A N T R I M   E N E R G Y   I N C .

Playing in the Big Leagues.

Q U A R T E R L Y   R E P O R T

A N T R I M   E N E R G Y   I N C.

I N T E R I M   F I N A N C I A L   R E P O R T   F I R S T   Q U A R T E R   2 0 0 2

T H R E E   M O N T H S   E N D I N G   M A R C H   3 1 ,   2 0 0 2

highlights for the quarter

- **monetized assets in New Zealand**
- **confirmed 80 kilometre long prospect trend on Australian offshore permits**
- **sustained record oil production in Puesto Guardian, Argentina**
- **currency crisis precludes new investment in Argentina**
- **force majeure lifted in Tanzania**
- **working capital at quarter-end of $11.2 million**

overview of activities

Antrim is pleased to report the Company closed the sale of its assets in New Zealand during the first quarter of 2002, including the Company's 5% working interest in the Rimu and Kauri discoveries in the onshore Taranaki Basin. The sale to Swift Energy Company for a share and cash consideration contributed over $7 million additional working capital to Antrim.

During the first quarter, Antrim's production averaged 471 boepd, up 28% over the equivalent period in 2001.

In Argentina, Antrim's oil production averaged 455 bopd, up 35% over the equivalent period in 2001. For the past several months, Argentina has faced a currency crisis and receipts for oil production are now being made in Argentine pesos which are undergoing significant devaluation.

In Australia, our ongoing evaluation of existing seismic and geological data confirms the presence of a significant structural trend on the Company's acreage with several drillable prospects. The Company plans to acquire additional seismic later in 2002.

In Tunisia, Antrim made plans to import a drilling rig to deepen the Chott Fejaj #3 well which was cased and suspended in 1998.

New Zealand

The Company closed the sale of interests to Swift Energy Company in its two onshore Taranaki permits, which included the Rimu and Kauri oil discoveries (PEP 38719, Antrim 5% working interest) and the Huinga prospect (PEP 38716, Antrim 7.5% working interest). Total consideration was comprised of 220,000 common shares of Swift and a cash component of approximately $820,000.

Argentina

Oil production from the Puesto Guardian field (Antrim 40% working interest) continued to increase from 338 bopd during the first quarter 2001 to 455 bopd net to Antrim during the first quarter 2002. Following completion of one development well in November 2001, production rates have been sustained at a gross level of 1,100 – 1,200 bopd; a rate not seen on this property since 1989. An independent engineering report indicates remaining recoverable reserves at January 1, 2002 were 1.6 million barrels (proven plus 50% risked probable) net to Antrim.

In January 2002, the Argentine government mandated that all existing U.S. dollar denominated domestic sales agreements be settled in Argentine pesos. As part of this mandate, affected parties are negotiating an equitable sharing of the impact of devaluation. For Antrim, many of these negotiations are completed and others are nearing completion, taking current conditions into account. The impact of this mandate is reduced due to the majority of our operating costs being valued in Argentine pesos while our oil sales were U.S. dollar denominated. For the drilling of the PG #1001 well in 2001, Antrim and partners had agreed with the vendors in October 2001 to pay for the majority of well costs from excess production revenue. At the end of April 2002, a substantial portion of these costs was settled and we expect excess cash flow from our Argentina operations. This excess cash flow cannot be repatriated at the present time whereas in calendar year 2001, Antrim repatriated approximately US$377,000. A portion of the projected and presently “captive” cash flow is planned for reinvestment within the Puesto Guardian field. Antrim is cooperating with government and industry stakeholders to provide for repatriation in the future. Antrim’s Argentine subsidiary, Netherfield Corporation, has no outstanding indebtedness to Antrim Energy Inc.

Australia

Seismic reprocessing and mapping has confirmed the presence of a number of prospects and leads along an 80 kilometre trend over the area of Antrim’s permits (WA-306-P and WA-307-P: Antrim 37.5% working interest and Operator). Evidence of an active hydrocarbon system includes a down-dip oil source, natural oil slicks and oil shows in breached traps up-dip.

The Galapagos (formerly Causeway) prospect on WA-306-P remains a viable drilling candidate defined by a grid of closely spaced seismic data. Galapagos is a 4,000-acre structural closure at the primary reservoir level (Jurassic sandstone). Additional prospects with similar reservoir objectives have also been defined at Galapagos South and Shark (WA-307-P). Antrim plans to acquire additional seismic data over this large trend later in 2002.

Tunisia

The joint venture plans to import a rig during the second quarter 2002 in order to proceed with deepening operations planned for the Chott Fejaj #3 well (Antrim 34.286% working interest). The Operator (Bligh Tunisia, Inc.) is a member of a consortium of companies that plans to drill in Tunisia in 2002. The Company expects drilling operations to commence at Chott Fejaj #3 during the second half of 2002.

Tanzania

Discussions during the quarter culminated in the lifting of “force majeure” effective April 19, 2002. The Pemba-Zanzibar Petroleum Sharing Agreement (“PSA”) is now in the first year of a four-year term and Antrim has commenced exploration activities. The original PSA was awarded to Antrim on the basis that it would acquire seismic and drill a well during a four-year exploration period at a committed cost of US$7.5 million.

management’s discussion

Financial Position

As at March 31, 2002 the Company had working capital of $11.2 million as compared to $4.2 million at fiscal 2001 year-end. This $7.0 million increase in working capital is primarily attributable to the March 18, 2002 disposition of the Company’s entire interest in its New Zealand assets to Swift Energy Company, a public company listed on the New York Stock Exchange, for total consideration of approximately $7.5 million comprised of 220,000 common shares of Swift and a cash component of approximately $820,000. This transaction resulted in a gain to Antrim of approximately $2.8 million. The profitable exit from New Zealand has considerably strengthened the financial position of the Company and provides increased financial flexibility to fund Antrim’s existing expenditure requirements for the remainder of fiscal 2002.

Results of Operations

Cash flow from operations for the three months ended March 31, 2002 was $177,542 as compared to $281,533 for the comparable period in fiscal 2001. The Company had net income for the period of $2,621,712 compared to $24,158 for the three month period ended March 31, 2001. Net income in the first quarter of 2002 included a gain on disposition of petroleum and natural gas properties in the amount of $2,769,484. Cash flow was negatively impacted by foreign exchange losses in the amount of $175,681, which mainly resulted from currency devaluation issues in Argentina. On a consolidated basis, Antrim is subject to current income taxes in Argentina due to the inability to offset income from Argentina with costs incurred in other jurisdictions. Although 2001 Q4 expenditures in Argentina, resulting from the drilling and completion of the #PG1001 well, provided some relief to this taxable situation (2002 Q1 – $59,500 versus 2001 Q1 – $179,495) it is anticipated that a reduced 2002 expenditure program in Argentina may result in current income tax increases in the remainder of fiscal 2002.

The Company produced an average of 471 boepd for the three month period ended March 31, 2002 resulting in revenue of $1.1 million, compared to 368 boepd and $1.3 million in 2001 Q1. Oil production in Argentina in the first quarter of 2002 amounted to 455 bopd and resulted in revenue of $1,011,857 ($24.68 per barrel) versus the 2001 first quarter amount of 338 bopd and $1,211,402 ($39.78 per barrel). Natural gas production from a gas well in the Czech Republic in the first three months of 2002 was 93 mcfd and resulted in revenue of $49,051 ($5.84 per mcf) versus the 2001 first quarter amount of $85,117 ($5.28 per mcf). It is anticipated that production for the remainder of 2002 will remain stable in Argentina and increase slightly in the Czech Republic.

"Signed"

Stephen Greer
Chairman and CEO

May 22, 2002

consolidated balance sheets

As at March 31, 2002 and December 31, 2001
(Unaudited)

	March 31, 2002 $	December 31, 2001 $
ASSETS		
Current assets		
Cash and short-term deposits	**4,081,088**	4,876,086
Marketable securities	**6,614,568**	–
Accounts receivable	**1,086,471**	1,471,769
Inventories and other	**190,114**	235,349
	11,972,241	6,583,204
Petroleum and natural gas properties	**9,474,711**	13,807,184
Office equipment	**108,906**	116,063
	21,555,858	20,506,451
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	**789,944**	2,401,949
Future income taxes	**1,371,669**	1,371,669
Site restoration provision	**122,608**	101,608
	2,284,221	3,875,226
SHAREHOLDERS' EQUITY		
Capital stock	**25,504,765**	25,486,065
Deficit	**(6,233,128)**	(8,854,840)
	19,271,637	16,631,225
	21,555,858	20,506,451

See accompanying notes to the financial statements.

consolidated statements of income and deficit

For the three months ended March 31, 2002 and 2001
(Unaudited)

	2002 $	2001 $
Revenue		
Oil and gas	**1,060,908**	1,296,519
Royalties	**(111,158)**	(179,470)
	949,750	1,117,049
Interest and other income	**26,472**	29,044
	976,222	1,146,093
Expenses		
Operating	**224,268**	385,994
General and administrative	**339,231**	398,000
Depletion and depreciation	**325,314**	272,502
Foreign exchange losses (gains)	**175,681**	(98,929)
	1,064,494	957,567
Income (loss) before below noted disposition and income taxes	**(88,272)**	188,526
Gain on disposition of petroleum and natural gas properties	**2,769,484**	–
Income for the period before income taxes	**2,681,212**	188,526
Income taxes		
Current	**59,500**	179,495
Future (recovery)	**–**	(15,127)
	59,500	164,368
Net income	**2,621,712**	24,158
Deficit – Beginning of period	**(8,854,840)**	(5,616,310)
Deficit – End of period	**(6,233,128)**	(5,592,152)
Net income per common share	**0.13**	0.00

See accompanying notes to the financial statements.

consolidated statements of cash flows

For the three months ended March 31, 2002 and 2001
(Unaudited)

	2002 **$**	2001 $
Cash provided by (used) in:		
Operating activities		
Income for the period	**2,621,712**	24,158
Items not involving cash		
Depletion and depreciation	**325,314**	272,502
Future income taxes	**–**	(15,127)
Gain on disposition of petroleum and natural gas properties	**(2,769,484)**	–
	177,542	281,533
Change in non-cash working capital items	**(1,172,122)**	248,684
	(994,580)	530,217
Financing activities		
Issue of common shares	**9,350**	–
Investing activities		
Office equipment	**(2,157)**	(18,757)
Petroleum and natural gas properties	**(630,455)**	(1,348,362)
Proceeds from sale of properties	**822,844**	–
	190,232	(1,367,119)
Increase (decrease) in cash and short-term deposits	**(794,998)**	(836,902)
Cash and short-term deposits – Beginning of period	**4,876,086**	4,169,007
Cash and short-term deposits – End of period	**4,081,088**	3,332,105

See accompanying notes to the financial statements.

notes to interim consolidated financial statements

March 31, 2002
(Unaudited)

1 Basis of presentation

These unaudited interim financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles and are consistent with those used in the audited financial statements as at and for the year ended December 31, 2001. The unaudited interim financial statements should be read in conjunction with the audited financial statements as at and for the year ended December 31, 2001.

2 Petroleum and natural gas properties

	March 31, 2002	December 31, 2001
	$	$
Australia	**367,182**	339,965
Tanzania	**948,890**	948,674
New Zealand	**–**	4,667,928
Argentina	**9,489,264**	8,995,217
Tunisia	**1,584,494**	1,550,846
United Kingdom	**1,782,409**	1,770,547
Czech Republic	**1,905,121**	1,841,656
	16,077,360	20,114,833
Accumulated depletion and depreciation	**(6,602,649)**	(6,307,649)
	9,474,711	13,807,184

3 Capital stock

Authorized

Unlimited number of common shares and preferred shares

Common shares issued

	Number of shares	Amount $
Balance – December 31, 2001	19,965,283	25,486,065
Issued pursuant to employee share ownership plan	26,085	18,700
Balance – March 31, 2002	**19,991,368**	**25,504,765**

Options

Pursuant to the Company's stock option plan as at March 31, 2002 there were 1,281,000 options outstanding to purchase common shares at prices ranging from $0.72 to $1.30 per share.

Warrants

Pursuant to the Company's August 16, 2001 special warrants issue as at March 31, 2002 there were 2,357,500 common share purchase warrants ("Warrants") and 471,500 compensation warrants outstanding. Each Warrant expires on August 16, 2002 and entitles the holder thereof to acquire one common share at a price of $1.50 per share. Each compensation warrant entitles the holder thereof to acquire for no additional consideration, one compensation option. Each compensation option expires on August 16, 2002 and is exercisable upon payment of $1.25 which will entitle the holder thereof to acquire one common share and one-half of one Warrant.

4 Segmented information

	Argentina $	Czech Republic $	Other $	Total $
Revenue				
Three months ended March 31, 2002	1,011,857	49,051	–	1,060,908
Three months ended March 31, 2001	1,211,402	85,117	–	1,296,519
Identifiable Assets				
As at March 31, 2002	4,900,494	2,062,558	14,592,806	21,555,858
As at December 31, 2001	5,253,249	1,969,753	13,283,449	20,506,451

5 Gain on disposition of petroleum and natural gas properties

On March 18, 2002 the Company disposed of the entire interest in its New Zealand assets to Swift Energy Company ("Swift"), a public company listed on the New York Stock Exchange, for total consideration of approximately $7.5 million comprised of 220,000 common shares of Swift and a cash component of approximately $820,000. This resulted in a gain to the Company of approximately $2.8 million.

Corporate Information

DIRECTORS

John Brussa [1]
Partner, Burnet, Duckworth & Palmer

Stephen Greer [2]
Chairman and Chief Executive Officer,
Antrim Energy Inc.

V. Neill Martin [2,3]
Principal, D&S International Consultants Ltd.

Murray Nunns [1,2,3]
Executive Vice President and Chief Operating Officer, Rio Alto Exploration Ltd.

Dick Walls [1,3]
President, Fairborne Energy Inc.

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

OFFICERS

Stephen Greer, M.Sc. (Geology)
Chief Executive Officer

Keith Skipper, M.Sc. (Geology)
Executive Vice President

Randal J. Matkaluk, C.A.
Chief Financial Officer

Dwayne Warkentin
Vice President, Operations

CORPORATE HEADQUARTERS

ANTRIM ENERGY INC.
600, 603 – 7th Avenue S.W.
Calgary, Alberta T2P 2T5
Canada
Tel: 1 403 264 5111
Fax: 1 403 264 5113
Information: info@antrimenergy.com
Website: www.antrimenergy.com

INTERNATIONAL SUBSIDIARIES

Antrim Energy Ltd.
Antrim Resources (N.I.) Limited
Antrim Oil and Gas Limited
Antrim Resources (Tanzania) Limited
Beheer-en Beleggingsmaatschappij Beklazo B.V.
Unimaster s.r.o
Netherfield Corporation
Netherfield Resources Limited
Antrim Energy Australia Pty Limited

ARGENTINA OFFICE

Av. Rivadavia 1523, Piso 10 "E"
1033 Buenos Aires, Argentina
Tel: 54 11 4384 6162
Fax: 54 11 4384 6119

LEGAL COUNSEL

Burnet, Duckworth & Palmer
Calgary, Alberta

BANKERS

Toronto-Dominion Bank of Canada

AUDITORS

PricewaterhouseCoopers LLP
Calgary, Alberta

INDEPENDENT ENGINEERS

McDaniel & Associates Consultants Ltd.

REGISTRAR AND TRANSFER AGENT

Inquiries regarding change of address, registered shareholdings, stock transfers or lost certificates should be directed to:
CIBC Mellon Trust Company
Calgary, Alberta

STOCK EXCHANGE LISTING

The Toronto Stock Exchange
Trading Symbol: "AEN"