

Message to Shareholders

Highlights for the Quarter:

- Gross revenue of \$3,952,243, a 543% increase over the same period in 1999.
- Net revenue of \$289,344, a 322% increase over the same period in 1999.
- Net cash flow of \$1,085,294, a 546% improvement over the same period in 1999.
- Successful appraisal well drilled in New Zealand.
- Working capital of \$3,000,000.

Operations

Antrim's average oil and gas sales for the period, mostly oil from Argentina, amounted to 357 boepd, a 292% increase over the equivalent period last year. Average production from Argentina was down from the previous quarter by approximately 43 bopd due to remedial work on one well. This remedial work was successful and the well is now back on production.

Activities during the third quarter included the drilling of a successful appraisal well, Rimu B-1, onshore the Taranaki basin in New Zealand on Permit 38719 (Antrim 5% working interest). On initial tests the well flowed oil, gas and water to surface at unstable rates of up to 1,086 barrels per day, 1.4 million cubic feet per day and 576 barrels per day respectively. The second appraisal well, Rimu B-2, is currently drilling ahead at 3,060m at a location between Rimu B-1 and the discovery well Rimu A-1. Rimu A-1 tested at rates up to 1,525 barrels of oil per day and 4.8 million cubic feet per day in late 1999. A fourth well (Kauri) is scheduled to start drilling the southeastern extension of the Rimu structure early in the first quarter 2001. First production from the Rimu Field is expected in the second quarter 2001.

Commenting on these results, Stephen Greer, Chairman and CEO, said "Antrim remains on track with its financial and operating performances to date and is well positioned for substantial growth in the months ahead. We are excited by our initial successful operations in Argentina and encouraged by the recent drilling results in New Zealand."

Subsequent to the end of the third quarter, in Argentina Antrim conducted a successful recompletion operation

on the first well in a multi-well workover program in the Puesto Guardian Field (Antrim 40% working interest).

The recompleted well, which had been shut-in since 1985, flowed oil to surface from two intervals at a combined rate of 800 barrels of oil per day and 800 barrels water per day. The well has maintained its original reservoir pressure and is currently producing at a restricted rate of 150 bopd pending the delivery of high volume pumping equipment. Antrim has identified an additional thirty wells on this property which are suitable for similar workover operations.

Drilling operations in Tunisia on the Chott Fejaj #3 well, originally expected to commence during the fourth quarter, have been deferred to the second quarter 2001 due to rig availability.

Financial

Over the period, gross oil and gas revenue totaled \$3,952,243, an increase of 543% compared to the \$614,879 for the same period in 1999. Net income was \$289,344 or \$0.02 per share, an improvement of 322% over the net loss of \$462,492 or \$0.05 per share recorded for the same period in 1999. Cash flow for the first nine months of 2000 was \$1,085,294 (\$0.08 per common share undiluted), an improvement of 546% recorded for the same period of 1999.

The average selling price for the first nine months of 2000 was \$40.50 per barrel of oil equivalent (boe) compared with \$22.46/boe for the equivalent period in 1999.

The company remains debt-free.

Antrim is committed to a strategy of growth through high impact global exploration supported by cash flow from our expanding production base.



Stephen Greer
Chairman and CEO

Consolidated Balance Sheets

As at September 30, 2000 and December 31, 1999

(Unaudited)

	September 30, 2000	December 31, 1999
Assets		
Current assets		
Cash and short- term deposits \$	2,213,254	\$ 2,380,082
Accounts receivable	1,634,635	1,052,095
Inventories and other	350,128	212,308
	<u>4,198,017</u>	<u>3,644,485</u>
Petroleum and natural gas properties	12,430,529	12,222,034
Office equipment	146,889	149,300
	<u>\$ 16,775,435</u>	<u>\$ 16,015,819</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 1,224,251	\$ 793,818
Site restoration liability	<u>55,698</u>	<u>33,357</u>
Shareholders' Equity		
Capital Stock	18,210,246	18,192,746
Deficit	<u>(2,714,760)</u>	<u>(3,004,102)</u>
	<u>15,495,486</u>	<u>15,188,644</u>
	<u>\$ 16,775,435</u>	<u>\$ 16,015,819</u>

**Consolidated Statements of
Income (Loss) and Deficit**
For the nine month periods ended
September 30, 2000 and 1999
(Unaudited)

**Consolidated Statements of
Changes in Financial Position**
For the nine month periods ended
September 30, 2000 and 1999
(Unaudited)



	2000	1999
Revenue		
Oil and gas	\$ 3,952,243	\$ 614,879
Royalties	(452,479)	(63,596)
	<u>3,499,764</u>	<u>551,283</u>
Interest and other income	41,395	99,324
	<u>3,541,159</u>	<u>650,607</u>
Expenses		
Operating	912,180	203,242
General and administrative	1,264,973	690,760
Depletion, depreciation and amortization	795,950	219,097
	<u>2,973,103</u>	<u>1,113,099</u>
Income (loss) for the period before income taxes	568,056	(462,492)
Income taxes	278,712	-
Income (loss) for the period	289,344	(462,492)
Deficit - Beginning of period	3,004,104	1,805,510
Deficit - End of period	<u>\$ 2,714,760</u>	<u>\$ 2,268,002</u>
Income (loss) per common share	<u>\$ 0.02</u>	<u>\$ (0.05)</u>

	2000	1999
Cash flows from operating activities		
Income (loss) for the period	\$ 289,344	\$ (462,492)
Items not involving cash		
Depreciation, depletion and amortization	795,950	219,097
	<u>1,085,294</u>	<u>(243,395)</u>
Changes in non-cash working capital	(289,927)	(704,142)
	<u>795,367</u>	<u>(947,537)</u>
Cash flows from financing activities		
Issue of common shares	17,500	4,745,576
Cash flows from investing activities		
Cash acquired on acquisition		394,825
Office equipment	(35,433)	(29,362)
Petroleum and natural gas properties	(1,909,262)	(6,686,277)
Proceeds from sale of producing properties	965,000	-
	<u>(979,695)</u>	<u>(6,320,814)</u>
Increase (decrease) in cash and short-term deposits for the period	(166,828)	(2,522,775)
Cash and short-term deposits - Beginning of period	2,380,082	5,103,293
Cash and short term deposits - End of period	<u>\$ 2,213,254</u>	<u>\$ 2,580,518</u>

3

Antrim Energy Inc.
600, 603 – 7th Avenue S.W.
Calgary, Alberta T2P 2T5 Canada
Ph: (403) 264-5111 Fx: (403) 264-5113
e-mail: info@antrimenergy.com
Internet: <http://www.antrimenergy.com>
CDNX: AEN

**Third Quarter Report
for the 9 months ended
September 30, 2000**