

**AMANTA RESOURCES LTD.**

**Form 51-102F1**

**Management Discussion and Analysis**

**For the Quarter Ending**

**May 31, 2006**

The following management discussion and analysis (dated July 30, 2006) of the financial position of Amanta Resources Ltd. (“Amanta” or the “Company”) and results of operations of the Company should be read in conjunction with the unaudited and audited financial statements including the notes thereto for the year ended February 28, 2006 and the Company’s unaudited interim financial statements including the notes thereto for the three month period ended March 31, 2006.

## Overall Performance

Langu Gold Project:

The Company recently completed the second phase of a three phase exploration programme. Phase two includes a detailed, closely spaced (50 x 20-metre) mapping and sampling program, trenching and IP surveys. Results received to date appear to confirm the findings of Phase one, that an anomalous gold trend extends for over 6000 metres along a north-south strike within the Company’s 25 km Special Prospecting License areas. Phase three will comprise an extensive drill program, expected to commence in early Fall 2006.

Doi Ngom Tungsten Project:

The Company has completed its initial exploration and evaluation program at the Doi Ngom property. The program included systematic mapping and sampling, which identified a large tungsten anomaly, covering an area of 500x800 meter, with the main concentration of high grade mineralized material occurring over the north-south trending silicified ridge which forms the backbone of the Doi Ngom breccia pipe. This ridge, with a length of some 1200 meters, will be the main target of a limited initial drilling program.

## Results of Operations

During the period ended May 31, 2006, \$186,250 was raised from the exercise of a total of 775,000 warrants, broken down as follows:

| Number of Shares | Exercise Price | Amount            |
|------------------|----------------|-------------------|
| 500,000          | \$ 0.20        | \$ 100,000        |
| 250,000          | 0.30           | 75,000            |
| 25,000           | 0.45           | 11,250            |
| <b>775,000</b>   |                | <b>\$ 186,250</b> |

The Company completed a non-brokered private placement offering of 5,000,000 units of the Company at a price of \$0.30 per unit, for gross proceeds of \$1,500,000. Each unit consists of one common share and one-half of one common share purchase warrant, with each full warrant entitling the holder to purchase one additional common share of the Company at an exercise price of \$0.45 until March 28, 2008. The common shares issued under this private placement are subject to a period expiring July 23, 2006.

During the period the Company issued 500,000 employee stock options, thus incurring a significant non-cash expense of \$189,050, resulting from the application of the Black-Scholes valuation model to calculate the fair value of stock options at the date of grant.

## Summary of Quarterly Results

| Description                             | Three Months Ended (\$) |             |             |             |              |             |             |             |              |
|---|-------------------------|-------------|-------------|-------------|--------------|-------------|-------------|-------------|--------------|
|   | May 31, 2006            | Feb 28 2006 | Nov 30 2005 | Aug 31 2005 | May 31, 2005 | Feb 28 2005 | Nov 30 2004 | Aug 31 2004 | May 31, 2004 |
| <i>Net Revenues</i>                     | 0                       | 0           | 0           | 0           | 0            | 0           | 0           | 0           | 0            |
| <i>Income (loss) before other items</i> |                         |             |             |             |              |             |             |             |              |
| <i>Total</i>                            | (308,791)               | (79,002)    | (64,117)    | (84,706)    | (319,342)    | (332,491)   | (47,177)    | (65,179)    | (44,808)     |
| <i>Per share</i>                        | (0.01)                  | (0.003)     | (0.002)     | (0.01)      | (0.03)       | (0.04)      | (0.00)      | (0.00)      | (0.02)       |
| <i>Net income or loss for period</i>    |                         |             |             |             |              |             |             |             |              |
| <i>Total</i>                            | (308,791)               | (79,002)    | (64,117)    | (83,985)    | (319,342)    | (332,711)   | (47,851)    | (65,494)    | (43,366)     |
| <i>Per share</i>                        | (0.01)                  | (0.003)     | (0.002)     | (0.01)      | (0.03)       | (0.04)      | (0.00)      | (0.00)      | (0.02)       |

## Liquidity

The consolidated financial statements are prepared on a 'going concern' basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. As at May 31, 2006, the Company has working capital of \$1,110,824 and has accumulated losses totalling \$7,286,153 since inception. The Company's ability to continue as a going concern is dependent on the ability of the Company to raise equity financing and the attainment of profitable operations.

The Company also had the following share purchase warrants and incentive stock options available for exercise at the period ending May 31, 2006:

### Warrants

| Warrants Outstanding | Expiry Date       | Exercise Price |
|----------------------|-------------------|----------------|
| 9,265,000            | June 25, 2006     | \$0.20         |
| 471,679              | February 28, 2007 | \$0.30         |
| 4,641,749            | February 28, 2007 | \$0.45         |
| <b>14,378,428</b>    |                   |                |

## Options

| <b>Number of Shares</b> | <b>Expiry Date</b> | <b>Exercise Price</b> |
|-------------------------|--------------------|-----------------------|
| <b>1,300,000</b>        | August 10, 2009    | \$0.21                |
| <b>950,000</b>          | April 6, 2010      | \$0.30                |
| <b>500,000</b>          | March 30, 2011     | \$0.30                |
| <b>2,750,000</b>        |                    |                       |

The Company has no long-term liabilities.

## Capital Resources

The Company's primary capital assets are cash and mineral property assets. The Company capitalizes all costs related to the mineral properties until the properties are abandoned and written-off.

To maintain its interest in the Arun Licences, which make up a portion of the Langu property, the Company must make annual payments of Baht 500,000 (approximately \$15,000) up to a total of Baht 2,500,000.

## Related Party Transactions

The Company incurred the following amounts charged by directors of the Company, officers of the Company, companies controlled by directors of the Company and a company controlled by an immediate family member of a director of the Company:

| Three months ended May 31,  | 2006              | 2005              |
|-----------------------------|-------------------|-------------------|
| Consulting fees             | \$ 22,500         | \$ 25,500         |
| Directors fees              | 30,000            | 60,000            |
| Deferred exploration costs: |                   |                   |
| Field administration        | -                 | 4,658             |
| Geological fees             | 93,705            | 85,970            |
| Rented premises             | 7,694             | -                 |
| Travel and accommodation    | 17,679            | 48,862            |
| Wages                       | 12,216            | 19,489            |
|                             | <b>\$ 183,794</b> | <b>\$ 244,479</b> |

Related party transactions are measured at the exchange amount.

Accounts payable at May 31, 2006 includes \$21,500 (2005: \$Nil) due to a Company controlled by a director of the Company and directors and officers of the Company in respect to unpaid fees.

The Company entered into management contracts dated March 1, 2005, with one director of the Company and two companies controlled by directors of the Company for a

three year period ending February 28, 2008 for management services at an aggregate cost of \$39,750 per month.

### **Proposed Transactions**

There are no transactions proposed that will materially affect the performance of the Company.

### **Risks and Uncertainties**

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, metal prices, political and economical.

Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

The Company has no significant source of operating cash flow and no revenues from operations. None of the Company's mineral properties currently have reserves. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish ore reserves.

The property interests owned by the Company, or in which it has an option to earn an interest are in the exploration stages only, are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, which are explored, are ultimately developed into producing mines. Exploration of the Company's mineral properties may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be forced to look for other exploration projects or cease operations.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

**On Behalf of the Board,  
AMANTA RESOURCES LTD.**

"Gerald D Wright"

Gerald D. Wright,  
President