

May 27, 2008

Auditors' Report

To the Shareholders of Antares Minerals Inc.

We have audited the consolidated balance sheets of **Antares Minerals Inc.** (an exploration stage company) as at January 31, 2008 and 2007 and the consolidated statements of operations and deficit and cash flows for the years then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the company as at January 31, 2008 and 2007 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

PricewaterhouseCoopers LLP

Chartered Accountants, Licensed Public Accountants

Toronto, Ontario

Antares Minerals Inc.
Consolidated Financial Statements
For the year ended January 31, 2008
(In Canadian Dollars)

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Antares Minerals Inc.
(An Exploration Stage Company)
Consolidated Balance Sheets

for the year ended January 31

2008

2007

Assets

Current

Cash and cash equivalents	\$ 27,568,716	\$ 4,475,244
Prepays and receivables (Note 5)	<u>1,948,048</u>	<u>66,839</u>
	29,516,764	4,542,083

Input taxes recoverable	2,170,339	973,170
Property, plant and equipment (Note 4)	393,930	334,643
Resource properties (Note 3)	<u>19,257,714</u>	<u>10,643,352</u>
	21,821,983	11,951,165
	<u>\$ 51,338,747</u>	<u>\$ 16,493,248</u>

Liabilities and Shareholders' Equity

Current Liabilities

Accounts payable	\$ 1,047,982	\$ 298,637
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Shareholder's Equity

Share capital (Note 6)	52,537,294	19,068,710
Warrants (Note 6)	6,142,868	3,765,280
Contributed surplus (Note 7)	3,407,283	1,225,260
Deficit	<u>(11,796,680)</u>	<u>(7,864,639)</u>
	50,290,765	16,194,611

Total Liabilities and Shareholders' Equity	<u>\$ 51,338,747</u>	<u>\$ 16,493,248</u>
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On behalf of the board

John Black

Director

Mark Wayne

Director

The accompanying notes are an integral part of these financial statements.

Antares Minerals Inc.
(An Exploration Stage Company)
Consolidated Statement of Operations and Comprehensive Loss

For the year ended January 31	2008	2007
Other Income		
Interest income	\$ 293,641	\$ 52,859
Expenses		
Bank charges	59,170	44,851
Communication	57,745	69,578
Amortization of property, plant and equipment	51,121	30,776
Foreign exchange gain	(80,501)	(109,960)
Office and administration	431,318	313,404
Professional fees	170,816	201,050
Rent	50,106	24,423
Salaries and benefits	1,102,060	743,132
Stock based compensation	2,004,254	286,241
Transfer agent and filing fees	106,734	66,579
Travel	218,499	198,936
Write-down of resource properties	54,360	669,737
	<u>4,225,682</u>	<u>2,538,747</u>
Loss and comprehensive loss for the year	(3,932,041)	(2,485,888)
Deficit, beginning of year	(7,864,639)	(5,378,751)
Deficit, end of year	\$ (11,796,680)	\$ (7,864,639)
Loss per common share	\$ (0.094)	\$ (0.084)
Diluted loss per common share	\$ (0.094)	\$ (0.084)
Weighted average shares outstanding	41,944,377	29,658,300

The accompanying notes are an integral part of these financial statements.

Antares Minerals Inc.
(An Exploration Stage Company)
Consolidated Statements of Cash Flows

For the year ended January 31	2008	2007
Cash flows from operating activities		
OPERATING ACTIVITIES		
Loss for the year	(\$3,932,041)	(\$2,485,888)
Non-cash items included in operating activities		
Depreciation of property, plant and equipment	51,121	30,776
Stock based compensation	1,818,873	286,241
Write-down of resource properties	54,360	669,737
Changes in non-cash working capital balances		
Prepays and receivables	(1,881,209)	52,892
Input taxes recoverable	(1,197,169)	(798,762)
Accounts and input taxes payable	749,345	(30,425)
	(4,336,720)	(2,275,429)
INVESTING ACTIVITIES		
Additions to property, plant and equipment	(110,408)	(314,286)
Additions to resource properties	(8,023,119)	(6,304,340)
	(8,133,527)	(6,618,626)
FINANCING ACTIVITIES		
Issuance of Share Capital	35,432,946	12,383,377
Share issue costs	(1,174,709)	-
Exercise of warrants	1,473,517	-
Exercise of stock options	115,323	-
Repurchase of stock options	(283,358)	-
	35,563,719	12,383,377
Increase in cash and cash equivalents during the year	23,093,472	3,489,322
Cash and cash equivalents, beginning of year	4,475,244	985,922
Cash and cash equivalents, end of year	\$27,568,716	\$4,475,244

The accompanying notes are an integral part of these financial statements.

1. Nature of Operations

The Company, formerly known as Planet Ventures Inc., was formed in 1983. The common shares of the Company are listed for trading on the TSX Venture Exchange under the trading symbol "ANM".

The Company is involved in mineral exploration and development with a focus on precious and base metal properties in Latin America.

The Company is an exploration company. Until it is determined that properties contain mineral reserves or resources that can be economically mined, they are classified as exploration properties. The recoverability of deferred expenditures is dependent upon: the discovery of economically recoverable reserves and resources; securing and maintaining title and beneficial interest in the properties; the ability to obtain necessary financing to complete exploration, development and construction of processing facilities; obtaining certain government approvals; and attaining profitable production.

2. Summary of Significant Accounting Policies

Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Mineras Antares Argentina S.A. which is incorporated under the laws of Argentina, and Mineras Antares Peru S.A. which is incorporated under the laws of Peru. All material inter-company transactions and balances have been eliminated.

Resource Properties

The Company's accounting policy is to capitalize all property-related costs associated with exploration costs, lease costs, and related administrative expenses. These resource property assets, once capitalized, are held on the balance sheet until one of two events occurs:

- If lease acreage is abandoned from the exploration portfolio, or if management otherwise determines that the net carrying amount on a specific lease will not be recovered, the associated asset values and tax liability (if relevant) are immediately written off to income.
- If a property is put into production at some future date, both the capitalized asset value and the future tax liability will be amortized against earnings over the estimated productive life of the property.

Cash and cash equivalents

Cash and cash equivalents are defined as highly liquid investments with original maturities of three months or less. Cash equivalents are stated at the lower of cost and market value.

Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated amortization. Amortization, based on the estimated useful life of the asset, is calculated as follows:

Automobiles	- 30% diminishing balance basis
Buildings	- 5% diminishing balance basis
Field equipment	- 30% diminishing balance basis
Furniture and fixtures	- 20% diminishing balance basis
Computer equipment	- 30% diminishing balance basis

Foreign Currency

The Company's operations outside Canada are not self-sustaining and are therefore considered to be integrated with the operations of the parent company, Antares Minerals Inc. Monetary assets and liabilities are translated into Canadian dollars at the year-end exchange rate. Non-monetary items and revenues and expenses are translated at the dates of the transactions, except amortization which is translated at the same rate as the related assets. Realized and unrealized foreign exchange gains and losses are included in operations.

Income Taxes

The Company follows the liability method of tax allocation in accounting for income taxes. Under this method, future tax assets and liabilities are determined based on differences between the financial reporting and tax bases of assets and liabilities, and measured using the substantively enacted tax rates and laws expected to be in effect when the differences are realized. Future tax assets are recognized in the financial statements to the extent that their recovery is considered more likely than not.

Financial Instruments

The Company's financial instruments consist of certain assets and liabilities with short-term maturities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

Stock Options

The Company uses the fair value based method to account for stock-based compensation transactions with directors and eligible employees. The value of options granted is recognized over the applicable vesting period as compensation expense and an increase in contributed surplus. When the options are exercised, the proceeds received by the Company, together with the related amount in contributed surplus, will be credited to share capital.

Loss per share

Loss per share is calculated using the weighted average number of common shares outstanding throughout the year.

Use of estimates

The preparation of consolidated financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities shown on the balance sheet and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Adoption of new accounting pronouncements

On February 1, 2007, the Company adopted the following Canadian Institute of Chartered Accountants ("CICA") Handbook Sections:

- Section 3862, *Financial Instruments – Disclosures*, and Section 3863, *Financial Instruments – Presentation*. These new disclosure standards increase the Company's disclosure regarding the nature and risk associated with financial instruments and how those risks are managed (see note 9). The new presentation standard carries forward the former presentation requirements.

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- Section 1535, *Capital Disclosures*. This new standard requires the Company to disclose its objectives, policies and processes for managing its capital structure (see note 7).
- Section 1400, *General Standards on Financial Statement Presentation*. This standard requires management to assess at each balance sheet date and, if necessary, disclose any uncertainty surrounding the ability of the Company to continue as a going concern. The adoption of this standard had no impact on the Company's disclosures in these financial statements.

Effective February 1, 2008

The CICA has issued a new standard which may affect the financial disclosures and results of operations of the Company for interim and annual periods beginning February 1, 2008. The Company will adopt the requirements commencing in the period ended April 30, 2008 and is considering the impact this will have on the Company's financial statements.

- Section 3064, Goodwill and intangible assets, establishes revised standards for recognition, measurement, presentation and disclosure of goodwill and intangible assets. Concurrent with the introduction of this standard, the CICA withdrew EIC27, which addressed recognition of revenues and capitalization of expenses, during the pre-operating period (defined as the period between initial production and achievement of commercial production). At such time as the Company was to advance a project to this stage of development, the Company would no longer be able to defer project costs or revenues on that project.

3. Resource Properties

	Cumulative to January 31, 2007	Additions February 1, 2007 to January 31, 2008	Write-downs February 1, 2007 to January 31, 2008	Cumulative to January 31, 2008
Rio Grande	\$3,065,021	\$3,774,905	-	\$6,839,926
Haquira	7,549,653	4,868,135	-	12,417,788
Other	28,678	25,682	(54,360)	-
	\$10,643,352	\$8,668,722	(\$54,360)	\$19,257,714

	Cumulative to January 31, 2006	Additions February 1, 2006 to January 31, 2007	Write-downs February 1, 2006 to January 31, 2007	Cumulative to January 31, 2007
Rio Grande	\$1,424,760	\$1,640,261	-	\$3,065,021
Haquira	3,137,628	4,412,025	-	7,549,653
Catua	174,162	440,385	(614,547)	-
Other	42,685	41,183	(55,190)	28,678
	\$4,779,235	\$6,533,854	(\$669,737)	\$10,643,352

The Company has investigated title to all of its mineral properties and, to the best of its knowledge, they are in good standing.

The Company has entered into an option-joint venture agreement with Mansfield Minerals Inc., as amended, whereby the Company can earn a 50% interest in the Rio Grande copper-gold prospect in Argentina by completing certain work expenditures and making certain payments to Mansfield Minerals Inc. The Company has fulfilled all earn-in requirements and is in the process

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of finalizing a joint venture agreement with Mansfield Minerals Inc.

On March 4, 2005, the Company executed an option agreement with Minera Phelps Dodge del Peru S.A.C. ("Phelps Dodge"), whereby the Company can acquire a 100% interest in the Haquira copper project in south-central Peru by completing cash option payments totaling US\$15 million over a five-year period. The Company has paid US\$4,000,000 to date. The next option payment is US\$2,500,000 and is due on March 4, 2008.

The Company issued 1.5 million warrants to Phelps Dodge as part of this transaction. Each warrant was exercisable for one common share of the Company. The warrants were valued at \$1,003,093 using the Black-Scholes option pricing model (see Note 6 (b)). This amount is included within the deferred exploration cost for the Haquira project. All of these warrants expired without being exercised.

During the year ended January 31, 2008, the Company decided to terminate its option to acquire an interest in a minor exploration property. A write down of \$54,360 (2007- \$669,737) in capital costs associated with this property was recorded for the period in accordance with the Company's accounting policies.

4. Property, Plant and Equipment

	January 31, 2008			January 31, 2007		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Furniture and fixtures	\$ 93,318	\$ 23,455	\$ 69,863	\$ 49,904	\$ 11,416	\$ 38,488
Computers	64,040	29,665	34,375	40,432	19,992	20,440
Software	18,348	6,461	11,887	6,642	3,876	2,766
Field Equipment	66,751	29,762	36,989	62,123	14,901	47,222
Buildings	258,567	17,751	240,816	231,515	5,788	225,727
	\$ 501,024	\$ 107,094	\$ 393,930	\$ 390,616	\$ 55,973	\$ 334,643

5. Joint Funding Arrangement

Included in receivables is \$1,743,941 due from Mansfield Minerals Inc., which represents 50% of the costs incurred by the Company on the Rio Grande property subsequent to the Company fulfilling its earn-in requirements (Note 3).

6. Share Capital

a) Authorized and Issued Share Capital

The Company has authorized an unlimited number of First Preferred shares and Second Preferred shares. Each of these classes is issuable in series, non-voting, participating and cumulative. The Company has authorized an unlimited number of common shares.

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Issued common share capital is as follows:

	Year ending January 31, 2008		Year ending January 31, 2007	
	Number of Shares	Amount	Number of Shares	Amount
Opening balance	37,154,351	\$19,068,710	21,413,751	\$9,180,103
Shares issued - private placements	9,521,800	32,165,732	14,500,000	9,284,451
- share issue costs	-	(1,190,870)	-	(600,564)
- exercise of options	153,750	197,090	-	-
- Rio Grande agreement	300,000	510,000	300,000	240,000
- exercise of warrants	1,670,383	1,786,632	940,600	964,720
Closing Balance	48,800,284	\$52,537,294	37,154,351	\$19,068,710

The Company's Objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a conservative capital structure. The Company's capital structure is composed of shareholders' equity, and is not subject to any capital requirements imposed by a regulator.

The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue or re-acquire shares, issue new shares, acquire or dispose of assets, adjust its exploration and development programs, and operating expenditure plans.

In order to facilitate the management of its capital requirements, the Company prepares cash forecasts that are updated as necessary depending in various factors including general industry conditions. These cash forecasts are approved by the board of directors.

b) Warrants and Agent Options

	Year ending January 31, 2008		Year ending January 31, 2007	
	Number of Warrants to acquire shares	Amount	Number of Warrants to acquire shares	Amount
Opening balance	9,456,812	\$3,765,280	3,902,412	\$1,493,246
Warrants issued during year	5,029,907	3,232,157	7,250,000	2,943,213
Exercised during year	(1,670,383)	(313,112)	(940,600)	(208,429)
Warrants expired during year	(750,000)	(541,457)	(755,000)	(462,750)
Closing balance	12,066,336	\$6,142,868	9,456,812	3,765,280

As at January 31, 2008 there were 12,066,336 share purchase warrants outstanding which could result in the issuance of an additional 12,066,336 common shares.

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Warrants issued

Year ending January 31, 2008		Year ending January 31, 2007	
Price	Number	Price	Number
\$ 0.90	138,571	\$ 0.90	4,250,000
\$ 2.25	1,500,000	\$ 1.14	3,000,000
\$ 4.60	130,436		
\$ 6.00	3,260,900		
Total	<u>5,029,907</u>	Total	<u>7,250,000</u>

Warrants exercised

Year ending January 31, 2008		Year ending January 31, 2007	
Price	Number	Price	Number
\$ 0.70	239,139	\$ 0.80	902,500
\$ 0.90	1,356,244	\$ 0.90	38,100
\$ 1.14	75,000		
Total	<u>1,670,383</u>	Total	<u>940,600</u>

The Company issued 1.5 million warrants to Phelps Dodge pursuant to the Haqira property option acquisition agreement dated March 4, 2005. Each warrant was exercisable for one common share of the Company with half of these warrants (750,000) exercisable at \$1.25 for a period of one year and the other half exercisable at \$1.50 for a period of two years. The fair value of these warrants (\$1,003,093) was calculated using the Black-Scholes option pricing model. The pricing model assumed a common stock volatility of 86%, a dividend yield of nil, a risk-free interest rate of 4.5% and the expiry date of the warrants for the term. All of the warrants have expired.

The Company issued 907,500 warrants as part of a private placement completed on August 5, 2005. Each warrant entitled the holder to purchase one common share at \$0.80 for a period of one year from closing, which was subsequently extended to October 31, 2006. The fair value of these warrants (\$137,967) was calculated using the Black-Scholes option pricing model. The pricing model assumed a common stock volatility of 82%, a dividend yield of nil, a risk-free interest rate of 3.47% and the expiry dates of the warrants for the term. 902,500 of these warrants were exercised during the year ended January 31, 2007 and the remaining 5,000 expired.

The Company issued 1,255,773 warrants as part of a private placement completed on December 22, 2005. Each warrant entitled the holder to purchase one common share at \$0.90 for a period of eighteen months from closing. The fair value of these warrants (\$246,217) was calculated using the Black-Scholes option pricing model. The pricing model assumed a common stock volatility of 82%, a dividend yield of nil, a risk-free interest rate of 3.76%, and the expiry dates of the warrants for the term. 38,100 of these warrants were exercised during the year ended January 31, 2007, and the balance was exercised prior to their expiry date of June 22, 2007.

The Company issued 239,139 Agent Options as a finder's fee to certain investment dealers as part of the December 22, 2005 private placement. Each Agent Option entitled the holder to purchase one "Unit" at \$0.70 per Unit for a period of eighteen months from closing. Each Unit consisted of one common share and one-half of a warrant. Each whole warrant entitled the holder to purchase one common share at \$0.90 for a period of eighteen months. The fair value of the Agent Options (\$105,969) was calculated using the Black-Scholes option pricing model. The pricing model assumed a common stock volatility of 82%, a dividend yield of nil, a risk-free interest rate of 3.76% and the expiry dates of the warrants for the term. All of these options were

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exercised during the first two quarters resulting in the issuance of 239,139 shares and 119,570 warrants which were also exercised.

The Company issued 1,750,000 warrants as part of a private placement completed on March 2, 2006. Each warrant entitles the holder to purchase one common share at \$0.90 for a period of 24 months from closing. The fair value of these warrants (\$652,462) was calculated using the Black-Scholes option pricing model. The pricing model assumed a common stock volatility of 82%, a dividend yield of nil, a risk-free interest rate of 4.5% and the expiry date of the warrants for the term.

The Company issued 2,500,000 warrants as part of a private placement completed on June 30, 2006. Each warrant entitles the holder to purchase one common share at \$0.90 for a period of 24 months from closing. The fair value of these warrants (\$990,644) was calculated using the Black-Scholes option pricing model. The pricing model assumed a common stock volatility of 96%, a dividend yield of nil, a risk-free interest rate of 4.45% and the expiry date of the warrants for the term.

The Company issued 3,000,000 warrants as part of a private placement completed on October 31, 2006. Each warrant entitles the holder to purchase one common share at \$1.14 for a period of 24 months from closing. The fair value of these warrants (\$1,300,107) was calculated using the Black-Scholes option pricing model. The pricing model assumed a common stock volatility of 87%, a dividend yield of nil, a risk-free interest rate of 3.97% and the expiry date of the warrants for the term. 75,000 of these warrants were exercised in the year leaving an outstanding balance of 2,925,000.

The Company issued 1,500,000 warrants as part of a financing with Mansfield Minerals Inc. completed on May 22, 2007. Each warrant entitles the holder to purchase one common share at \$2.25 for a period of 12 months from closing. The fair value of these warrants (\$484,211) was calculated using the Black-Scholes option pricing model. The pricing model assumed a common stock volatility of 73%, a dividend yield of nil, a risk-free interest rate of 4.17% and the expiry date of the warrants for the term.

The Company issued 3,260,900 warrants as part of a private placement completed on November 23, 2007. Each warrant entitles the holder to purchase one common share at \$6.00 for a period of 18 months from closing. The fair value of these warrants (\$2,616,496) was calculated using the Black-Scholes option pricing model. The pricing model assumed a common stock volatility of 73%, a dividend yield of nil, a risk-free interest rate of 4.22% and the expiry date of the warrants for the term.

The Company issued 130,436 broker warrants as a finder's fee to certain investment dealers as part of the November 23, 2007 private placement. Each broker warrant entitled the holder to purchase one common share at \$4.60 per share for a period of eighteen months from closing. The fair value of the broker warrants (\$131,451) was calculated using the Black-Scholes option pricing model. The pricing model assumed a common stock volatility of 73%, a dividend yield of nil, a risk-free interest rate of 4.22% and the expiry dates of the warrants for the term.

c) Stock Options

The Company has a stock option plan ("the Plan") for directors, officers, employees and consultants of the Company and its subsidiaries. The number of common shares subject to the options granted under the Plan is limited to 10% of the issued and outstanding common shares of the Company and no one person may receive in excess of 5% of the outstanding common shares of the Company. At January 31, 2008, the Company had options outstanding to sell a total of 3,661,154 common shares at prices ranging from \$0.50 to \$2.62 per share. All options have a

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term of five years from the date of grant, subject to early expiry under certain circumstances, and subject to specified vesting periods of up to two years after grant.
The fair value of stock options was estimated at the date of the grant using the Black-Scholes option-pricing model with the following assumptions:

	Year ending January 31, 2008	Year ending January 1, 2007
Risk-free interest rate	4.11% - 4.64%	3.91% - 4.11%
Expected life on grant	5 years	5 years
Expected volatility	86% - 87%	84% - 86%
Dividend yield	0%	0%

The Company will recognize a further expense of \$1,082,388 in future periods relating to the fair value of stock options granted before January 31, 2008.

The following table summarizes movements in stock options outstanding for the twelve months ended January 31, 2008 and January 31, 2007:

	Year ending January 31, 2008		Year ending January 31, 2007	
	Stock options outstanding	Weighted average exercise price	Stock options outstanding	Weighted average exercise price
Opening balance	2,030,000	\$0.66	1,505,000	\$0.58
Granted	2,487,500	1.60	600,000	0.89
Exercised	(153,750)	0.75	-	-
Repurchased	(103,846)	1.32	(55,000)	0.71
Expired/Terminated	(598,750)	1.00	(20,000)	0.77
Closing balance	3,661,154	\$1.22	2,030,000	\$0.66

The following table summarizes information about stock options outstanding at January 31, 2008

Exercise prices	Number Outstanding	Number Exercisable	Weighted average remaining contractual life
\$0.50	1,000,000	1,000,000	1.25 years
0.70	200,000	200,000	2.50 years
0.75	138,620	83,620	3.55 years
0.76	46,616	46,616	2.87 years
0.80	5,519	5,519	2.05 years
0.95	375,000	187,500	3.60 years
1.05	25,000	12,500	3.78 years
1.65	1,450,399	323,524	4.31 years
1.75	220,000	55,000	4.43 years
2.62	200,000	50,000	4.47 years
	<u>3,661,154</u>	<u>1,964,279</u>	

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During the quarter ended January 31, 2008 the Company did not grant any stock options. During the year ended January 31, 2008 the Company granted 2,487,500 options at a weighted average grant-date fair value price of \$1.60 per share.

The Company's stock option plan has a provision that allows an optionee to request that the Corporation purchase each of the optionee's vested options for a price equal to the excess of the volume weighted average trading price of the Company's shares for the five trading days immediately preceding receipt of the written notice of exercise over the exercise price of each option being purchased. The acceptance of such a request may be declined by the Board of Directors or any committee of the Board of Directors to whom the operation of the Share Option plan has been delegated. The Company repurchased a total of 103,846 options in the year for cash consideration of \$283,358.

7. Contributed Surplus

The following table summarizes amounts recorded as contributed surplus.

	January 31 2008	January 31 2007
Opening Balance	\$ 1,225,260	\$ 486,769
Warrants expired	357,521	462,750
Options exercised	(179,752)	(10,500)
Options expensed	2,004,254	286,241
	<u>\$ 3,407,283</u>	<u>\$ 1,225,260</u>

8. Income Taxes

As at January 31, 2008, the Company has available non-capital loss carry-forwards in Canada that will expire in the following years:

2009	\$ 98,277
2010	78,549
2011	47,462
2012	43,246
2015	432,536
2016	504,581
2017	1,187,219
2018	1,044,253
	<u>\$ 3,436,123</u>

9. Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, amounts receivable, and accounts payable. The fair value of these instruments approximates their carrying amount due to their short term to maturity.

The Company's cash equivalents consist of Canadian dollar and US dollar denominated guaranteed investment certificates. These instruments are classified as held-to-maturity and

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carried at cost plus accrued interest. They bear interest at annual interest rates ranging from 2.0% to 4.5% and have maturity dates from one week to one year.

It is management's opinion that the Company is not exposed to significant interest, currency or credit risk arising from its financial instruments except for US foreign currency risk with respect to cash and cash equivalents held in US dollars. As at January 31, 2008, the Company held approximately \$US13,015,700 in cash and equivalents. The Company has not entered into any foreign exchange contracts or other strategies to mitigate this risk.

10. Operating Lease Commitments

Future expected minimum lease payments under operating leases for office space and equipment in the next five years are as follows:

Year ending January 31	Value
2009	\$48,300
2010	\$36,300
2011	\$24,200

11. Segmented Disclosure

The Company's head office is located in Waterdown, Ontario, Canada. The Company's exploration activities and resource properties are located in Argentina and Peru. The geographical origin of revenues, expenses, assets and liabilities is as shown.

	January 31, 2008				January 31, 2007			
	Canada	Argentina	Peru	Total	Canada	Argentina	Peru	Total
Interest Revenue	290,310	3,331	-	293,641	52,859	-	-	52,859
Stock based compensation	2,004,254	-	-	2,004,254	286,241	-	-	286,241
Amortization of capital assets	5,953	8,161	37,007	51,121	7,044	3,913	19,819	30,776
Write-down of resource properties	29,488	24,872	-	54,360	255,739	413,998	-	669,737
All other expenses	1,285,490	266,049	564,408	2,115,947	964,173	213,210	374,610	1,551,993
Total expense	3,325,185	299,082	601,415	4,225,682	1,513,197	631,121	394,429	2,538,747
Reported loss	3,034,875	295,751	601,415	3,932,041	1,460,338	631,121	394,429	2,485,888

	January 31, 2008				January 31, 2007			
	Working capital	26,094,266	2,212,215	162,301	28,468,782	3,990,073	173,681	79,692
Taxes recoverable	-	1,268,780	901,559	2,170,339	13,208	420,588	539,374	973,170
Property, plant and equipment	16,191	40,701	337,038	393,930	18,308	23,640	292,695	334,643
Resource assets	-	6,839,926	12,417,788	19,257,714	-	3,093,699	7,549,653	10,643,352
Net assets	26,110,457	10,361,622	13,818,686	50,290,765	4,021,589	3,711,608	8,461,414	16,194,611

12. Subsequent Events

In March 2008 a payment of \$US 2,500,000 was made to Phelps Dodge pursuant to the option agreement on the Haqira property as described in note 3.

In March of 2008 certain warrants as described in note 6 became due. A total of \$1,575,000 was received resulting in an additional 1,750,000 common shares being issued.

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In April 2008 the Company entered into an option agreement with Minera del Suroeste S.A.C. (MISOSA), a wholly owned subsidiary of Southwestern Resources Corp. whereby Antares Peru can acquire up to a 60% interest in MISOSA's Cristo de los Andes project located immediately to the south of Antares' Haquira copper project in south-central Peru by meeting certain spending requirements over a five year period.

In May 2008 certain warrants as described in note 6 became due. A total of \$3,375,000 was received resulting in an additional 1,500,000 common shares being issued.