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Management's Discussion and Analysis Year Ended January 31, 2007

This report provides an analysis of the financial and operating results of Antares Minerals Inc. ("Antares" or the "Company") for the three and twelve month periods ended January 31, 2007 and should be read in conjunction with our audited financial statements and notes thereto for the years ended January 31, 2007 and January 31, 2006 (the "Annual Statements").

This MD&A has been prepared in conformity with National Instrument 51-102 F1 and has been approved by the Board of Directors. Information herein is current as of May 17, 2007 unless otherwise noted.

Overview

Antares is a minerals exploration company focused on gold and copper exploration properties in Latin America that can be quickly and cost-effectively advanced to the drilling and discovery stage.

The Company's principal properties are the Haquira copper project in Peru that it has optioned from Minera Phelps Dodge del Peru S.A.C. ("Phelps Dodge") and the Rio Grande copper-gold prospect in Argentina under option from Mansfield Minerals Inc. Results from our exploration programs in the year ended January 31, 2007, updated to May 17, 2007, are summarized in this report.

The Common Shares of the Company are listed for trading on the TSX Venture Exchange under the symbol "ANM".

Principal Properties

Haquira

Description

The Haquira project is located contiguous to, and immediately south of, the Las Bambas Cu-Au district in southern Peru where Xstrata Copper has recently announced a Mineral Resource base of 508 million tonnes with 1.14% Cu, 0.022% Mo, and 0.11 g/t Au. Antares has an option agreement with Minera Phelps Dodge del Peru S.A.C. ("Phelps Dodge") to acquire a 100% interest in the Haquira project by completing option

payments totaling US\$15 million over a five-year period (see Antares press release issued March 17, 2005). A total of US\$4 million has been paid by the Company to date, including a payment of US\$2 million paid in March 2007. The next option payment is US\$2.5 million due on March 4, 2008.

The Haqira project has demonstrated potential for a low-strip, low cost SX-EW operation. Based upon 118 drill holes previously completed by Phelps Dodge and Antares through the end of 2005, the Haqira project hosts a 43-101 inferred mineral resource, at a 0.3% total copper cut-off grade, of **156.3 million tonnes grading 0.49% copper amenable to SX-EW processing** (leachable secondary copper sulphides and oxides only; see Antares press release issued February 14, 2006 and independent NI 43-101 report prepared by Chlumsky, Armbrust and Meyer, L.L.C. ("CAM") and filed on SEDAR on April 18, 2006). A total of 97 additional drill holes have been completed subsequent to the preparation of the NI 43-101 resource estimate and are not included in that calculation. An updated NI 43-101 resource estimate is expected to be completed in the second quarter of 2007.

Exploration Update for the Period February 1, 2006 to May 17, 2007

On February 14, 2006, the Company announced the results from an updated independent NI 43-101 compliant mineral resource estimate for the Haqira project (the "2006 CAM Report") prepared by CAM which incorporated 33 new drill holes (5,533 m) completed by Antares in November-December of 2005.

The 2006 CAM Report estimates an inferred mineral resource, at a 0.3% total copper cut-off grade, of **156.3 million tonnes grading 0.49% copper amenable to SX-EW processing** (leachable copper oxides and secondary sulphides). This represents a 30% increase in tonnage, with no significant change in copper grade, from the initial estimate released in 2005 (see Table 1 below for detailed results). The updated inferred mineral resource for leachable copper mineralization at a 0.2% total copper cut-off is 240.3 million tonnes grading 0.40% copper and at a 0.5% total copper cut-off is 54.2 million tonnes grading 0.68% copper. The majority of the higher grade mineralization occurs within the previously reported near-surface, higher-grade zone of leachable copper mineralization at the northern portion of the Haqira West zone (see Antares news release dated January 19, 2006). All resources at Haqira are currently classified as inferred mineral resources due to the relatively wide average spacing of 200 m between drill holes.

Mineralization Type	Tonnes (millions)		Grade (% total Cu)		Contained Cu ³ (billion lbs)	
	Feb 06	Jul 05	Feb 06	Jul 05	Feb 06	Jul 05
Oxide/Secondary Sulphide (amenable to SX-EW processing)	156.3	120.5	.488	.491	1.68	1.30
Primary Sulphide	96.5	89.2	.450	.426	0.96	0.84
Total - All Mineralization	252.8	209.7	.473	.464	2.64	2.14

The 2006 CAM Report was filed on SEDAR by Antares on April 18, 2006. Mineral resources do not have demonstrated economic viability and future in-fill drilling and

scoping, pre-feasibility and feasibility studies will determine what percentage of the inferred resource can be placed into the mineable category. Antares is not aware of any environmental, permitting, legal, title, taxation, socio-political, marketing or other issues which may materially affect this estimate of mineral resources.

Antares has drilled an additional 97 holes on the Haquira project subsequent to completion of the 2006 CAM Report. An updated NI 43-101 resource estimate is expected to be completed in the second quarter of 2007.

In March 2006, the Company released results for drill hole AHAD-031, which indicated a significant extension of high-grade leachable copper mineralization to the west of the Haquira West Zone. See press release issued on March 22, 2006.

In July 2006, Antares commenced an initial scoping phase exploration program at the Haquira project consisting of approximately 50 drill holes for approximately 7000 m. The scoping phase exploration program was designed to obtain scoping data to allow for accurate planning for the ensuing pre-feasibility stage program. There were three components to the scoping-stage drilling program:

1. Six drill fences of 50-m spaced infill drill holes to test for continuity of mineralization and allow for determination of optimal infill drill spacing (Lines TIF-1 through TIF-6);
2. 10-12 sets of diamond core/reverse circulation twin drill holes to test the reliability of sampling by reverse circulation (which may be underestimating copper grades), and
3. Drilling at 200 m spacing to define outer limits of known zones of mineralization, particularly the western boundary of the Haquira West zone.

In September 2006, the Company announced results from the first ten holes of the scoping phase drill program that confirmed the continuity of high copper grades over wide intercepts in the high-grade core of the Haquira West zone of the Haquira copper project. In addition, diamond-hole twinning of reverse-circulation holes provided evidence to suggest that at least some reverse-circulation drill holes appear to have underestimated copper grade in zones containing sooty secondary chalcocite mineralization in the high-grade core. See press release issued on September 25, 2006.

In November 2006, the Company announced additional results from the scoping phase drill program that had been completed (total of 49 holes for 6,892 m). The eleven additional holes reported on at that time demonstrated that continuous higher grade copper mineralization extends approximately 300 m to the west-southwest of AHAC-062 (the outermost hole in the current resource model). See press issued on November 14, 2006.

In December 2006, the Company announced results from five additional holes from the scoping phase drill program. All five holes were drilled in the Haquira East zone and encountered significant grades and thicknesses of secondary copper mineralization with good lateral continuity. The holes all bottomed at shallow depths in primary copper sulphide mineralization including AHAD-044 which was terminated at 162.75 m total depth with the final 69.5 m of the hole in primary sulphide mineralization averaging 0.56% Cu and 0.035% Mo (0.77% Cu equivalent). See press release issued on December 5, 2007.

Given the encouraging results encountered from the scoping phase drill program, the Company initiated another drill program at Haquira designed to complete approximately 40-45 additional in-fill holes (6000-7000 m) within the higher grade portions of the Haquira West and Haquira East zones prior to the end of 2006. Results from the in-fill drilling, in conjunction with the recently completed scoping-phase drill program, will allow the Company to produce an updated resource estimate in 2007 that will better characterize the grade and full size of the leachable copper deposit at Haquira. This updated resource estimate is expected to be completed in the second quarter of 2007.

In February 2007, the Company announced highly favourable metallurgical recovery and acid consumption results from a preliminary bottle roll test program completed by METCON Research on mineralized material from the Haquira copper project. The results confirm that secondary copper mineralization at Haquira is well-suited to an SX-EW heap leach operation, primarily due to the abundance of quartzite and other less reactive wall rocks which lead to a very low acid consumption rate. See press release issued on February 16, 2007.

Also in February 2007, the Company announced that in-fill drilling to define near-surface leachable copper at the Haquira East zone had led to the discovery of underlying high-grade primary copper-molybdenum mineralization. This discovery was in addition to confirmation of grades and thicknesses expected in the near-surface leachable portion of the deposit. Highlights of results from the ten diamond drill holes completed in late 2006 at the Haquira East Zone include:

Primary sulphide mineralization:

- **AHAD-097:** 52.10 m with 1.10% Cu, 0.101% Mo, and 0.12 g/t Au (1.78% Cu equivalent); final 3.1 m of hole is post-mineral pebble breccia with low grades
- **AHAD-082:** 42.80 m with 0.97% Cu and 0.077% Mo (1.43% Cu equivalent); hole terminated at 249.8 m in 1.18% Cu and 0.22% Mo

Near-surface leachable secondary mineralization:

- **AHAD-075:** 66.7 m with 0.76% Cu (69% soluble)
- **AHAD-089:** 47.3 m with 0.48% Cu (74% soluble)
- **AHAD-091:** 53.6 m with 0.59% Cu (77% soluble)
- **AHAD-094:** 39.3 m with 0.57% Cu (63% soluble)

AHAD-097, the last drill hole of the 2006 campaign, confirmed that we have identified the bornite-rich core of the porphyry system containing very high primary copper and molybdenum grades as well as elevated gold contents. The molybdenum contents are considered noteworthy given the current elevated price for this metal. The system currently has minimum dimensions of 750 by 450 m in plan view and remains open to the south and at depth. See press release issued on February 26, 2007.

In May 2007, the Company announced results from fifty-six additional drill holes (7,868 m) at Haquira. The drill holes reported were primarily infill holes from the leachable portions of the Haquira West Zone and represent the remainder of the holes to be reported from the scoping and initial infill drilling campaigns completed in late 2006. The results continue to demonstrate good continuity within the higher grade portions of the

deposit. Positive outcomes from the complete 2006 drilling program (97 holes, 14,214 m) include:

1. Confirmation of near surface, high-grade zones along the northern portion of the Haquira West Zone with positive implications for a starter pit to enhance project financial returns;
2. Demonstrated continuity of grade and thickness between previous widely spaced drill holes;
3. Identification of a probable underestimation of copper grades by early reverse-circulation drill holes in areas of high-grade secondary chalcocite mineralization, and
4. Discovery of high-grade primary Cu-Mo mineralization beneath the secondary copper blanket at the Haquira East Zone (see press release of February 26, 2007).

Highlights from drill results reported in May 2007 include the following significant intercepts:

- **AHAD-042: 48.25 m with 0.57% Cu (93% soluble²)**
- **AHAD-043: 37.55 m with 1.16% Cu (87% soluble)**
- **AHAD-056: 44.75 m with 0.48% Cu (89% soluble)**
- **AHAD-060: 19.00 m with 2.06% Cu (87% soluble)
and 25.50 m with 0.54% Cu (89% soluble)**
- **AHAD-061: 54.10 m with 0.51% Cu (68% soluble)**
- **AHAD-063: 57.75 m with 0.40% Cu (77% soluble)**
- **AHAD-064: 35.55 m with 0.67% Cu (69% soluble)**
- **AHAD-066: 70.40 m with 0.44% Cu (88% soluble)**
- **AHAD-073: 43.10 m with 0.54% Cu (92% soluble)**
- **AHAD-079: 31.35 m with 1.36% Cu (90% soluble)**
- **AHAD-083: 25.80 m with 1.02% Cu (84% soluble)**
- **AHAD-084: 26.15 m with 0.88% Cu (82% soluble)**
- **AHAD-090: 23.25 m with 1.90% Cu (93% soluble)**
- **AHAC-095: 76.00 m with 0.90% Cu (91% soluble)**
- **AHAC-099: 62.00 m with 0.42% Cu (83% soluble)**
- **AHAD-088: 37.55 m with 1.78% Cu (Primary – open to depth)**

See press release issued on May 10, 2007

Future Plans

An updated NI 43-101 resource estimate is expected to be completed in the second quarter of 2007 that will better characterize the grade and full size of the leachable copper deposit at Haquira. A Preliminary Economic Analysis report is also expected to be completed in the second quarter of 2007. These two reports will provide the basis to formulate a detailed plan and budget to complete a pre-feasibility study for the leachable portions of the Haquira copper deposit. Several of the components of a pre-feasibility study that will require a longer lead time to complete have already been initiated, including additional metallurgical studies and environmental baseline studies.

A drill program utilizing two diamond core rigs to test the recently discovered high-grade primary copper-molybdenum mineralization beneath the secondary copper blanket at Haquira East is expected to commence in late May, 2007.

Rio Grande

Description

Rio Grande is a large porphyry copper-gold prospect with associated IOCG (Iron Oxide Copper Gold) style alteration located in Salta Province, northwestern Argentina. Copper-gold mineralization at Rio Grande occurs within the eroded central core of a mid-Miocene intrusive center and is best expressed by a large area (2 km by 2 km) of well-defined, coincident copper-in-soil, gold-in-soil, and Induced Polarization (IP) chargeability anomalies. Trenching and drilling programs by Teck Corporation (2000-2001) and Antares (2004-2007) have partially delineated the Discovery and Sofia copper-gold zones along the southeast margins of the system and also encountered indications of deeper copper-gold mineralization beneath the central portion of the system.

The Rio Grande project is very favourably located along the prominent northwest-trending Archibarca Lineament which also controls the location of the world-class giant Escondida porphyry copper deposit 150 km to the northwest in Chile. The Rio Grande project shares many geologic similarities with the Bajo de Alumbrera porphyry copper-gold deposit which is located along a similar northwest-trending regional structural lineament approximately 300 km to the south.

The Rio Grande property is wholly owned by Mansfield Minerals Inc. ("Mansfield" - MDR.V). Under the terms of an option-joint venture agreement dated June 30, 2004, the Company is entitled to earn an initial 50% interest in the property by completing work expenditures totaling US\$3,000,000, making option payments totaling US\$600,000 and issuing 900,000 shares, all over a four-year period. Pursuant to a vesting agreement dated April 16, 2007 made between the Company and Mansfield, the Company undertook to vest its 50% interest in the Rio Grande property by completing US\$3,375,000 in exploration expenditures and issuing a further 300,000 shares of Antares to Mansfield on or before September 30, 2007. Once these vesting obligations are completed, the Company and Mansfield will each own a 50% interest in the Rio Grande property and Antares will act as the operator of the ensuing joint venture. Antares has spent approximately US\$2,700,000 on Rio Grande to date.

Exploration Update for the Period February 1, 2006 to May 17, 2007

In September 2006, the Company announced the results of a 10 hole (3382 m) drill program at Rio Grande. Six of the holes were designed to test the continuity and extent of the mineralization partially defined in the Discovery and Sofia Zones in previous drill programs. All of these holes intercepted significant intervals of copper-gold mineralization and two holes drilled to test the deeper extensions of the Sofia Zone discovered increased copper and gold grades that remain open to depth. Four holes were drilled in the central portion of the prospect area to test for deeper porphyry-style mineralization in the core of the system and encountered deep supergene oxidation and strong hydrothermal alteration with narrow intervals of copper-gold mineralization.

The best results were encountered in two of the holes drilled into the Sofia Zone, as summarized below.

RGA-06-24 128 m with 0.71 g/t Au and 0.47% Cu (62 - 190 m depth)
 RGA-06-26 158 m with 0.51 g/t Au and 0.46% Cu (167-325 m depth)
 including 58 m with 0.67 g/t Au and 0.54% Cu (167-225 m depth)
 and 74 m with 0.52 g/t Au and 0.51% Cu (251-325 m depth)

See press release issued on September 5, 2006.

In January, 2007 the Company announced that assay results had been received for the first 5 trenches of a 25 trench (5200 m) program at Rio Grande. The reported results were from the previously poorly exposed North Zone target area; highlights include: Trench T-42 - 48 m with 0.47 g/t Au and 0.29% Cu and Trench T-44A - 54 m with 0.48 g/t Au and 0.37% Cu (0.2% Cu cut-off). These results clearly delineate the surface expression (0.1% Cu cut-off) of the North Target as a 60-200 m wide zone that extends for more than 800 m to the west of the Sofia Zone where prior drilling had encountered encouraging results beneath similar surface manifestations, as noted above. The North Zone remains open to the southwest and possibly to the north beneath colluvial cover. See press release issued on January 31, 2007.

Future Plans

In April 2007, the Company announced that it intended to initiate a 15,000 m drill program at Rio Grande. The purpose of the program will be to follow-up on encouraging results from previous drilling campaigns in the Sofia and Discovery Zones, to drill test the remaining two-thirds of the system that has not been adequately explored to date, and to provide an initial drill test of the satellite Northeast Target which bears geological and geochemical similarities to the nearby Lindero gold deposit of Mansfield. Drilling is expected to start later in May, 2007.

Other Properties

Catua: The Company completed an eight-hole (1,378 m) reconnaissance drilling program at the Catua project in August of 2006. No significant mineralization was encountered and the Company has decided to terminate its option to acquire this property.

Fruso: The Company has signed a letter of understanding with Salta Exploraciones S.A. and Argentine Frontier Resources Inc. that will grant Antares an option to acquire an initial 60% interest in the 5,684 ha Fruso Cu-Au porphyry prospect in Salta Province, northwestern Argentina by completing a series of cash payments totaling US\$850,000 and completing US\$3,000,000 in work expenditures on the property on or before June 30th, 2010. Antares may also, at its sole discretion, acquire an additional 20% interest (to 80% total) in the Fruso project by fully funding the completion of a bankable feasibility study within 5 years of vesting into the initial 60% interest.

The Fruso Cu-Au porphyry prospect is an early stage exploration prospect located approximately 80 km north of the Rio Grande Cu-Au project. Limited previous work at

the project, including a 4-hole drill program by Rio Tinto in the mid 1990's, has indicated the presence of outcropping porphyry Cu-Au style alteration and mineralization with potential for extensions beneath thin post-mineral cover. Antares has made an initial payment of US\$25,000 to enter into the agreement and is in the process of acquiring and evaluating all previous work completed on the project as well as conducting initial reconnaissance exploration of the project. The results of this work will determine if the next option payment of US\$50,000 will be made when due on June 30, 2007.

Qualified Person

John Black, President and Chief Executive Officer is the qualified person under National Instrument 43-101 who supervises all work programs and reviews all public disclosure documents associated with the Company's exploration programs.

Results of Operations

Selected Financial Information, For Years Ending January 31 (\$CDN)

	2007	2006	2005
Revenue	52,859	12,543	32,232
Resource Properties Expenditures	10,643,352	4,779,235	825,277
Loss	2,485,888	1,337,392	797,352
Loss per share	0.08	0.08	0.07
Total Assets	16,493,248	6,110,429	3,280,062
Working Capital	4,243,446	776,591	1,964,394
Shares Outstanding	37,154,351	21,413,751	14,549,205
Long term Debt	Nil	Nil	Nil
Dividends	Nil	Nil	Nil

Revenues and Expenses- Full Year Results

Revenues earned by the Company have been insignificant to date as the Company is still in the exploration stage and does not have any producing properties. Revenues were derived solely from interest income earned on cash balances and for the year ended January 31, 2007 were \$52,859 as compared to \$12,543 in the prior year. The increase was due to higher cash balances held in the current year. Expenses were higher in the current year at \$2,538,747 as compared to \$1,349,935 in the prior year. Principal changes were as follows:

- Salaries and benefits increased by \$374,900 primarily due to an increase in personnel and higher salary levels
- Travel increased by \$113,581 due to increased activities
- Office and administration increased by \$172,079 primarily due to an increase in personnel and activities
- Professional fees increased by \$102,639 primarily due to increased project activity and regulatory requirements

- Transfer agent and filing fees increased by \$45,292 primarily due to the financings completed in the current year
- Writedown of resource properties increased by \$389,544 due primarily to the decision to drop the option to earn an interest in the Catua project

These increases were partially offset by a gain on foreign exchange of \$109,960 in the current period versus a loss of \$14,585 in the prior year, resulting from an increase in the value of the Canadian dollar versus the \$US in the current year.

For the year ended January 31, 2007 the losses were \$2,485,888 (\$0.08 per share) as compared to \$1,337,392 (\$0.08 per share) in the corresponding year ended January 31, 2007. The losses reflect the fact that the Company is incurring significant expenditures but not earning any revenues from operations, other than minor amounts of interest income. This is a common result for mineral exploration companies and we expect this trend to continue until we are able to generate meaningful operating revenues.

Revenues and Expenses- Fourth Quarter Results

Revenues were derived solely from interest income earned on cash balances and for the quarter ended January 31, 2007 amounted to \$43,214 as compared to \$3,264 in the prior year period. The increase was due to higher cash balances held in the current quarter. Expenses were also higher in the current quarter at \$1,319,702 as compared to \$666,068 in the corresponding quarter of the prior year. The increases were generally similar in nature to those outlined for the full year above. The net result of the foregoing is that the Company recorded a loss of \$1,276,488 for the current quarter, (\$0.03 per share) as compared to a loss of \$662,804 (\$0.04 per share) in the corresponding quarter of the prior year.

Quarterly Disclosure – Eight Most Recently Completed Quarters

The following table sets forth certain unaudited financial information prepared by management of the Company.

	Three Months Ended			
	<u>Jan. 31/07</u>	<u>Oct. 31/06</u>	<u>July 31/06</u>	<u>Apr. 30/06</u>
Revenues	\$43,214	\$6,804	(\$1,269)	\$4,110
Net Income (loss)	(1,276,488)	(467,856)	(419,607)	(321,937)
per share – basic	(0.03)	(0.02)	(0.02)	(0.01)
	<u>Jan. 31/06</u>	<u>Oct. 31/05</u>	<u>July 31/05</u>	<u>Apr. 30/05</u>
Revenues	\$3,264	\$1,644	\$1,533	\$6,102
Net Income (loss)	(662,804)	(235,157)	(153,221)	(286,210)
per share – basic	(0.04)	(0.01)	(0.01)	(0.02)

Resources Expenditures

The Company is engaged in the acquisition, exploration and development of resource properties. Resource properties are recorded at cost. All acquisition, exploration and related overhead expenditures are recorded as an asset on the balance sheet under the heading "Resource properties". These expenditures will be depleted over the estimated life of the properties if and when they reach production or will be written down by management when it is determined that the net carrying amount will not be recovered.

All of the Company's properties are in the exploration stage and there can be no assurance that any of them will reach the stage of production.

The company's net additions to resource properties in the current year were \$5,864,117 (\$3,953,958 in the prior year). \$4,412,025 was incurred on the Haquira property, \$1,640,260 was expended on the Rio Grande property and \$440,385 was expended on the Catua property in the current year, primarily for drilling in each case. See "Principal Properties" for a summary of the exploration program results in the current year for Haquira and Rio Grande.

During the current year management decided to terminate its option to acquire an interest in the Catua property pursuant to an agreement with Mansfield Minerals Inc. Accordingly, the Company recorded a write down of \$614,547 in the carrying value of its resource properties for the current year, which represents all the costs that had been incurred by the Company on the Catua property. The remainder of the write down for the year (\$55,190) related to two other minor properties that were also dropped.

Financial Condition, Liquidity and Capitalization

Working Capital

The Company had working capital of \$4,243,446 at January 31, 2007 (\$776,591 at January 31, 2006) consisting primarily of cash. The increase is attributable to the equity financings completed in 2006 as discussed below.

The Company had no long-term liabilities at January 31, 2007.

Financings

On March 3, 2006 the Company and Farallon Capital Management, L.L.C. ("Farallon") announced that funds and an affiliated entity managed by Farallon had subscribed for 3,500,000 units of Antares by way of private placement at \$.70 per unit for an aggregate consideration to Antares of \$2,450,000. Each unit consisted of one common share and one-half of a common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at \$0.90 for a period of 24 months from closing. Farallon also exercised an option to complete a second private placement consisting of 5,000,000 additional units on the same terms for consideration to Antares of an additional \$3,500,000 in June, 2006. On October 31, 2006 the Company completed a non-brokered private placement for 6,000,000 units of Antares at \$0.94 per unit for gross proceeds of \$5,640,000. Each unit consisted of one common share and one-half of a

common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at \$1.14 for a period of 24 months from closing.

In April 2007 Antares announced that Mansfield Minerals Inc. ("Mansfield") had agreed to subscribe for three million treasury units of Antares at \$1.75 per unit (\$5,250,000), each unit consisting of one common share and one-half of a common share purchase warrant, with each full warrant exercisable at \$2.25 for one year. At the same time, Mansfield will issue to Antares, three million warrants exercisable at \$4.00 for one year (the "Initial Mansfield Warrants") and a further 1.5 million warrants exercisable at \$4.75 per share for a period of two years, subject to the Initial Mansfield Warrants being exercised. In consideration of Mansfield subscribing to the private placement and granting the warrants to Antares, Antares has agreed to spend an additional US\$375,000 to earn a 50% interest in Rio Grande and to forfeit its right to acquire a further 10% interest in the property by spending an additional US\$1,500,000 on the property and Mansfield has released Antares from its obligation to make further cash payments of US\$375,000 and issue an additional 300,000 common shares to Mansfield. See "Rio Grande- Description" above.

Capitalization

The Company had 37,154,351 common shares outstanding at January 31, 2007, an increase of 15,795,600 from January 31, 2006, which represents the 14,500,000 common shares issued under the private placements completed in 2006 as described above, the exercise of 940,600 warrants in 2006, and the issuance of 300,000 common shares to Mansfield pursuant to the Rio Grande option agreement.

As at January 31, 2007 the Company's fully diluted share capital was 48,941,163 shares. Included in this amount are 9,456,812 warrants and agent options outstanding at January 31, 2007, as follows:

Number	Exercise Price	Expiry Date	Date of Grant
1,217,673 (1)	\$.90	June 22, 2007	December 22, 2005
239,139 (2)	\$.70	June 22, 2007	December 22, 2005
750,000 (3)	\$1.50	March 4, 2007	March 4, 2005
1,750,000 (4)	\$.90	March 22, 2008	March 22, 2006
2,500,000 (5)	\$.90	June 30,2008	June 30,2006
3,000,000 (6)	\$1.14	October 31, 2008	October 31, 2006

- (1) Unexercised warrants issued as part of the December 2005 financing.
- (2) Unexercised Agent options issued as part of the finders' fee for the December 2005 financing. If these options are exercised, 115,569 new warrants will also be issued. Such warrants will have the same terms as the warrants referenced in note 1.
- (3) Unexercised warrants issued to Phelps Dodge as part of the Haquira option agreement. These warrants expired unexercised subsequent to year-end.
- (4) Unexercised warrants issued to Farallon as part the March 2006 private placement.
- (5) Unexercised warrants issued to Farallon as part the June 2006 placement.
- (6) Unexercised warrants issued as part of the October 2006 placement.

Another part of the potential dilution comes from the remaining 300,000 shares that the Company is required to issue to Mansfield if the Company to complete its earn-in option on the Rio Grande property (see "Principal Properties" above). These shares will be issued on or before June 30, 2007.

The remaining potential dilution comes from 2,030,000 options held by directors, officers and consultants at January 31, 2007, each of which entitles the holder to purchase one common share at prices ranging from \$.50 to \$1.05 per share for a period of five years from the date of grant, subject to specified vesting periods.

Management Changes

In February 2007, Antares announced the appointment of Mark Sander as Executive Chairman. In May 2007 the Company announced that Mr. Sander had resigned his position.

Change in Accounting Policies

On February 1, 2007, the Company adopted the Canadian Institute of Chartered Accountants ("CICA") Handbook Sections 1530 "Comprehensive Income", 3251 "Equity" and 3855 "Financial instruments". The Company adopted these standards prospectively; accordingly comparative amounts for prior periods have not been restated. Recognition of these new guidelines had no effective impact on the Company's financials, based on the fact that the Company had no Comprehensive Income, Equity restatements or Financial Instruments that required restatement to fair value as opposed to market valuation. There were no other changes to accounting policies since the Company's 2006 year end.

Subsequent Events

This report is current as of May 17, 2007 and includes material events that occurred after January 31, 2007 as noted herein.

Critical Accounting Estimates

Critical accounting estimates used in the preparation of the Financial Statements include the Company's estimate of the recoverable value of its resource properties as well as the value of stock-based compensation. Both of these estimates could be significantly affected by factors that are out of the Company's control.

Resource properties are recorded at cost. All acquisition, exploration and related overhead expenditures are recorded as an asset on the balance sheet under the heading "Resource properties". These expenditures will be depleted over the estimated life of the properties if and when they reach production or will be written down by management when it is determined that the net carrying amount will not be recovered.

Financial Instruments

The Company has not entered into any specialized financial agreements to minimize its investment, currency or commodity risks. There are no off-balance sheet arrangements. The principal financial instruments used by the Company are short-term deposits or debt obligations which are acquired to enhance the returns on the Company's cash position. The Company considers these instruments to be very low risk in nature. The fair value of these instruments approximates their carrying costs, unless otherwise noted on the financial statements.

Risks and Uncertainties

Mineral exploration involves a high degree of risk. Few properties that are explored are ultimately developed into production. None of the Company's properties has a known body of commercial ore. Other risks facing the Company include: political stability in the countries where the Company's properties are located; changes in legislation in those countries that could affect exploration and mining rights as well as taxation and royalties; fluctuations in mineral prices; ability to attract and retain qualified personnel; availability of additional capital; costs and availability of materials and services relevant to the mining industry; title risks; and integrity of exploration results.

Disclosure Controls and Procedures

Management is responsible for the information disclosed in this MD&A and has in place the appropriate information systems, procedures and controls to ensure that information used internally by management and disclosed externally is, in all material respects, complete and reliable.

As of the financial year ended January 31, 2007, an evaluation was carried out under the supervision of, and with the participation of, the Company's management, including the Chief Executive Officer and Chief Financial Officer, on both the design and effectiveness of the Company's disclosure controls and procedures.

Based on that evaluation, the Chief Executive Officer and Chief Financial Officer conclude that current disclosure controls and procedures were effective as of January 31, 2007 to provide accurate and complete disclosure in public filings.

The Board of Directors assesses the integrity of the public financial disclosures through the oversight of the Audit Committee.

Internal Controls Over Financial Reporting Review – (ICFR)

During the year ended January 31, 2007, the Company completed a detailed evaluation of the design effectiveness regarding controls over financial reporting, based on the framework established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The evaluation was conducted under the supervision of the Chief Executive Officer and the Chief Financial Officer, and identified a lack of segregation of duties and in-house expertise to deal with complex taxation, accounting and reporting duties, due to a limited number of employees dealing with financial matters. However, management has concluded that, considering the relatively small size of the company, employees involved, and the control procedures in place, including management and audit committee oversight:

- the risks associated with such lack of segregation are not significant enough to justify further measures, and
- internal control over financial reporting has been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with issuer's GAAP.

Based on that evaluation, the Chief Executive Officer and Chief Financial Officer conclude that ICFR design was effective as of January 31, 2007.

Forward Looking Statements

The above contains forward looking statements that are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in our forward looking statements. Shareholders and prospective investors should not place undue reliance on forward-looking information and should bear in mind the risks and uncertainties outlined above under “Risks and Uncertainties”.

Additional Information

Additional information relating to Antares can be found in the Financial Statements, filed on SEDAR at www.sedar.com.