-current assets (note 7)	**4,715,209**	4,568,955
Total Assets	**304,551,161**	307,394,867
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	**28,707,403**	22,539,789
	28,707,403	22,539,789
Asset retirement obligation	**11,322,078**	9,650,649
	40,029,481	32,190,438
Commitments and contingencies (note 12)		
Shareholders' Equity		
Share capital (note 8)	**262,670,462**	262,600,117
Contributed surplus (note 9)	**7,864,191**	6,706,403
Deficit	**(24,803,946)**	(23,996,226)
Accumulated other comprehensive income	**18,790,973**	29,894,135
	264,521,680	275,204,429
Total Liabilities and Shareholders’ Equity	**304,551,161**	307,394,867

Antrim Energy Inc.
Consolidated Statements of Income (Loss) and Deficit
For the three months ended March 31, 2008 and 2007 (unaudited)

	2008 US $	**2007 US $**
Revenue		
Oil and gas sales	**3,723,949**	3,357,685
Royalties	**(438,545)**	(393,023)
Export tax	**(49,732)**	(542,454)
	3,235,672	2,422,208
Interest and other income	**1,187,013**	599,985
	4,422,685	3,022,193
Expenses		
Operating	**1,044,650**	676,927
General and administrative	**1,998,790**	1,288,166
Stock-based compensation	**1,157,789**	719,402
Depletion and depreciation	**1,230,113**	848,667
Accretion of asset retirement obligations	**235,911**	44,817
Foreign exchange (gain) loss	**(505,246)**	474,164
	5,162,007	4,052,143
Loss for the period before income taxes	**(739,322)**	(1,029,950)
Income tax expense (recovery)		
Current	**164**	63,729
Future	**68,234**	(10,139)
	68,398	53,590
Net Loss	**(807,720)**	(1,083,540)
Deficit - Beginning of Period	**(23,996,226)**	(15,568,601)
Deficit - End of Period	**(24,803,946)**	(16,652,141)
Net Loss Per Common Share – Basic	**(0.01)**	(0.01)
Net Loss Per Common Share – Diluted	**(0.01)**	(0.01)

Antrim Energy Inc.

Consolidated Statements of Comprehensive Income (Loss) and Accumulated Other Comprehensive Income (Loss)
For the three months ended March 31, 2008 and 2007 (unaudited)

	2008 US $	2007 US $
Net loss for the period	**(807,720)**	(1,083,540)
Other Comprehensive Income (Loss)		
Unrealized gain (loss) on translation of consolidated financial statements into reporting currency	**(11,103,162)**	1,305,390
Comprehensive Income (Loss)	**(11,910,882)**	221,850
Accumulated Other Comprehensive Income (Loss) - Beginning of Period	**29,894,135**	(2,170,027)
Other comprehensive income (loss)	**(11,103,162)**	1,305,390
Accumulated Other Comprehensive Income (Loss) - End of Period	**18,790,973**	(864,637)

Antrim Energy Inc.
Consolidated Statements of Cash Flows
For the three months ended March 31, 2008 and 2007 (unaudited)

	2008 US $	2007 US $
Operating Activities		
Net loss for the period	**(807,720)**	(1,083,540)
Items not involving cash:		
Depletion and depreciation	**1,230,113**	848,667
Accretion of asset retirement obligations	**235,911**	44,817
Stock-based compensation expense	**1,157,789**	719,402
Foreign exchange loss (gain)	**(445,422)**	276,139
Future income taxes	**68,234**	(10,139)
	1,438,905	795,346
Change in non-cash working capital items	**(132,579)**	(597,916)
	1,306,326	197,430
Financing Activities		
Issue of common shares	**37,722**	20,132,590
Share issue expenses	**(5,098)**	(26,542)
	32,624	20,106,048
Investing Activities		
Office equipment	**(233,110)**	(111,643)
Petroleum and natural gas properties	**(16,647,063)**	(3,042,962)
Restricted cash	**(15,632,242)**	-
Other current assets	**-**	266,157
Other non-current assets	**(336,481)**	(55,204)
Change in non-cash working capital items	**6,560,948**	1,597,843
	(26,287,948)	(1,345,809)
Effect of exchange rate changes on cash and short term deposits	**891,783**	(243,617)
Net effect of foreign exchange translation on cash flows	**(3,553,032)**	657,269
Net increase (decrease) in cash and cash equivalents	**(27,610,247)**	19,371,321
Cash and Cash Equivalents - Beginning of Period	**98,794,077**	46,092,364
Cash and Cash Equivalents - End of Period	**71,183,830**	65,463,685
Supplemental Cash Flow Information		
Interest received	**844,660**	490,681
Taxes paid	**164**	146,222

(1) Basis of presentation

These unaudited interim financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles (“Canadian GAAP”). The unaudited interim financial statements were prepared using the same accounting policies and should be read in conjunction with the audited financial statements as at and for the year ended December 31, 2007, except as disclosed in note 2. All amounts are in US dollars, except as otherwise noted.

(2) Changes in accounting policies

Change in reporting currency

Effective March 31, 2008, the Company changed its reporting currency from Canadian dollars (Cdn $) to United States dollars (US $ or $), as the Company anticipates that the majority of its future income stream and debt facilities will be denominated in US $. The Company has made this change in accordance with Canadian GAAP by following the recommendations of Emerging Issues Committee (EIC) of the Canadian Institute of Chartered Accountants (CICA) Abstract EIC-130 “Translation Method when the Reporting Currency Differs from the Measurement Currency or there is a Change in the Reporting Currency”.

Following the recommendations of EIC-130, financial statements for all periods presented have been translated using the current rate method. Under this method, consolidated revenues, expenses, and cash flow statement items have been translated using weighted-average exchange rates for the applicable periods. Consolidated assets and liabilities have been translated using the exchange rates in effect on the balance sheet dates, while shareholders’ equity has been translated using the exchange rates in effect on the date of each transaction. Resulting exchange differences are reported in a separate component of other comprehensive income. All comparative financial information has been translated and restated as if the US $ had been used as the Company’s reporting currency. As a result of the change in reporting currency, the Company has recorded accumulated other comprehensive income on the balance sheet at March 31, 2008 of $18,790,973 (December 31, 2007 – $29,894,135).

The Company’s functional currency which is Canadian dollars remains unchanged.

Other Changes

Effective January 1, 2008, the Company adopted the CICA Section 1535 “Capital Disclosures, Section 3031 “Inventories”, Section 3862 “Financial Instruments Disclosures”, and Section 3863 “Financial Instruments Presentation”. Where applicable, these standards have been adopted prospectively.

CICA Section 1535 “Capital Disclosures” requires companies to disclose their objectives, policies and procedures for managing capital, as well as whether externally imposed capital requirements have been complied with. See note 13 for further information regarding the Company’s management of capital.

CICA Section 3031 “Inventories” provides revised guidance on the measurement and disclosure requirements for inventory, and also clarifies that major spare parts and standby equipment not in use should be included in property, plant and equipment. See note 5 for further information regarding inventories.

CICA Section 3862 "Financial Instruments Disclosures" and Section 3863 "Financial Instruments Presentation" require the Company to provide additional disclosure to enable users to evaluate the significance of financial instruments to the Company's financial position, performance and cash flows and how those risks are managed. See note 14 for further information regarding financial instruments.

(3) Upcoming accounting pronouncements

Effective for fiscal years commencing on or after October 1, 2008, the Company will be required to adopt new CICA Section 3064 "Goodwill and Intangible Assets" clarifying the criteria for the recognition of assets, intangible assets and internally developed intangible assets. The Company is currently evaluating the impact the new section will have, if any, on the Company's financial statements.

In February 2008, the Canadian Accounting Standards Board ("AcSB") confirmed that the mandatory changeover from existing Canadian GAAP to International Financial Reporting Standards ("IFRS") is to take effect for financial years beginning on or after January 1, 2011. As at December 31, 2008, the Company will be required to provide preliminary disclosure of the policy impact adopting IFRS will have on the Company's financial statements.

(4) Restricted cash

Restricted cash at March 31, 2008 relates to US dollar and Pound Sterling denominated standby letters of credit issued with respect to the Company's drilling program in the UK North Sea.

(5) Inventory and prepaid expenses

Included in inventory and prepaid expenses at March 31, 2008 is $177,063 (2007 - $290,091) of crude oil that has been produced but not yet sold. Inventories of crude oil are valued at the lower of average cost and net realizable value.

(6) Petroleum and natural gas properties

			March 31, 2008
	Cost **$**	**Accumulated depletion and depreciation** **$**	**Net book value** **$**
Argentina	45,687,218	15,824,787	29,862,431
United Kingdom	172,306,526	2,929,870	169,376,656
	217,993,744	18,754,657	199,239,087

			December 31, 2007
	Cost **$**	**Accumulated depletion and depreciation** **$**	**Net book value** **$**
Argentina	44,024,774	14,650,827	29,373,947
United Kingdom	163,446,704	2,929,870	160,516,834
	207,471,478	17,580,697	189,890,781

In the period, the Company capitalized $668,896 (2007 - $522,127) of general and administrative costs related to exploration and development activity in Argentina and United Kingdom. At March 31, 2008, petroleum and natural gas properties include $169,376,656 (2007 - $160,516,834) relating to unproven properties that have been excluded from the depletion calculation.

In 2007, the Company wrote-off costs of $667,392 following the relinquishment of its interests in the United Kingdom Southern Gas Basin.

(7) Investments and other non-current assets

In 2006, the Company sold certain non-core assets in Tanzania, the Czech Republic and Australia to NOR Energy AS (NOR), a private Norwegian company, in return for a cash payment and common shares of NOR. At December 31, 2007 and March 31, 2008, the Company held 1,175,000 common shares of NOR representing less than 10% of the common shares of NOR outstanding. The Company also held warrants to acquire 700,000 common shares of NOR at a price of $1.00 per share exercisable until May 26, 2009. Other non-current assets primarily consist of value added tax receivable in Argentina and amounts due from the operator of one of the Company's joint ventures.

	March 31, 2008 $	**December 31, 2007 $**
Investment in NOR	2,406,397	2,507,494
Other non-current assets	2,308,812	2,061,461
	4,715,209	4,568,955

(8) Capital stock

Authorized

Unlimited number of common voting shares
Unlimited number of preferred shares

Common Shares Issued

	Number of Shares	**Amount $**
Balance – December 31, 2007	117,581,389	262,600,117
Employee share ownership plan	18,110	75,443
Share issue costs	-	(5,098)
Total Common Shares – March 31, 2008	117,599,499	262,670,462

Stock Options

Pursuant to the Company's stock option plan, as at March 31, 2008 there were 7,824,731 options outstanding to purchase Common Shares at prices ranging from $0.74 to $6.80 per share.

Stock-Based Compensation Costs

The Company measures all stock-based compensation using the fair value method of accounting and recognizes the result as compensation expense in the financial statements. Stock-based compensation costs are recognized over the vesting period of the stock options granted. Stock-based compensation costs for the three months ended March 31, 2008 and 2007 was $1,157,789 and $719,402, respectively.

The fair value of each stock option granted during the period is estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: Risk free interest rate – 3.23% (2007 – 4.00%); expected life – 4.5 years (2007 – 4.5 years); expected volatility – 67.0% (2007 – 60.0%); expected dividend yield – nil (2007 – nil).

Per Share Information

	March 31, 2008 Number of shares	**March 31, 2007 Number of shares**
Weighted average number of shares outstanding	117,581,389	88,258,483
Exercisable stock options	4,417,748	2,578,180
Exercisable brokers' warrants	-	737,500
Fully diluted average number of shares outstanding	121,999,137	91,574,163

(9) Contributed surplus

	Amount $
Balance – December 31, 2007	6,706,403
Stock-based compensation expense	1,157,789
Balance – March 31, 2008	7,864,191

(10) Segmented information

March 31, 2008	**Revenue**	**Earnings (Loss)**	**Identifiable assets**
	Three Months Ended $	**Three Months Ended $**	**As at $**
Canada	-	(333,390)	76,167,140
Argentina	3,723,949	(87,903)	40,343,135
New Zealand	-	(3,830)	161
United Kingdom	-	(382,597)	188,040,725
Total	3,723,949	(807,720)	304,551,161

March 31, 2007	**Revenue**	**Earnings (Loss)**	**Identifiable assets**
	Three Months Ended $	**Three Months Ended $**	**As at $**
Canada	-	(1,282,560)	56,084,712
Argentina	3,357,685	483,755	25,752,882
New Zealand	-	(3,959)	668
United Kingdom	-	(280,776)	64,722,955
Total	3,357,685	(1,083,540)	146,561,217

(11) Related party transactions

The Company may from time to time enter into arrangements with related parties. In the first quarter of 2008, the Company incurred fees of $18,887 (2007 - $1,464) payable to Burstall Winger LLP, a law firm in which Mr. Jay Zammit, a director of the Company, is a partner.

(12) Commitments and contingencies

The Company has the following commitments in respect of its oil and gas properties:

United Kingdom – Fyne & Dandy

The Company acquired a 75% working interest in Block 21/28a in 2006 for $8 million. Under the fallow program, a decision to drill or drop the block had to be made by November 30, 2007. On October 31, 2007, the Company announced that it had signed a drilling rig contract for a well to be drilled on the Fyne field in the first quarter of 2008. In March 2008, drilling commenced on the Fyne field which the Company expects to satisfy the fallow obligations for the entire block. On approval of a field development plan, the Company has agreed to pay an additional $10 million as part of the acquisition cost of the block.

United Kingdom - South Larne

Under the terms of the Petroleum Exploration Licence, the Company is required to complete geoscience surveys by mid October 2008 at a gross cost of £154,000 (Antrim 33.33% working interest). A decision to drill or drop the licence has to be made by mid October 2008. Under the terms of the Minerals Prospecting Licence, Antrim is required to complete geoscience surveys by December 31, 2008 at a gross cost of £154,000 (Antrim 33.33% working interest). A decision to drill or drop the licence is required by December 31, 2008. One common work program will satisfy the terms of both licences, i.e. geophysical surveys at a gross cost of £154,000 and drilling one well will satisfy the conditions of both licences.

Argentina - Puesto Guardian

The joint venture (Antrim 40% working interest) has committed to incur exploration expenses in 2008 of approximately $2,010,000 equal to 3 times the 2008 land rental (“canon”) otherwise payable ($670,000).

Argentina - Tres Nidos Sur

The Company acquired a 70% working interest in the Tres Nidos Sur Block in October 2007. Under the terms of the licence, the joint venture is required to acquire a minimum of 50 km^2 of 3D seismic in the first year of the licence, and drill an exploration well in the second year.

(13) Capital management

The Company's objective when managing capital is to maintain adequate levels of funding to support its exploration and development program and provide flexibility in the future development of its business. Historically the Company has raised all of its capital requirements from internally generated cash flow and by the issuance of common shares and securities exchangeable for common shares. The Company's capital structure at March 31, 2008 consists entirely of common share capital. The Company has no bank debt at March 31, 2008 but has agreed terms for a $50 million working capital facility to be available for pre-development costs associated with the Causeway property. As exploration opportunities are recognized, the Company may access equity markets to fund seismic and drilling activities. Development opportunities are expected to be financed primarily by debt, provided such financing can be arranged at commercially acceptable terms. Acquisition opportunities could be financed from combinations of then-existing working capital, new equity issues and debt instruments. There is no assurance, however, that adequate funds from debt and equity markets will be available to the Company in a timely manner.

The Company is not subject to any externally imposed capital requirements and there were no changes in the Company's approach to capital management in the quarter ended March 31, 2008.

(14) Financial instruments and financial risks

Financial instruments

Financial assets and financial liabilities are initially recognized at fair value and are subsequently accounted for based on their classification. The classification categories, which depend on the purpose for which the financial instruments were acquired and their characteristics, include held-for-trading, available-for-sale, held-to-maturity, loans and receivables, investments, and other liabilities. Except in very limited circumstances, the classification is not changed subsequent to initial recognition.

The Company's financial instruments consist of cash, restricted cash and short-term deposits, accounts receivable, income tax payable and accounts payable. Cash, restricted cash and short-term deposits are categorized as held-for-trading and are accounted for at fair value with the change in fair value recognized in net income during the period. Accounts receivable are classified as loans and receivables and are accounted for at amortized cost. Accounts payable and income tax payable are classified as other liabilities and are accounted for at amortized cost. Due to the short-term maturity of the Company's financial instruments, fair values approximate carrying amounts.

Financial risks

The Company is exposed to financial risks encountered during the normal course of its business. These financial risks are composed of credit risk, liquidity risk, and market risk including commodity price and foreign currency exchange risks.

(a) Credit risk

The Company is exposed to the risk that its counterparties will fail to discharge their obligations to the Company on its cash, cash equivalents, restricted cash and accounts receivable.

Cash, cash equivalents and restricted cash are on deposit with reputable Canadian and international banks, and therefore the Company does not believe these financial instruments are subject to material credit risk. The majority of oil production is from two properties in Argentina and each property's production is sold to a single purchaser. Factors included in the assessment of account receivable for impairment is the relationship between the purchaser and the Company and the age of the receivable. As at March 31, 2008, the Company has provided for an allowance for doubtful accounts which is not material.

The Company's maximum exposure to credit risk at March 31, 2008 is equal to the carrying amount of cash, cash equivalents, restricted cash and accounts receivable on the Company's balance sheet on that date.

There has been no change in credit risk from the previous period.

(b) Liquidity risk

The Company is exposed to liquidity risk from the possibility that it will encounter difficulty meeting its financial obligations. The Company manages this risk by forecasting cash flows in an effort to identify future liabilities and arrange financing, if necessary. It may take many years and substantial cash expenditures to pursue exploration and development activities on the Company's existing undeveloped properties. Accordingly, Antrim may need to raise additional funds from outside sources in order to explore and develop its properties. There is no assurance that adequate funds from debt and equity markets will be available to the Company in a timely manner.

At March 31, 2008, the Company had working capital of $70,349,563 compared to $88,923,886 at December 31, 2007. The contractual maturities of the Company's financial liabilities at March 31, 2008 are less than one year.

(c) Market Risk

<u>Commodity price risk</u>

Currently all of the Company's oil and gas revenue is from oil and gas properties in Argentina. Oil and gas prices in Argentina are subject to mandated domestic market discounts which result in prices significantly below benchmark prices such as WTI. Oil and gas exports from Argentina are subject to export taxes which effectively limit the maximum price that producers could receive for crude oil exports to $42 per bbl, regardless of the price of WTI. The mandated discount on domestic sales results in a similar ceiling, after quality adjustments, within the domestic market. Further regulatory changes to the domestic market prices or export tax regime may have an adverse impact on the Company's net revenues, cash flow and earnings.

Foreign currency exchange risk

The Company is exposed to fluctuations in foreign currency exchange rates as many of the Company's financial instruments are denominated in US dollars (USD), pounds sterling (GBP), or Argentine pesos (ARS), while the functional currency of the Company is Canadian dollars (CAD). As a result, fluctuations in the US dollar, pounds sterling, and Argentine pesos against the Canadian dollar could result in unanticipated fluctuations in the Company's financial results which are denominated in Canadian dollars. The Company seeks to minimize foreign exchange risk by holding cash and cash equivalents in Canadian dollars when not required in support of current operations.

The Company's exposure to foreign currency exchange risk at March 31, 2008 can be summarized as follows:

	Balance Sheet Total	CAD	GBP	USD	ARS	NZD
		USD Equivalent				
Cash and cash equivalents	71,183,830	65,118,100	3,590,375	1,300,380	1,174,812	162
Restricted cash	21,870,849	-	12,870,849	9,000,000	-	-
Accounts receivable	5,246,841	149,380	754,634	2,174,890	2,167,936	-
Account payable	(28,707,403)	(227,333)	(17,548,120)	(8,991,306)	(1,927,232)	(13,412)
Income taxes payable	-	-	-	-	-	-
Total	69,594,116	65,040,148	(332,262)	3,483,964	1,415,516	(13,250)

The Company performed a sensitivity analysis of the effect on net loss and other comprehensive loss of a reasonably possible change in the strength of the Canadian dollar against these foreign currencies. A 5% strengthening of the Canadian dollar against the foreign currencies would result in an increase to net loss of approximately $230,000 and would result in an increase to other comprehensive loss of approximately $13,200,000 for the three month period ended March 31, 2008. An equal but opposite impact to net loss and other comprehensive loss would result if the Canadian dollar weakened by 5%.

DIRECTORS

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Chairman
Richards Oil and Gas Ltd.

Dr. Gerry Orbell [(1) (2)]
Chairman and CEO,
Sound Oil plc

Jim Perry [(1) (3)]
President, CEO and Director,
Alternative Fuel Systems (2004) Inc.

Jay Zammit [(2)]
Partner,
Burstall Winger LLP

(1) Member of the Audit Committee
(2) Member of the Compensation Committee
(3) Member of Reserves Committee

OFFICERS

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Anthony J. Potter, C.A.
Chief Financial Officer and Corporate Secretary

Kerry Fulton, P. Eng.
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The Company's website is not incorporated by reference in and does not form a part of this Interim Report.

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Calgary, Alberta

BANKERS

Toronto-Dominion Bank of Canada

AUDITORS

PricewaterhouseCoopers LLP
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INDEPENDENT ENGINEERS

McDaniel & Associates Consultants Ltd.

REGISTRAR AND TRANSFER AGENT

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CIBC Mellon Trust Company
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STOCK EXCHANGE LISTING

Toronto Stock Exchange: Trading Symbol "AEN"
London Stock Exchange (AIM): Trading Symbol "AEY"

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