

**AMANTA RESOURCES LTD.**

#1080, 789 West Pender Street,  
Vancouver, BC  
V6C 1H2  
Tel: 604-730-9505  
Fax: 604-648-8096

**CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**

**November 30, 2011 and November 30, 2010**

*(Expressed in Canadian Dollars)*

*Prepared without audit*

## **NOTICE OF NO AUDITORS REVIEW OF INTERIM FINANCIAL STATEMENTS**

The accompanying unaudited consolidated condensed interim financial statements of Amanta Resources Ltd. (the “*Company*”) have been prepared by and are the responsibility of the Company’s management. The Company’s independent auditor has not performed a review of the Company’s unaudited consolidated condensed interim financial statements for the nine months ended November 30, 2011.

**AMANTA RESOURCES LTD.****Consolidated Condensed Statement of Financial Position****As at November 30, 2011, February 28, 2011 and March 1, 2010***(expressed in Canadian dollars)**Prepared Without Audit*

|  | November 30,<br>2011 | February 28,<br>2011<br>(Note 3) | March 1,<br>2010<br>(Note 3) |
|--|----------------------|----------------------------------|------------------------------|
| <b>Assets</b>                                      |                      |                                  |                              |
| Current assets                                     |                      |                                  |                              |
| Cash and cash equivalents                          | \$ 39,663            | \$ 416,102                       | \$ 482,577                   |
| Accounts receivable                                | 9,383                | 4,568                            | 53,664                       |
|  | <b>49,046</b>        | 420,670                          | 536,241                      |
| Exploration advances (Note 5)                      | 34,444               | 21,235                           | 15,067                       |
| Mineral property interests (Note 5)                | 2,072,569            | 1,841,514                        | 5,699,600                    |
| Property and equipment (Note 6)                    | 87,845               | 110,725                          | 91,521                       |
| Prepaid automobile lease                           | -                    | -                                | 7,783                        |
| Deposits   | 22,899               | 22,899                           | 22,899                       |
|  | <b>\$ 2,266,803</b>  | \$ 2,417,043                     | \$ 6,373,111                 |
| <b>Liabilities</b>                                 |                      |                                  |                              |
| Current liabilities                                |                      |                                  |                              |
| Accounts payable and accrued liabilities (Note 10) | \$ 981,127           | \$ 1,046,503                     | \$ 893,893                   |
| Lease obligation                                   | 5,545                | 7,425                            | -                            |
|  | <b>986,672</b>       | 1,053,928                        | 893,893                      |
| Convertible loan (Note 7)                          | 995,211              | 952,108                          | 894,636                      |
| Lease obligation (Note 6)                          | 19,309               | 24,205                           | -                            |
| Payable to directors (Note 10)                     | 298,825              | 187,531                          | 187,531                      |
|  | <b>2,300,017</b>     | 2,217,772                        | 1,976,060                    |
| <b>Shareholders' Equity(Deficiency)</b>            |                      |                                  |                              |
| Share capital (Note 8)                             | 16,872,566           | 16,656,446                       | 15,888,720                   |
| Share option reserve (Note 8)                      | 1,727,143            | 1,727,143                        | 1,293,143                    |
| Share warrant reserve (Note 8)                     | 950,109              | 987,729                          | 874,740                      |
| Foreign currency translation adjustment            | (18,489)             | (56,000)                         | 80,000                       |
| Deficit  | (19,564,543)         | (19,116,047)                     | (13,739,552)                 |
|  | <b>(33,214)</b>      | 199,271                          | 4,397,051                    |
|  | <b>\$ 2,266,803</b>  | \$ 2,417,043                     | \$ 6,373,111                 |

Nature and continuance of operations (Note 1)      Commitments (Note 11)

Approved on behalf of the Board:

"GERALD D. WRIGHT"

Director

"PIETER J. BAKKER"

Director

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

## Consolidated Statement of Operations and Deficit

(expressed in Canadian dollars)

Prepared Without Audit

|  | For the three months ended |                     | For the nine months ended |                     |
|--|----------------------------|---------------------|---------------------------|---------------------|
|  | November<br>30,2011        | November<br>30,2010 | November<br>30,2011       | November<br>30,2010 |
| General and Administrative Expenses:             |                            |                     |                           |                     |
| Accounting, audit and legal fees                 | \$ 19,529                  | \$ 4,597            | \$ 40,017                 | \$ 20,638           |
| Amortization                                     | 7,673                      | 6,016               | 23,382                    | 18,182              |
| Consulting fees                                  | 15,998                     | 33,993              | 67,276                    | 101,239             |
| Filing fees                                      | 702                        | 3,260               | 11,470                    | 12,472              |
| Interest on convertible loan                     | 26,867                     | 27,701              | 80,603                    | 77,687              |
| Investor relations                               | 45                         | 1,675               | 4,895                     | 5,295               |
| Office and miscellaneous                         | 6,151                      | 7,597               | 28,028                    | 31,351              |
| Rent   | 6,526                      | 6,526               | 19,576                    | 19,576              |
| Salary and benefits                              | 30,019                     | 12,994              | 87,907                    | 44,707              |
| Share based compensation                         | -                          | -                   | -                         | 592,252             |
| Telephone  | 1,612                      | 1,463               | 4,685                     | 5,275               |
| Transfer agent                                   | 2,101                      | 5,578               | 5,167                     | 8,337               |
| Travel and promotion                             | 20,359                     | 23,254              | 62,589                    | 79,255              |
|  | <hr/>                      | <hr/>               | <hr/>                     | <hr/>               |
| Loss before Other                                | ( 137,582)                 | ( 134,654)          | ( 435,595)                | ( 1,016,266)        |
| Less :   |                            |                     |                           |                     |
| Interest income                                  | 14                         | 47                  | 141                       | 145                 |
| Gain on disposal of leased automobile            | -                          | 2,295               | -                         | 2,295               |
| Foreign exchange gain (loss)                     | (6,664)                    | (27,760)            | (13,042)                  | (23,269)            |
|  | <hr/>                      | <hr/>               | <hr/>                     | <hr/>               |
| Loss for the period                              | (144,232)                  | (160,072)           | (448,496)                 | (1,037,095)         |
| Other Comprehensive Gain(Loss)                   |                            |                     |                           |                     |
| Gain(Loss)on Foreign currency translation        | 19,835                     | (250)               | 37,511                    | (6,750)             |
|  | <hr/>                      | <hr/>               | <hr/>                     | <hr/>               |
| Net (loss) and comprehensive loss for the period | ( 124,397)                 | ( 160,322)          | ( 410,985)                | ( 1,043,845)        |
|  | <hr/>                      | <hr/>               | <hr/>                     | <hr/>               |
| Basic and diluted loss per share                 | \$ ( 0.001)                | \$ ( 0.002)         | \$ ( 0.01)                | \$ ( 0.01)          |
|  | <hr/>                      | <hr/>               | <hr/>                     | <hr/>               |
| Weighted average number of shares outstanding    | 70,590,230                 | 55,147,426          | 71,198,958                | 53,839,012          |

**AMANTA RESOURCES LTD.**

**Consolidated Condensed Statement of Changes in Equity  
For the Nine Months Ended November 30, 2011 and 2010**

*(expressed in Canadian dollars)*

*Prepared Without Audit*

|   | Share Capital       |              | Share Reserves          |                             | Foreign<br>Currency<br>Translation<br>Adjustment | Deficit        | Total       |
|---|---------------------|--------------|-------------------------|-----------------------------|--|----------------|-------------|
|   | Number of<br>Shares | Amount       | Share Option<br>Reserve | Share<br>Warrant<br>Reserve |  |                |             |
| Balance, March 1, 2010 (Note 3)             | 66,857,253          | \$15,888,720 | \$1,293,143             | \$874,740                   | \$80,000   | \$(13,659,552) | \$4,397,051 |
| Shares issued for cash                      | 3,893,250           | 321,995      |                         | 94,750                      |  |                | 416,745     |
| Share-based payments                        |                     |              | 592,252                 |                             |  |                | 592,252     |
| Net loss                                    |                     |              |                         |                             |  | (1,037,095)    | (1,037,095) |
| Gain (loss) on foreign currency translation |                     |              |                         |                             | (6,750)  |                | (6,750)     |
| Balance, November 30, 2010 (Note 3)         | 70,750,503          | \$16,210,715 | \$1,885,395             | \$969,490                   | \$73,250   | \$(14,696,647) | \$4,362,203 |
| Balance, March 1, 2011                      | 75,530,503          | \$16,656,446 | \$1,727,143             | \$987,729                   | \$(56,000)                                       | \$(19,116,047) | \$199,271   |
| Shares issued for warrants exercised        | 1,800,000           | 217,620      |                         | (37,620)                    |  |                | 180,000     |
| Share issue costs                           |                     | (1,500)      |                         |                             |  |                | (1,500)     |
| Net loss                                    |                     |              |                         |                             |  | (448,496)      | (448,496)   |
| Gain (loss) on foreign currency translation |                     |              |                         |                             | 37,511   |                | 37,511      |
| Balance, November 30, 2011                  | 77,330,503          | \$16,872,566 | \$1,727,143             | \$950,109                   | \$(18,489)                                       | \$(19,564,543) | \$ (33,214) |

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

**AMANTA RESOURCES LTD.**  
**Consolidated Condensed Statement of Cash Flows**  
*(expressed in Canadian dollars)*  
*Prepared Without Audit*

|   | <b>For the three months ended</b> |                             | <b>For the nine months ended</b> |                             |
|---|-----------------------------------|-----------------------------|----------------------------------|-----------------------------|
|   | <b>November<br/>30,2011</b>       | <b>November<br/>30,2010</b> | <b>November<br/>30,2011</b>      | <b>November<br/>30,2010</b> |
| Operating Activities:                             |                                   |                             |                                  |                             |
| Net (loss) for the period                         | \$ ( 124,397)                     | \$ ( 160,322)               | \$ ( 410,985)                    | \$ ( 1,043,845)             |
| Add (deduct) items not involving cash:            |                                   |                             |                                  |                             |
| Amortization                                      | 7,673                             | 6,016                       | 23,382                           | 18,182                      |
| Accretion of discount on convertible loan         | 14,368                            | 14,368                      | 43,103                           | 43,104                      |
| Gain on sale of Leased Automobile                 | -                                 | (2,295)                     | -                                | (2,295)                     |
| Stock based compensation                          | -                                 | -                           | -                                | 592,252                     |
|   | <u>( 102,356)</u>                 | <u>( 142,233)</u>           | <u>( 344,500)</u>                | <u>( 392,602)</u>           |
| Changes in non-cash working capital<br>balances   |                                   |                             |                                  |                             |
| Related to operations:                            |                                   |                             |                                  |                             |
| Accounts receivable                               | (6,833)                           | (661)                       | (4,815)                          | 50,116                      |
| Prepaid expenses                                  | -                                 | (2,252)                     | -                                | (2,252)                     |
| Prepaid automobile expenses                       | -                                 | 6,324                       | -                                | 7,783                       |
| Accounts payable and accrued liabilities          | 139,147                           | (33,943)                    | ( 65,376)                        | (114,420)                   |
|   | <u>29,958</u>                     | <u>( 172,765)</u>           | <u>( 414,691)</u>                | <u>( 451,375)</u>           |
| Investing Activities:                             |                                   |                             |                                  |                             |
| (Increase) in exploration advances                | ( 978)                            | ( 12,577)                   | ( 13,209)                        | ( 41,072)                   |
| Expenditures on mineral properties                | ( 321,592)                        | ( 462,868)                  | ( 1,171,415)                     | ( 1,202,741)                |
| Increase in property and equipment                | -                                 | -                           | ( 502)                           | -                           |
|   | <u>( 256,281)</u>                 | <u>( 141,043)</u>           | <u>( 244,766)</u>                | <u>( 179,811)</u>           |
| Financing Activities:                             |                                   |                             |                                  |                             |
| Issuance of common shares                         | -                                 | 138,245                     | 178,500                          | 416,745                     |
| Proceeds from sale of Leased Automobile           | -                                 | 17,124                      | -                                | 17,124                      |
| Lease Cost paid to date                           | -                                 | (14,829)                    | -                                | (14,829)                    |
| Lease Payments                                    | ( 2,060)                          | -                           | (6,776)                          | -                           |
| (Increase) in Shareholders Loan advances          | 64,187                            | (725)                       | 111,294                          | (725)                       |
|   | <u>62,127</u>                     | <u>139,815</u>              | <u>283,018</u>                   | <u>418,315</u>              |
| (Decrease) in cash during the period              | ( 164,196)                        | ( 173,993)                  | (376,439)                        | (212,871)                   |
| Cash, beginning of the period                     | 203,859                           | 443,699                     | 416,102                          | 482,577                     |
| Cash, end of the period                           | <u>\$ 39,663</u>                  | <u>\$ 269,706</u>           | <u>\$ 39,663</u>                 | <u>\$ 269,706</u>           |
| Supplemental disclosure of cash flow information: |                                   |                             |                                  |                             |
| Cash paid for:                                    |                                   |                             |                                  |                             |
| Interest on Convertible Debenture                 | \$ 26,867                         | \$ 27,701                   | \$ 80,907                        | \$ 77,687                   |
| Income taxes                                      | \$ -                              | \$ -                        | \$ -                             | \$ -                        |

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

## AMANTA RESOURCES LTD.

### Notes to the Consolidated Condensed Financial Statements

(expressed in Canadian dollars)

---

For the nine months ended November 30, 2011 and November 30, 2010

---

#### Note 1 Operations and Going Concern Uncertainty

Amanta Resources Ltd. (“Amanta” or “the Company”) is an exploration stage public company listed on the TSX Venture Exchange (“TSX”) under the symbol “AMH” and is in the business of acquiring, exploring and evaluating mineral properties and either developing these properties further or disposing of them when the evaluation is completed. As at November 30, 2011 and 2010, the Company held mineral property interests located in South East Asia (Notes 3 and 11).

The recoverability of amounts shown for mineral property interests is dependent upon the discovery of economically recoverable reserves, the ability of the Company to sell the properties for at least the carrying amount or to obtain financing to complete their exploration and development and on future profitable production.

These consolidated financial statements have been prepared on a going concern basis. As at November 30, 2011, the Company had a working capital deficiency of \$937,626, had not yet achieved profitable operations and had accumulated losses totalling \$19,564,543 since inception. The Company’s ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities when they come due. There is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. The outcome of these matters cannot be predicted with any certainty at this time and therefore raises substantial doubt as to whether the Company will be able to continue as a going concern. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern.

#### Note 2 Basis of Preparation

a) Statement of compliance

These interim financial statements are unaudited and have been prepared in accordance with International Accounting Standard (“IAS”) 34 *Interim Financial Reporting* (“IAS 34”), using accounting policies which are consistent with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

These are the Company’s first IFRS interim financial statements, representing part of the period covered by the Company’s first IFRS annual financial statements for the year ending February 28, 2012. The Company previously prepared its annual and interim financial statements in accordance with Canadian generally accepted accounting principles (“GAAP”). Disclosures concerning the transition from GAAP to IFRS are included in Note 3.

b) Basis of preparation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 4.

c) The interim financial statements for the nine month period ended November 30, 2011 (including comparatives) were approved and authorized for issue by the board of directors on August 24, 2011.

## AMANTA RESOURCES LTD.

### Notes to the Consolidated Condensed Financial Statements

(expressed in Canadian dollars)

---

For the nine months ended November 30, 2011 and November 30, 2010

---

#### Note 3 First-Time Adoption of IFRS

The Company adopted IFRS on March 1, 2011, with a transition date of March 1, 2010. Under IFRS 1 *First-time Adoption of International Financial Reporting Standards*, the IFRS are applied retrospectively at the transition date with all adjustments to assets and liabilities taken to retained earnings unless certain exemptions are applied. The Company has applied the following exemption to its opening statement of financial position dated March 1, 2010:

##### Share-based payments

IFRS 1 encourages, but does not require, first-time adopters to apply IFRS 2 *Share Based Payment* to equity instruments that were granted on or before November 7, 2002, or that were granted subsequent to November 7, 2002 and vested before the later of the date of transition to IFRS and January 1, 2005. The Company has elected not to apply IFRS 2 to equity instruments that were granted prior to November 7, 2002 and equity instruments that vested prior to January 1, 2010.

IFRS 1 also outlines guidelines that a first-time adopter must adhere to under certain circumstances. The Company has applied the following guideline to its opening statement of financial position dated March 1, 2010:

##### Estimates

In accordance with IFRS 1, an entity's estimates in accordance with IFRS at the date of transition to IFRS must be consistent with estimates made for the same date in accordance with previous GAAP, unless there is objective evidence that those estimates were made in error. The Company's IFRS estimates at March 1, 2010 are consistent with its Canadian GAAP estimates for the same date.

IFRS employs a conceptual framework similar to Canadian GAAP. However, significant differences exist in certain matters of recognition, measurement, and disclosure. While adoption of IFRS has not changed the Company's cash flows, it has resulted in changes to the Company's reported financial position and results of operations. In order to allow the users of the financial statements to better understand these changes, the Company's previously reported Canadian GAAP statements of operations, statement of comprehensive loss and statement of financial position have been reconciled to IFRS, with the resulting differences explained.

The differences between Canadian GAAP and IFRS which have been included in the following financial information are:

- a) Under IFRS, the Company begins capitalizing the costs of mineral property interests once legal title or exploration rights have been obtained. This has resulted in expensing \$258,610 of previously capitalized exploration costs, resulting in a decrease in mineral property interests and an increase in opening deficit.
- b) Under IFRS, share reserves, included in contributed surplus under Canadian GAAP, are segregated into their categories of origin.
- c) Under IFRS, the functional currency of the Company's non-Canadian subsidiaries is the U.S. dollar. Consequently, translating the financial statements of subsidiary companies into Canadian dollars results in translation exchange gains and losses being reclassified from profit and loss to other comprehensive income and, on a cumulative basis, from deficit to the foreign currency translation adjustment component of shareholders' equity.

**AMANTA RESOURCES LTD.****Notes to the Consolidated Condensed Financial Statements***(expressed in Canadian dollars)*

For the nine months ended November 30, 2011 and November 30, 2010

**Note 3 First-Time Adoption of IFRS (continued)**

On the conversion from GAAP to IFRS, there was no significant net impact on the statements of cash flows for the nine months ended November 30, 2010 or the year ended February 28, 2011.

The Canadian GAAP statement of financial position as at March 1, 2010 has been reconciled to IFRS as follows:

|  | March 1, 2010    |                                    |              |
|--|------------------|------------------------------------|--------------|
|  | Canadian<br>GAAP | Effect of<br>Transition<br>to IFRS | IFRS         |
| <b>Assets</b>                            |                  |                                    |              |
| Current assets                           |                  |                                    |              |
| Cash and cash equivalents                | \$ 482,577       | \$ -                               | \$ 482,577   |
| Amounts receivable                       | 53,664           | -                                  | 53,664       |
|  | 536,241          | -                                  | 536,241      |
| Exploration advances                     | 15,067           | -                                  | 15,067       |
| Mineral property interests               | 5,958,210        | (258,610)                          | 5,699,600    |
| Property and equipment                   | 91,521           | -                                  | 91,521       |
| Prepaid automobile lease                 | 7,783            | -                                  | 7,783        |
| Deposits                                 | 22,899           | -                                  | 22,899       |
|  | \$ 6,631,721     | \$ (258,610)                       | \$ 6,373,111 |
| <b>Liabilities</b>                       |                  |                                    |              |
| Current liabilities                      |                  |                                    |              |
| Accounts payable and accrued liabilities | \$ 893,893       | \$ -                               | \$ 893,893   |
| Convertible loan                         | 894,636          | -                                  | 894,636      |
| Payable to directors                     | 187,531          | -                                  | 187,531      |
|  | 1,976,060        | -                                  | 1,976,060    |
| <b>Shareholders' Equity</b>              |                  |                                    |              |
| Share capital                            | 15,888,720       | -                                  | 15,888,720   |
| Contributed surplus                      | 2,167,883        | (2,167,883)                        | -            |
| Share option reserve                     | -                | 1,293,143                          | 1,293,143    |
| Share warrant reserve                    | -                | 874,740                            | 874,740      |
| Foreign currency translation adjustment  | -                | 80,000                             | 80,000       |
| Deficit                                  | (13,400,942)     | (338,610)                          | (13,739,552) |
|  | 4,655,661        | (258,610)                          | 4,397,051    |
|  | \$ 6,631,721     | \$ (258,610)                       | \$ 6,373,111 |

**AMANTA RESOURCES LTD.****Notes to the Consolidated Condensed Financial Statements***(expressed in Canadian dollars)*

For the nine months ended November 30, 2011 and November 30, 2010

**Note 3 First-Time Adoption of IFRS (continued)**

The Canadian GAAP statement of financial position as at November 30, 2010 has been reconciled to IFRS as follows:

|  | November 30, 2010 |                                    |              |
|--|-------------------|------------------------------------|--------------|
|  | Canadian<br>GAAP  | Effect of<br>Transition<br>to IFRS | IFRS         |
| <b>Assets</b>                            |                   |                                    |              |
| Current assets                           |                   |                                    |              |
| Cash and cash equivalents                | \$ 269,706        | \$ -                               | \$ 269,706   |
| Prepaid                                  | 2,252             | -                                  | 2,252        |
| Amounts receivable                       | 3,548             | -                                  | 3,548        |
|  | 275,506           | -                                  | 275,506      |
| Exploration advances                     | 56,139            | -                                  | 56,139       |
| Mineral property interests               | 6,096,949         | (258,610)                          | 5,838,339    |
| Property and equipment                   | 73,339            | -                                  | 73,339       |
| Deposits                                 | 22,899            | -                                  | 22,899       |
|  | \$ 6,524,832      | \$ (258,610)                       | \$ 6,266,222 |
| <b>Liabilities</b>                       |                   |                                    |              |
| Current liabilities                      |                   |                                    |              |
| Accounts payable and accrued liabilities | \$ 779,473        | \$ -                               | \$ 779,473   |
| Convertible loan                         | 937,740           | -                                  | 937,740      |
| Payable to directors                     | 186,806           | -                                  | 186,806      |
|  | 1,904,019         | -                                  | 1,904,019    |
| <b>Shareholders' Equity</b>              |                   |                                    |              |
| Share capital                            | 16,210,715        | -                                  | 16,210,715   |
| Contributed surplus                      | 2,854,885         | (2,854,885)                        | -            |
| Share option reserve                     | -                 | 1,885,395                          | 1,885,395    |
| Share warrant reserve                    | -                 | 969,490                            | 969,490      |
| Foreign currency translation adjustment  | -                 | 73,250                             | 73,250       |
| Deficit                                  | (14,444,787)      | (331,860)                          | (14,776,647) |
|  | 4,620,813         | (258,610)                          | 4,362,203    |
|  | \$ 6,524,832      | \$ (258,610)                       | \$ 6,266,222 |

**AMANTA RESOURCES LTD.****Notes to the Consolidated Condensed Financial Statements***(expressed in Canadian dollars)*

For the nine months ended November 30, 2011 and November 30, 2010

**Note 3 First-Time Adoption of IFRS (continued)**

The Canadian GAAP statement of loss and comprehensive loss for the nine months ended November 30, 2010 has been reconciled to IFRS as follows:

|  | November 30, 2010 |                                    |                |
|--|-------------------|------------------------------------|----------------|
|  | Canadian<br>GAAP  | Effect of<br>Transition to<br>IFRS | IFRS           |
| General and Administrative Expenses                      |                   |                                    |                |
| Accounting, audit and legal fees                         | \$ 20,638         | \$ -                               | \$ 20,638      |
| Amortization of property and equipment                   | 18,182            | -                                  | 18,182         |
| Consulting fees  | 101,239           | -                                  | 101,239        |
| Filing fees  | 12,472            | -                                  | 12,472         |
| Interest on convertible loan                             | 77,687            | -                                  | 77,687         |
| Investor relations                                       | 5,295             | -                                  | 5,295          |
| Office and miscellaneous                                 | 31,351            | -                                  | 31,351         |
| Rent   | 19,576            | -                                  | 19,576         |
| Salary and benefits                                      | 44,707            | -                                  | 44,707         |
| Share-based payments                                     | 592,252           | -                                  | 592,252        |
| Telephone  | 5,275             | -                                  | 5,275          |
| Transfer agent   | 8,337             | -                                  | 8,337          |
| Travel   | 79,255            | -                                  | 79,255         |
| Loss before other income                                 | (1,016,266)       | -                                  | (1,016,266)    |
| <b>Other income (expenses)</b>                           |                   |                                    |                |
| Interest income  | 145               | -                                  | 145            |
| Gain on disposal of leased automobile                    | 2,295             | -                                  | 2,295          |
| Foreign exchange gain (loss)                             | (30,019)          | 6,750                              | (23,269)       |
| <b>Net loss for the period</b>                           | \$ (1,043,845)    | \$ 6,750                           | \$ (1,037,095) |
| Gain (loss) on foreign currency translation              | -                 | (6,750)                            | (6,750)        |
| <b>Net loss and comprehensive loss for the period</b>    | \$ (1,043,845)    | \$ -                               | \$ (1,043,845) |
| <b>Basic and diluted loss per share</b>                  | \$ (0.01)         | \$ -                               | \$ (0.01)      |
| <b>Weighted average number of shares<br/>outstanding</b> | 53,839,012        |                                    | 53,839,012     |

**AMANTA RESOURCES LTD.****Notes to the Consolidated Condensed Financial Statements***(expressed in Canadian dollars)*

For the nine months ended November 30, 2011 and November 30, 2010

**Note 3 First-Time Adoption of IFRS (continued)**

The Canadian GAAP statement of financial position as at February 28, 2011 has been reconciled to IFRS as follows:

|  | February 28, 2011 |                                    |              |
|--|-------------------|------------------------------------|--------------|
|  | Canadian<br>GAAP  | Effect of<br>Transition<br>to IFRS | IFRS         |
| <b>Assets</b>                            |                   |                                    |              |
| Current assets                           |                   |                                    |              |
| Cash and cash equivalents                | \$ 416,102        | \$ -                               | \$ 416,102   |
| Amounts receivable                       | 4,568             | -                                  | 4,568        |
|  | 420,670           | -                                  | 420,670      |
| Exploration advances                     | 21,235            | -                                  | 21,235       |
| Mineral property interests               | 2,100,124         | (258,610)                          | (1,841,514)  |
| Property and equipment                   | 110,725           | -                                  | 110,725      |
| Deposits                                 | 22,899            | -                                  | 22,899       |
|  | \$ 2,675,653      | \$ (258,610)                       | \$ 2,417,043 |
| <b>Liabilities</b>                       |                   |                                    |              |
| Current liabilities                      |                   |                                    |              |
| Accounts payable and accrued liabilities | \$ 1,046,503      | \$ -                               | \$ 1,046,503 |
| Lease obligation                         | 7,425             | -                                  | 7,425        |
|  | 1,053,928         | -                                  | 1,053,928    |
| Convertible loan                         | 952,108           | -                                  | 952,108      |
| Lease obligation                         | 24,205            | -                                  | 24,205       |
| Payable to directors                     | 187,531           | -                                  | 187,531      |
|  | 2,217,772         | -                                  | 2,217,772    |
| <b>Shareholders' Equity</b>              |                   |                                    |              |
| Share capital                            | 16,656,446        | -                                  | 16,656,446   |
| Contributed surplus                      | 2,714,872         | (2,714,872)                        | -            |
| Share option reserve                     | -                 | 1,727,143                          | 1,727,143    |
| Share warrant reserve                    | -                 | 987,729                            | 987,729      |
| Foreign currency translation adjustment  | -                 | (56,000)                           | (56,000)     |
| Deficit                                  | (18,913,437)      | (202,610)                          | (19,116,047) |
|  | 457,881           | (258,610)                          | 199,271      |
|  | \$ 2,675,653      | \$ (258,610)                       | \$ 2,417,043 |

**AMANTA RESOURCES LTD.****Notes to the Consolidated Condensed Financial Statements***(expressed in Canadian dollars)*

For the nine months ended November 30, 2011 and November 30, 2010

**Note 3 First-Time Adoption of IFRS (continued)**

The Canadian GAAP statement of loss and comprehensive loss for the year ended February 28, 2011 has been reconciled to IFRS as follows:

|  | February 28, 2011 |                                    |                |
|--|-------------------|------------------------------------|----------------|
|  | Canadian<br>GAAP  | Effect of<br>Transition to<br>IFRS | IFRS           |
| General and Administrative Expenses                      |                   |                                    |                |
| Accounting, audit and legal fees                         | \$ 58,411         | \$ -                               | \$ 58,411      |
| Amortization of property and equipment                   | 26,259            | -                                  | 26,259         |
| Consulting fees  | 107,738           | -                                  | 107,738        |
| Directors' fees  | 36,000            | -                                  | 36,000         |
| Filing fees  | 12,125            | -                                  | 12,125         |
| Interest on convertible loan                             | 104,763           | -                                  | 104,763        |
| Investor relations                                       | 6,745             | -                                  | 6,745          |
| Office and miscellaneous                                 | 22,258            | -                                  | 22,258         |
| Rent   | 44,536            | -                                  | 44,536         |
| Salary and benefits                                      | 111,525           | -                                  | 111,525        |
| Share-based payments                                     | 440,543           | -                                  | 440,543        |
| Telephone  | 6,788             | -                                  | 6,788          |
| Transfer agent   | 10,214            | -                                  | 10,214         |
| Travel   | 115,642           | -                                  | 115,642        |
| Loss before other income                                 | (1,103,547)       | -                                  | (1,103,547)    |
| <b>Other income (expenses)</b>                           |                   |                                    |                |
| Interest income  | 214               | -                                  | 214            |
| Foreign exchange gain(loss)                              | (21,584)          | 136,000                            | 114,416        |
| Gain on disposal of leased automobile                    | 2,295             | -                                  | 2,295          |
| Write down of mineral property interests                 | (4,389,873)       | -                                  | (4,389,873)    |
| <b>Net loss for the period</b>                           | \$ (5,512,495)    | \$ 136,000                         | \$ (5,376,495) |
| Gain (loss) on foreign currency translation              | -                 | (136,000)                          | (136,000)      |
| <b>Net loss and comprehensive loss for the period</b>    | \$ (5,512,495)    | \$ -                               | \$ (5,512,495) |
| <b>Basic and diluted loss per share</b>                  | \$ (0.08)         | \$ -                               | \$ (0.08)      |
| <b>Weighted average number of shares<br/>outstanding</b> | 69,994,594        |                                    | 69,994,594     |

## AMANTA RESOURCES LTD.

### Notes to the Consolidated Condensed Financial Statements

*(expressed in Canadian dollars)*

---

For the nine months ended November 30, 2011 and November 30, 2010

---

#### Note 4 Significant Accounting Policies

The consolidated financial statements have been prepared in accordance with IFRS, and reflect the following significant accounting policies:

a) Basis of Presentation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiary companies:

Amanta Minerals Co. Ltd.

Amanta Lao Co. Ltd.

Adnet, USA LLC (inactive)

Amanta Minerals Co. Ltd. ("Minerals") was incorporated on June 3, 2005 under the laws of Thailand to pursue the Company's Thai mineral, exploration and development activities. The Company's direct shareholdings are limited under Thai law to a minority position of 49%. However, the remaining shareholdings are beneficially owned by the Company through appointed nominees resident in Thailand, and accordingly management considers Minerals to be a wholly owned subsidiary of the Company.

Amanta Lao Co. Ltd. was incorporated on June 28, 2008 under the laws of the Lao People's Democratic Republic ("Laos") to pursue the Company's Lao mineral, exploration and development activities.

b) Accounting estimates and judgments

The preparation of these financial statements requires management to make estimates and judgments and form assumptions that affect the reported amounts and other disclosures in these financial statements. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Critical accounting estimates are estimates and assumptions made by management that may result in material adjustments to the carrying amount of assets and liabilities within the next financial year. Critical estimates used in the preparation of these financial statements include, among others, the recoverability of amounts receivable and carrying values of property and equipment, the fair value of options and warrants issued, and the fair value of reclamation obligations. Actual results may differ from those estimates.

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments. Critical accounting judgments include the expected economic lives of and the estimated future operating results and net cash flows from property and equipment.

## AMANTA RESOURCES LTD.

### Notes to the Consolidated Condensed Financial Statements

(expressed in Canadian dollars)

For the nine months ended November 30, 2011 and November 30, 2010

---

#### Note 4 Significant Accounting Policies (continued)

##### c) Foreign currencies

###### Presentation currency

The Company's presentation currency is the Canadian dollar ("C\$"). The functional currency of Amanta Resources Ltd. is the Canadian dollar and of Amanta Minerals Co. Ltd., Amanta Lao Co. Ltd., and Adnet, USA LLC the U.S. dollar. These consolidated financial statements have been translated to the Canadian dollar in accordance with IAS 21 *The Effects of Changes in Foreign Exchange Rates*. This standard requires that assets and liabilities be translated using the exchange rate at period end, and income, expenses and cash flow items are translated using the rate that approximates the exchange rates at the dates of the transactions or the average rate for the period. Any resulting exchange differences are included in other comprehensive income.

###### Foreign currency translation

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing at the dates of the transactions. At each statement of financial position date, monetary assets and liabilities are translated using the period end foreign exchange rate. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. Non-monetary assets and liabilities that are stated at fair value are translated using the historical rate on the date that the fair value was determined. All gains and losses on translation of these foreign currency transactions are included in profit or loss.

##### d) Financial instruments

Financial instruments, other than cash and cash equivalents, are classified into various categories. Held to maturity investments, and loans and receivables are measured at amortized cost, with amortization of premiums or discounts, losses and impairment included in current period interest income or expense. Financial assets and liabilities at fair value through profit or loss ("FVTPL") are classified as FVTPL when the financial instrument is held for trading or are designated as FVTPL. Financial instruments at FVTPL are measured at fair market value with all gains and losses included in operations in the period in which they arise. Available for sale financial assets are measured at fair market value with revaluation gains and losses included in other comprehensive income (see (l) below) until the asset is removed from the balance sheet, and losses due to impairment are included in operations. All other financial assets and liabilities, except for cash, are carried at amortized cost.

The Company's financial instruments are cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities, payable to directors, lease obligation and convertible loan. The Company has classified its cash and cash equivalents as held for trading, amounts receivable as loans and receivables and accounts payable and accrued, payable to directors, lease obligation and convertible loan as other financial liabilities. The carrying values of these financial instruments approximate fair value due to their short-term maturity.

The Company classifies and discloses fair value measurements based on a three-level hierarchy:

- Level 1 – inputs are unadjusted quoted prices in active markets for identical assets or liabilities;

## AMANTA RESOURCES LTD.

### Notes to the Consolidated Condensed Financial Statements

(expressed in Canadian dollars)

For the nine months ended November 30, 2011 and November 30, 2010

#### Note 4 Significant Accounting Policies (continued)

- Level 2 – inputs other than quoted prices in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – inputs for the asset or liability that are not based on observable market data.

##### e) Cash and cash equivalents

Cash and cash equivalents consist of balances on deposit and investments in highly liquid short-term deposits, which are readily convertible into known amounts of cash and which are subject to minimal risks of changes in fair value.

##### f) Mineral property interests

Mineral property interests are recorded at cost less accumulated impairment write downs. All direct costs related to the to the acquisition and exploration of mineral property interests are capitalized until the properties to which they relate are ready for their intended use, sold, abandoned or management has determined there to be impairment. On the commencement of commercial production, net capitalized costs are charged to operations on a unit-of-production basis, by property, using estimated proven and probable recoverable reserves as the depletion base.

Although the Company has taken steps to verify title to the properties in which it has an interest, in accordance with industry standards for properties in the exploration stage, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and noncompliance with regulatory requirements.

The amounts shown for mineral property interests and related costs represent acquisition, holding and exploration costs and the recoverability of these amounts is dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain the necessary financing to successfully complete their development and to meet the requirements, from time to time, of lenders who are providing this financing and upon future profitable production.

The Company's mineral property interests are composed of rights to explore for, develop and mine minerals under permits, licences or leases in Laos and Thailand. The Company's rights to mineral properties are described in Note 5.

##### g) Property and Equipment

Property and equipment are recorded at cost less accumulated amortization and accumulated impairment losses. These assets are depreciated using the following annual rates and methods:

|                        |     |  |
|------------------------|-----|--|
| Automotive equipment   | 30% | diminishing balance basis                        |
| Computer equipment     | 30% | diminishing balance basis                        |
| Geological equipment   | 30% | diminishing balance basis                        |
| Office equipment       | 20% | diminishing balance basis                        |
| Leasehold improvements |     | straight line basis over the initial lease terms |

## AMANTA RESOURCES LTD.

### Notes to the Consolidated Condensed Financial Statements

*(expressed in Canadian dollars)*

---

For the nine months ended November 30, 2011 and November 30, 2010

---

#### **Note 4 Significant Accounting Policies (continued)**

##### h) Impairment of assets

At the end of each reporting period, the Company reviews the carrying amounts of its property and equipment to determine whether there is an indication that those assets have suffered impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment charge (in any).

The recoverable amount used for this purpose is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assignments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset is estimated to be less than its recorded amount, the recorded amount of the asset is reduced to its recoverable amount. An impairment charge is recognized immediately in the statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to a maximum amount equal to the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years.

##### i) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

##### j) Environmental and reclamation obligations

The operations of the Company have been, and may in the future be, affected by changes in environmental regulations, including those relating to future reclamation and site restoration. The likelihood of new regulations and their overall effect upon the Company are unknown and unpredictable. The Company plans to meet and, if possible, surpass standards set by legislation, by applying technically proven and economically feasible measures.

Expenditures relating to ongoing environmental and reclamation programs are charged to operations, or are capitalized and amortized, depending on their future economic benefits, over the estimated remaining life of the related business operation, net of expected recoveries.

## AMANTA RESOURCES LTD.

### Notes to the Consolidated Condensed Financial Statements

*(expressed in Canadian dollars)*

---

For the nine months ended November 30, 2011 and November 30, 2010

---

#### **Note 4 Significant Accounting Policies (continued)**

Liabilities related to environmental protection and reclamation costs are recognized when the obligation is incurred and the fair value of the related costs can be reasonably estimated. This includes future removal and site restoration costs required by environmental law or contracts. At November 30, 2011, there were no environmental or reclamation liabilities.

k) Income recognition

Interest from cash and short term investments is recorded on an accrual basis when collection is reasonably assured.

l) Comprehensive income or loss

Other comprehensive income or loss is the change in net assets arising from transactions and other events and circumstances from non-owner sources. Comprehensive income comprises net income or loss and other comprehensive income or loss. Financial assets that are classified as available for sale will have revaluation gains and losses included in other comprehensive income or loss until the asset is removed from the balance sheet.

m) Share-based payments

The Company uses the fair value method of accounting for options granted under its share purchase option plan. Options granted to directors, officers and employees are measured at fair value, which is charged to operations over the applicable vesting period, with an offsetting credit to share option reserves. Options granted to non-employees are measured at fair value of goods and services received, which is charged to operations at the date the options are fully vested, with an offsetting credit to share option reserves. The cumulative expense is recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company's best estimate of the number of equity instruments that will ultimately vest. Consideration received upon exercise of share purchase options, along with the related amount previously recorded in the share option reserve, is credited to share capital. Cash received on the exercise of share options is recorded in share capital and the related compensation included in share option reserves is transferred to share capital to recognize the total consideration for the shares issued.

n) Income taxes

The provision for income taxes consists of current and deferred tax expense and is recorded in operations. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the period, adjusted for amendments to tax payable for previous years.

Deferred tax assets and liabilities are computed using the asset and liability method on temporary differences between the carrying amounts of assets and liabilities on the statement of financial position and their corresponding tax values, using the enacted or substantially enacted, income tax rates at each statement of financial position date. Deferred tax assets also result from unused losses and other deductions carried forward. The valuation of deferred tax assets is reviewed on a regular basis and adjusted to the extent that it is not probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized by use of a valuation allowance to reflect the estimated realizable amount.

## **AMANTA RESOURCES LTD.**

### **Notes to the Consolidated Condensed Financial Statements**

*(expressed in Canadian dollars)*

---

For the nine months ended November 30, 2011 and November 30, 2010

---

#### **Note 4 Significant Accounting Policies (continued)**

o) Loss Per Share

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding share options and warrants, in the weighted average number of common shares outstanding during the year, if dilutive. The number of additional shares is calculated by assuming that outstanding share options and warrants were exercised and that the proceeds from such exercises were used to acquire common shares at the average market price during the reporting periods. Common share equivalents have been excluded from the computation of diluted loss per share for the periods presented as including them would have been anti-dilutive.

#### **Note 5 Mineral Property Interests**

The Company's mineral property interests are composed of exploration and ownership rights in Thailand and Laos, which are regulated by Thai and Laotian mining law, respectively. The property interests are held directly by the Company or its wholly-owned subsidiaries, Amanta Minerals Co. Ltd. and Amanta Lao.

In Thailand, mineral resources are regarded as property of the Crown and are governed by the Minerals Act B.E. 2510 (1967). The Ministry of Industry is responsible for the execution of this Act and the Department of Mineral Resources is empowered to enforce the provisions of this Act.

There are three kinds of prospecting licences: a General Prospecting Licence, an Exclusive Prospecting Licence and a Special Prospecting Licence. Prospecting can be undertaken only after a prospecting licence has been obtained and the licences are non-transferable.

A General Prospecting Licence (GPL) permits the holder to conduct mineral prospecting in a specified area. It is valid for 1 year and is non-renewable. An Exclusive Prospecting Licence (EPL) gives the holder an exclusive right to explore for specified minerals within a specific area, not exceeding 2 square kilometres, and is valid for 1 year. A work plan and a description of exploration methods are to be submitted to the Department of Mineral Resources. Exploration must commence within 60 days and a preliminary exploration report must be filed within 180 days. A final report must be sent 30 days before the expiry date.

A Special Prospecting Licence (SPL) has a total term of 5 years and covers an area of not more than 16 square kilometres. An application for an SPL must include a work plan and an estimate of expenses for each year for the whole project as well as an offer of special benefits to the Government. The licence holder must commence exploration within 90 days of the granting of the licence and must file a progress report every 120 days.

A Mining Licence grants the right to exploit specific minerals in an area not exceeding 300 rai (1,000 rai equals 1.6 square kilometres) for onshore and 50,000 rai for offshore areas. Mining Licences are valid for 25 years and can be renewed thereafter. The requirements for the application include documents showing an area to be mined, evidence of financial capital, evidence showing acquisition of surface land rights, evidence of technological ability, a work plan and an environmental impact assessment report. A Mining Licence is transferable.

## AMANTA RESOURCES LTD.

### Notes to the Consolidated Condensed Financial Statements

*(expressed in Canadian dollars)*

---

For the nine months ended November 30, 2011 and November 30, 2010

---

#### Note 5 Mineral Property Interests (continued)

In Laos, mining and investment laws require that any investment in mining activities or concessions take one of three forms: sole investment by the State, a joint venture between the State and domestic and/or foreign parties, or a collection of private investment from domestic parties. The Mining Law of 1997 provides for an initial 5-year prospecting, exploration and feasibility study period, which may be extended upon application, and subsequently a right to then enter into a mineral production agreement.

Title to mineral properties involves inherent risks due to difficulties of determining the validity of rights and claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mining properties. The Company has investigated title to all of its mineral property interests and, to the best of its knowledge, title to all of its properties are in good standing.

The Company's property interests are:

a) Langu Claims, Thailand

By agreement dated July 23, 2002 and amended April 30, 2003, the Company acquired 100% of the licences to a gold prospect property ("Langu") comprising 2,500 hectares of land in the Satun Province, Southern Thailand. The Langu property consisted of four SPLs. The consideration comprised USD\$50,000, plus the reimbursement of USD\$125,000 in exploration costs and other obligations related to the licences as advanced by the vendor. The Company also agreed to fund a two phase work program on the licences for a total cost of approximately USD\$358,400. All obligations under the agreement have been met. This property is subject to a 2% net smelter royalty payable to the vendor of the property.

By agreement dated December 30, 2002 and amended April 30, 2003, the Company acquired the exploration and development rights to 100% of a gold prospect property comprising 15.4 hectares of land in the Satun Province, Southern Thailand, which was to form a portion of the overall Langu project. The consideration was 500,000 Thai Baht (\$17,065) with four additional annual payments of 500,000 Baht. Three payments totalling \$51,703 have been paid. The final payment will be made upon obtaining the applied for mining licence extensions. This agreement is subject to a 2% net smelter royalty payable to the vendor of the property.

Two of the four Langu SPLs expired on July 2, 2009 and the Company has reapplied for one new SPL in a more condensed area, thereby relinquishing ground that does not warrant further work. The new SPL covers an area of 4,000 rai, approximately 640 hectares, covering the anomalous gold trend and those areas over which mapping and sampling have rendered positive results. The new application is under consideration by the Thai Department for Primary Industries and Mining for approval. The remaining two SPLs expired on September 28, 2011.

The Company is actively pursuing potential option or joint venture agreements on the property and does not intend to conduct further exploration activities at this time. Accordingly, accumulated acquisition and exploration expenditures have been written down to a carrying value of \$30,672 representing a recoverable performance bond relating to the remaining two SPLs.

b) Surat Prospect, Thailand

North of Langu, near the town of Surath Thani, the Company has applied for two SPLs over an area with "Langu style" mineralisation in a similar setting as the Langu project. These applications are under consideration by the Thai Authorities.

## AMANTA RESOURCES LTD.

### Notes to the Consolidated Condensed Financial Statements

*(expressed in Canadian dollars)*

---

For the nine months ended November 30, 2011 and November 30, 2010

---

#### Note 5 Mineral Property Interests (continued)

c) Mae Lama Claims, Thailand

In June 2006, the Company reached an agreement with the owners of the Mae Lama tungsten mine, acquiring 100% of the mining and development rights over the Mae Lama mining claims in return for a net smelter royalty of 2% and a series of staged cash payments.

An initial payment of 2,500,000 Baht (\$86,177) was paid upon signing the formal agreement. A second payment of 2,500,000 Baht will be payable upon renewal of the mining licences and the transfer of the licences to the Company. A third payment of 5,000,000 Baht will be paid if and when the Company concludes a positive feasibility study and decides to re-open the mine. In addition, a payment of USD\$50,000 (\$60,000) was paid to a third party for successfully negotiating and concluding the acquisition of the project. With the exception of the initial payment, the agreement is conditional on government approval of the renewal of the Mae Lama mining licences, for which the owners applied in October 2005.

The Mae Lama claims were accordingly written down to a nominal value at February 28, 2010.

d) Mae Chedi, Thailand

Amanta Minerals Ltd. holds a 100% working interest through an SPL granted by the Thai government. This SPL is valid for 5 years, was issued October 19, 2007 and expires October 18, 2012. Normal Thai mineral taxation laws apply to the property.

The Company is actively pursuing potential option or joint venture agreements on the property and does not intend to conduct further exploration activities at this time. Accordingly, accumulated acquisition and exploration expenditures have been written down to nominal value as at February 28, 2011.

e) Luang Namtha Project, Lao People's Democratic Republic

On June 20, 2008, the Company finalized the terms of a copper mineral exploration concession in Northern Laos with the Government of the Lao PDR.

Maintenance of the agreement requires the Company to make annual land rent payments to the Lao government of USD\$20,000 in the first 2 years, USD\$40,000 in year 3 and 4, and USD\$60,000 in year 5.

On April 14, 2009, the Company entered into a Joint Exploration Agreement ("JEA") with Japan Oil, Gas and Metals National Corporation ("JOGMEC") (Note 14) for the development of the Luang Namtha copper-silver project. During the nine months ended November 30, 2011, the Company received \$940,360 (USD\$969,000) (2010 - \$1,064,002 [USD \$1,029,600]) from JOGMEC for the development of the Luang Namtha copper-silver project.

## AMANTA RESOURCES LTD.

### Notes to the Consolidated Condensed Financial Statements

(expressed in Canadian dollars)

For the nine months ended November 30, 2011 and November 30, 2010

#### Note 5 Mineral Property Interests (continued)

During the nine months ended November 30, 2011, the Company incurred acquisition costs of \$Nil (2010 - \$Nil) and exploration costs of \$1,171,415 (2010 - \$1,187,080). Total expenditures to November 30, 2011 on the Company's active properties were \$2,072,569.

As at November 30, 2011, the Company made advances of \$34,444 (2010 - \$56,139) which were used after the year end for exploration expenditures.

Details of expenditures on the Company's mineral property interests, by category and property, are summarized in Schedule A: "Consolidated Condensed Summary of Mineral Property Interests" to these financial statements.

#### Note 6 Property and Equipment

|   | Automotive<br>Equipment | Office<br>Equipment | Leasehold<br>Improvements | Computer<br>Equipment | Geological<br>Equipment | Total      |
|---|-------------------------|---------------------|---------------------------|-----------------------|-------------------------|------------|
| <b>Cost</b>   |                         |                     |                           |                       |                         |            |
| Balance, March 1,<br>2010                                     | \$ 101,036              | \$ 71,030           | \$ 54,875                 | \$ 53,084             | \$ 14,510               | \$ 294,535 |
| Additions   | -                       | -                   | -                         | 502                   | -                       | 502        |
| Balance, February 28,<br>2011 and November<br>30, 2011        | \$ 101,036              | \$ 71,030           | \$ 54,875                 | \$ 53,586             | \$ 14,510               | \$ 295,037 |
| <b>Accumulated<br/>depreciation and<br/>impairment losses</b> |                         |                     |                           |                       |                         |            |
| Balance, March 1,<br>2010                                     | \$ 32,549               | \$ 39,649           | \$ 41,894                 | \$ 35,185             | \$ 8,119                | \$ 157,396 |
| Depreciation  | 9,141                   | 6,277               | 3,709                     | 5,370                 | 1,917                   | 26,414     |
| Balance, February 28,<br>2011                                 | 41,690                  | 45,926              | 45,603                    | 40,555                | 10,036                  | \$ 183,810 |
| Depreciation  | 12,898                  | 3,783               | 2,794                     | 2,895                 | 1,012                   | 23,382     |
| Balance, November<br>30, 2011                                 | \$ 54,588               | \$ 49,709           | \$ 48,397                 | \$ 43,450             | \$ 11,048               | \$ 207,192 |
| <b>Carrying amounts</b>                                       |                         |                     |                           |                       |                         |            |
| Balance, March 1,<br>2010                                     | \$ 22,869               | \$ 31,381           | \$ 12,981                 | \$ 17,899             | \$ 6,391                | \$ 91,521  |
| Balance, February 28,<br>2011                                 | \$ 59,346               | \$ 25,104           | \$ 9,272                  | \$ 12,529             | \$ 4,474                | \$ 110,725 |
| Balance, November<br>30, 2011                                 | \$ 46,448               | \$ 21,321           | \$ 6,478                  | \$ 10,136             | \$ 3,462                | \$ 87,845  |

The finance lease was entered into on January 1, 2011 and required a down payment of \$11,404 and monthly payments of THB 24,814 (\$790 at the exchange rate in effect at February 28, 2011) for 4 years after which time title to the vehicle will transfer to the Company. The Company's obligation under the lease and the remaining minimum lease payments are as follows:

|  | Fiscal year 2012 | Fiscal year 2013 | Fiscal year 2014 |
|--|------------------|------------------|------------------|
| Aggregate minimum lease payments               | \$ 26,851        | \$ 17,374        | \$ 7,897         |
| Portions representing interests                | 2,647            | 1,152            | 256              |
| Present value of future minimum lease payments | \$ 24,205        | \$ 16,222        | \$ 7,641         |

## AMANTA RESOURCES LTD.

### Notes to the Consolidated Condensed Financial Statements

(expressed in Canadian dollars)

For the nine months ended November 30, 2011 and November 30, 2010

#### Note 7 Convertible Loan

On January 5, 2009, the Company entered into a loan agreement for \$1,000,000 with Torakit Investments Ltd. ("Torakit"), a company who at that time had directors in common with the Company. The terms of the loan were as follows:

- The loan is unsecured and is repayable in one payment of \$1,000,000 on January 5, 2012
- The loan bears interest at the Canadian bank prime rate (as determined by HSBC Bank Canada) plus 2% per annum, payable quarterly in advance.
- The loan is convertible into 10,000,000 common shares of the Company at any time prior to maturity at a deemed price of \$0.10 per share. Torakit cannot convert the loan if, as a consequence, it will hold 20% or more of the outstanding common shares of the Company.
- The Company has granted Torakit 10,000,000 transferable share purchase warrants, exercisable at a price of \$0.10 per share and expiring January 5, 2012.
- The Company granted Torakit the right to purchase a 10% working interest in the Luang Namtha project on the loan maturity date, which may be exercised by Torakit reimbursing the Company for 10% of the direct project expenditures incurred by the Company during the period between the closing date and the maturity date of the original loan agreement.

In accordance with IFRS, the convertible loan has been accounted for as a compound financial instrument, with a long-term liability component (the loan) and an equity component (the conversion privilege) classified as contributed surplus. The fair value of the share purchase warrants issued was considered to be a cost of issuing the financial instrument and was recorded in operations as a loan fee.

|  | November 30, 2011 | February 28, 2011 |
|--|-------------------|-------------------|
| Present value of convertible loan on issue | \$ 827,586        | \$ 827,586        |
| Cumulative accretion of loan discount      | 167,625           | 124,522           |
| Convertible loan balance, end of period    | \$ 995,211        | \$ 952,108        |
| Equity component – conversion privilege    | \$ 172,413        | \$ 172,413        |

## AMANTA RESOURCES LTD.

### Notes to the Consolidated Condensed Financial Statements

(expressed in Canadian dollars)

For the nine months ended November 30, 2011 and November 30, 2010

#### Note 7 Convertible Loan (continued)

The conversion privilege was valued on the date of issue of the convertible loan, January 5, 2009, using the Black-Scholes pricing model on the following assumptions:

|   |         |
|---|---------|
| Weighted average price of conversion privilege and warrants | \$ 0.10 |
| Expected dividend yield                                     | -       |
| Expected share price volatility                             | 155%    |
| Risk-free interest rate                                     | 1.61%   |
| Expected term in years                                      | 3       |

On December 1, 2009, Cypress Consulting Services Inc. ("Cypress"), a private Company controlled by the president of the Company agreed with Torakit Investments Ltd. to acquire the convertible loan agreement dated January 5, 2009. There was no change to the terms of the loan and the principal amount of the loan, \$1,000,000, is repayable on or before January 5, 2012. The principal amount of the loan may be converted into a total of up to 10,000,000 common shares of the Company at a deemed price of \$0.10 per share. The conversion restricts Cypress from acquiring 20% or greater of the number of listed shares of the Company. Torakit also retains the 10,000,000 transferable share purchase warrants, exercisable at a price of \$0.10 per share and expiring January 5, 2012. Torakit also retains the right to purchase a 10% working interest in the Luang Namtha project, on the loan maturity date, which may be exercised by reimbursing the Company for 10% of the direct project expenditures incurred by the Company during the period between the closing date and the maturity date of the loan agreement. On May 30, 2011, the Company and Cypress agreed to extend the maturity date of the loan to January 5, 2013. On May 24, 2011, Torakit exercised 1,800,000 warrants expiring on January 5, 2012, at a price of \$0.10 per share for gross proceeds of \$180,000.

**AMANTA RESOURCES LTD.****Notes to the Consolidated Condensed Financial Statements***(expressed in Canadian dollars)*

For the nine months ended November 30, 2011 and November 30, 2010

**Note 8 Share Capital**

Authorized: Unlimited common shares without par value

Issued and fully paid:

|  | <b>Number<br/>of Shares</b> | <b>Share<br/>Capital</b> | <b>Share<br/>Option<br/>Reserve</b> | <b>Share<br/>Warrant<br/>Reserve</b> |
|--|-----------------------------|--------------------------|-------------------------------------|--------------------------------------|
| As at February 28, 2009                    | 47,146,393                  | 15,089,436               | 1,257,825                           | 336,471                              |
| Private placements                         | 17,935,000                  | 771,124                  | -                                   | 484,326                              |
| Issued as repayment of directors' advances | 1,757,860                   | 71,131                   | -                                   | 51,919                               |
| Finders' fees                              | 18,000                      | 1,260                    | -                                   | -                                    |
| Share issue expenses                       |                             |                          |                                     |                                      |
| Warrants issued as finders' fees           | -                           | (2,024)                  | -                                   | 2,024                                |
| Finders' fees paid                         | -                           | (42,207)                 | -                                   | -                                    |
| Share-based compensation                   | -                           | -                        | 35,318                              | -                                    |
| As at February 28, 2010                    | 66,857,253                  | 15,888,720               | 1,293,143                           | 874,740                              |
| Private placements                         | 7,280,000                   | 562,572                  | -                                   | 165,428                              |
| Share options exercised                    | 22,250                      | 8,768                    | (6,543)                             | -                                    |
| Share purchase warrants exercised          | 1,371,000                   | 216,959                  | -                                   | (52,439)                             |
| Share issue expenses                       |                             |                          |                                     |                                      |
| Finders' fees paid                         | -                           | (11,880)                 | -                                   | -                                    |
| Issue costs                                | -                           | (8,693)                  | -                                   | -                                    |
| Share-based compensation                   | -                           | -                        | 440,543                             | -                                    |
| As at February 28, 2011                    | <b>75,530,503</b>           | <b>\$ 16,656,446</b>     | <b>\$1,727,143</b>                  | <b>\$ 987,729</b>                    |
| Share purchase warrants exercised          | <b>1,800,000</b>            | <b>217,620</b>           | -                                   | <b>(37,620)</b>                      |
| Share issue expenses                       |                             |                          |                                     |                                      |
| Finders' fees paid                         | -                           | <b>(1,500)</b>           | -                                   | -                                    |
| As at November 30, 2011                    | <b>77,330,503</b>           | <b>\$ 16,872,566</b>     | <b>\$1,727,143</b>                  | <b>\$ 950,109</b>                    |

## Private Placements:

On October 2, 2009, the Company closed a non-brokered private placement of 2,300,000 units at \$0.07 per unit for gross proceeds of \$161,000. Each unit consisted of one common share and one-half of one common share purchase warrant, with each full warrant entitling the holder to acquire one additional common share at a price of \$0.12 per share until October 2, 2010 and \$0.15 per share thereafter until October 2, 2011. The Company has paid finders' fees of \$1,260 in cash.

On December 30, 2009, the Company completed the first tranche of a non-brokered private placement, issuing 4,650,000 units at \$0.07 per unit for gross proceeds of \$325,500. Each unit consisted of one common share and one-half of one common share purchase warrant, with each full warrant entitling the holder to acquire one additional common share at a price of \$0.12 per share thereafter until December 30, 2010 and \$0.15 per share thereafter until December 30, 2011. The Company paid finders' fees of \$6,300 in cash and issued 54,000 compensation options.

## AMANTA RESOURCES LTD.

### Notes to the Consolidated Condensed Financial Statements

*(expressed in Canadian dollars)*

---

For the nine months ended November 30, 2011 and November 30, 2010

---

#### Note 8 Share Capital (continued)

On February 12, 2010, the Company completed a second tranche of the non-brokered private placement, issuing 7,142,860 units at \$0.07 per unit for gross proceeds of \$500,000, of which \$49,000, deposited on March 11, 2010, has been included in accounts receivable as at February 28, 2010. Each unit consisted of one common share and one half of a non-transferable share purchase warrant. Each warrant entitles the holder to purchase one common share of the Company at a price of \$0.12 per share until February 12, 2011 and \$0.15 per share thereafter until February 12, 2012. The Company paid finders' fees of \$23,097 in cash and issued 21,000 compensation options.

On May 28, 2010, the Company completed a private placement of 2,500,000 units at \$0.10 per unit for total proceeds of \$250,000. Each unit consists of one common share and one half of a non-transferable share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company for a period of 2 years from the closing date at a price of \$0.15 per share during the first year after closing and at a price of \$0.18 per share during the second year after closing.

On January 10, 2011, the Company completed a private placement of 4,780,000 units at \$0.10 per unit for total proceeds of \$478,000. Each unit consists of one common share and one half of a non-transferable share purchase warrant. Each whole warrant entitles the holder to purchase one common share of the Company for a period of one year from the closing date at a price of \$0.15 per share after closing. All of the securities are subject to a hold period which expired on May 11, 2011. The Company paid finders' fees of \$11,880.

#### Share Commitments:

##### a) Share purchase options

The Company has granted common share purchase options pursuant to its share-based compensation plan, as revised on September 10, 2010 pursuant to the requirements of the TSX. These options are granted with an exercise price equal to or greater than the market price of the Company's shares on the date of the grant. The options vest when granted. The maximum number of options outstanding is limited to 10% of the total shares issued and outstanding. Any shares acquired upon exercise of the options are subject to a four month hold period.

During the year ended February 28, 2011, the Company granted 4,325,000 share purchase options to directors and employees of the Company. The fair value of these options was calculated as \$396,528 using the Black-Scholes option pricing model and the assumptions noted in the table below, which was recorded as share-based compensation in operations for the year ended February 28, 2011. The Company also cancelled and re-issued 750,000 share options previously issued to directors and employees of the Company. In accordance with IFRS, this event was treated as a modification of the terms of the original share options and the incremental increase in fair value of \$44,015 on the modification date was also included as share-based compensation in operations for the year ended February 28, 2011. At November 30, 2011 no options were granted.

**AMANTA RESOURCES LTD.****Notes to the Consolidated Condensed Financial Statements***(expressed in Canadian dollars)*

For the nine months ended November 30, 2011 and November 30, 2010

**Note 8 Share Capital (continued)**

A summary of the changes in the Company's outstanding options is:

|                                | 2011             |                                 | 2010             |                                 |
|--------------------------------|------------------|---------------------------------|------------------|---------------------------------|
|                                | Number of Shares | Weighted Average Exercise Price | Number of Shares | Weighted Average Exercise Price |
| Outstanding, beginning of year | 6,177,750        | \$0.10/.12                      | 2,725,000        | \$0.16                          |
| Granted                        | -                | -                               | 5,075,000        | 0.12                            |
| Expired                        | -                | -                               | (50,000)         | 0.30                            |
| Expired                        | (277,750)        | 0.10                            | (800,000)        | 0.10                            |
| Cancelled                      | -                | -                               | (400,000)        | 0.32                            |
| Cancelled                      | -                | -                               | (150,000)        | 0.33                            |
| Cancelled                      | -                | -                               | (200,000)        | 0.30                            |
| Expired                        | (400,000)        | 0.10                            | (15,000)         | 0.10                            |
| Outstanding, end of period     | 5,500,000        | \$0.12                          | 6,185,000        | \$0.31                          |

The following table summarizes the options outstanding and exercisable at November 30, 2011:

| Number of Shares | Expiry Date  | Exercise Price |
|------------------|--------------|----------------|
| 425,000          | June 1, 2012 | \$0.10         |
| 5,075,000        | May 10, 2015 | \$0.12         |
| 5,500,000        |              |                |

The contractual weighted average remaining life of the outstanding options at November 30, 2011 is 3.56 years (2010 – 1.20 years).

**AMANTA RESOURCES LTD.****Notes to the Consolidated Condensed Financial Statements***(expressed in Canadian dollars)*

For the nine months ended November 30, 2011 and November 30, 2010

**Note 8 Share Capital (continued)**

## b) Warrants

A summary of changes in the Company's outstanding share purchase warrants is:

|                                       | Number of Warrants |             |
|---------------------------------------|--------------------|-------------|
|                                       | 2011               | 2010        |
| Balance, beginning of year            | 22,250,430         | 19,906,430  |
| Issued pursuant to private placements | -                  | 1,250,000   |
| Exercised                             | (1,800,000)        | (1,371,000) |
| Expired                               | (1,935,000)        | -           |
| Expired                               | ( 700,000)         | -           |
| Expired                               | ( 250,000)         | -           |
| Balance, end of period                | 17,565,430         | 19,785,430  |

The following table summarizes the outstanding warrants and dates by which they have to be exercised as at November 30, 2011:

| Warrants Outstanding | Expiry Dates      | Exercise Price |
|----------------------|-------------------|----------------|
| 3,542,430            | February 12, 2012 | \$0.15         |
| 2,183,000            | December 30, 2011 | \$0.15         |
| 8,200,000            | January 5, 2012   | \$0.10         |
| 1,250,000            | May 21, 2012      | \$0.18         |
| 2,390,000            | January 11, 2012  | \$0.15         |
| 17,565,430           |                   |                |

During the period, 1,800,000 warrants expiring on January 5, 2012, were exercised at a price of \$0.10 per share for gross proceeds of \$180,000, 1,935,000 warrants, exercisable at \$0.15, expired on June 15, 2011 and 700,000 warrants exercisable at \$0.15 expired on August 28, 2011. 250,000 warrants expired on October 2, 2011.

The Company estimated the fair value of options and warrants issued during the year using the Black-Scholes pricing model, using the following weighted-average assumptions:

|                                 | 2011  | 2010  |
|---------------------------------|-------|-------|
| Expected dividend yield         | -     | -     |
| Expected share price volatility | 106%  | 109%  |
| Risk-free interest rate         | 2.43% | 1.72% |
| Expected term in years          | 3     | 1.9   |

## AMANTA RESOURCES LTD.

### Notes to the Consolidated Financial Statements

(expressed in Canadian dollars)

For the nine months ended November 30, 2011 and November 30, 2010

#### Note 9 Income Taxes

Significant components of the Company's deferred tax assets and liabilities, after applying enacted or substantially enacted corporate income tax rates, are:

| Deferred income tax assets (liabilities):        | 2011         | 2010         |
|--|--------------|--------------|
| Non-capital losses carried forward               | \$ 1,255,521 | \$ 1,192,946 |
| Capital losses carried forward                   | 411,973      | 411,973      |
| Mineral property interests                       | 1,347,757    | 317,938      |
| Share issue costs                                | 39,675       | 73,952       |
| Valuation allowance for future income tax assets | (3,054,926)  | (1,996,809)  |
| Net deferred income tax assets                   | \$ -         | \$ -         |

The reconciliation of the provision for income taxes is:

| Years Ended February 28  | 2011           | 2010           |
|--|----------------|----------------|
| Loss before income taxes   | \$ (5,512,495) | \$ (2,583,808) |
| Combined statutory income tax rates                                      | 29.65%         | 29.65%         |
| Recovery of income taxes based on<br>combined statutory income tax rates | \$ (1,634,600) | \$ (766,037)   |
| Add (deduct):  |                |                |
| Current year losses not recognized                                       | 1,514,153      | 761,484        |
| Net effect of items that are not taxable or<br>deductible                | 120,447        | 4,553          |
| Provision for income taxes   | \$ -           | \$ -           |

The Company has accumulated capital losses of approximately \$3.3 million and non-capital losses of approximately \$4.7 million which can be utilized to offset taxable incomes of future years. The benefit from these losses has not been recorded in these financial statements. The capital losses are available indefinitely against any future realized capital gains and the non-capital losses expire, if not utilized, as follows:

|      |                     |
|------|---------------------|
| 2012 | 383,664             |
| 2013 | 508,495             |
| 2015 | 349,999             |
| 2016 | 100,796             |
| 2026 | 382,588             |
| 2027 | 581,587             |
| 2028 | 672,836             |
| 2029 | 525,517             |
| 2030 | 617,707             |
| 2031 | 567,309             |
|      | <u>\$ 4,690,498</u> |

## AMANTA RESOURCES LTD.

### Notes to the Consolidated Financial Statements

(expressed in Canadian dollars)

For the nine months ended November 30, 2011 and November 30, 2010

#### Note 10 Related Party Transactions

Significant transactions with related parties not otherwise disclosed in these financial statements are:

| Nine Months ended November 30     | 2011              | 2010              |
|-----------------------------------|-------------------|-------------------|
| Consulting fees                   | \$ 67,276         | \$ 100,778        |
| Interest paid on convertible loan | 80,603            | 77,687            |
| Exploration costs:                |                   |                   |
| Geological and consulting fees    | 357,261           | 261,150           |
|                                   | <b>\$ 505,140</b> | <b>\$ 439,615</b> |

Accounts payable at November 30, 2011 includes \$831,474 (2010 - \$633,901) arising from unpaid fees and interest payable to directors and officers of the Company and companies controlled by directors of the Company.

The Company entered into contracts dated March 1, 2005 as amended March 1, 2007, with one director of the Company and two companies controlled by directors of the Company for the period ending February 29, 2008 (subsequently extended to February 28, 2010) for management, geological and consulting services at an aggregate cost of \$46,098 per month. Subsequent to February 28, 2011, the Company extended contracts for four years with one director of the company and one company controlled by a director of the Company.

During the nine months ended November 30, 2011, no further advances were made for the nine months period to November 30, 2011 and advances from directors of \$298,825 were outstanding as at November 30, 2011 (2010 - \$186,806). These advances are unsecured and without interest. The directors have agreed not to demand repayment within one year, and accordingly the advances are considered non-current.

These transactions were in the normal course of operations and were measured at the exchange amount agreed to by the related parties.

#### Note 11 Commitments

Commitments not disclosed elsewhere in these financial statements include minimum lease payments due on the Company's office premises and storage facility located in Vancouver and Thailand, and also payments due on operating leases for equipment and automobiles in Thailand and Laos. Future payments over the remaining terms of the leases are estimated to be:

|                  |                  |
|------------------|------------------|
| Fiscal year 2012 | \$ 66,817        |
| Fiscal year 2013 | 27,593           |
| Fiscal year 2014 | 2,189            |
|                  | <b>\$ 96,599</b> |

## AMANTA RESOURCES LTD.

### Notes to the Consolidated Financial Statements

(expressed in Canadian dollars)

For the nine months ended November 30, 2011 and November 30, 2010

#### Note 11 Commitments (Continued)

On August 1, 2011, the Company entered into a lease agreement to rent office premises in Thailand for \$3,600 Canadian (Baht 112,000) per month. This agreement expires July 31, 2014.

#### Note 12 Segmented Information

a) Operating segment

The Company's operations are primarily the exploration and development of mineral property interests in South East Asia. The Company's operations are in a single reportable segment, mineral property exploration and development.

b) Geographic segments

The Company's mineral property interests are located in South East ("S.E.") Asia and its corporate head office is located in Canada. The geographic distribution of the Company's assets is:

|                            | 2011             |                     |                     | 2010              |                     |                     |
|----------------------------|------------------|---------------------|---------------------|-------------------|---------------------|---------------------|
|                            | Canada           | S.E. Asia           | Total               | Canada            | S.E. Asia           | Total               |
| Current assets             | \$ 25,252        | \$ 23,794           | \$ 49,046           | \$ 188,024        | \$ 87,482           | \$ 275,506          |
| Mineral property interests | -                | 2,072,569           | 2,072,569           | -                 | 6,096,705           | 6,096,705           |
| Property and equipment     | 11,558           | 76,287              | 87,845              | 15,698            | 57,641              | 73,339              |
| Other assets               | 4,722            | 52,621              | 57,343              | 60,860            | 18,178              | 79,038              |
|                            | <b>\$ 41,532</b> | <b>\$ 2,225,271</b> | <b>\$ 2,266,803</b> | <b>\$ 264,582</b> | <b>\$ 6,260,006</b> | <b>\$ 6,524,588</b> |

#### Note 13 Management of Capital

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and development of its mineral property interests. The Company measures its capital as its shareholders' equity and the convertible loan when considering management of capital risk.

The Company manages and adjusts its capital structure when changes to the risk characteristics of the underlying assets or changes in economic conditions occur. To maintain or adjust the capital structure, the Company may attempt to issue new shares and/or debt or acquire, dispose of or joint venture certain of its assets.

In order to maximize ongoing exploration and development efforts, the Company does not pay out dividends. The Company's investment policy is to invest any excess cash in liquid short-term interest-bearing instruments with maturities of 90 days or less. When utilized, these instruments are selected with regard to the expected timing of expenditures for operations.

## AMANTA RESOURCES LTD.

### Notes to the Consolidated Financial Statements

*(expressed in Canadian dollars)*

---

For the nine months ended November 30, 2011 and November 30, 2010

---

#### **Note 13 Management of Capital (continued)**

The Company currently does not have sufficient capital resources to meet its obligations and cover its administrative overhead expenses for the following fiscal year (Note 1), but is confident it can raise additional funds to undertake all of its planned exploration and development activities and its administrative expense. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration and development activities. Management believes the Company will be able to raise capital as required in the long run, but recognize there will be risks involved that may be beyond the Company's control.

#### **Note 14 Management of Financial Risks**

The Company's financial instruments are exposed to certain risks, including currency risk, credit risk, interest rate risk and liquidity risk.

a) **Currency Risk**

The Company is exposed to the fluctuation of foreign exchange rates as it operates in Canada, Thailand and Laos and most of its expenditures are now incurred in Thai Baht, US dollars and Lao kip. A significant change in the currency exchange rates between Canadian dollars, Lao Kip, Thai Baht and US dollars could have an effect on the Company's operations, financial position or cash flows. The Company does not hedge its exposure to currency fluctuations, and manages its currency risk through the preparation of short and long term expenditure budgets in the various currencies and converting Canadian dollars to Lao Kip, Thai Baht and US dollars whenever exchange rates are favourable. Assuming all other variables remain constant, a 1% change in the exchange rate between the Canadian dollar, Lao Kip, Thai Baht and US dollar would result in a change in cash flows of approximately \$6,000.

b) **Credit risk**

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company holds its cash through large financial institutions and the Company's receivables consist of harmonized sales taxes due from the Government of Canada. As such, the Company considers this risk to be minimal.

c) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk as a result of issuing a convertible loan (Note 7), which bears interests at the bank prime rate plus 2%. Assuming that all other variables remain constant, a 1% increase in the prime rate would result in an increase of approximately \$10,000 in the Company's interest expense.

d) **Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and as outlined in Note 13. Accounts payable and accrued liabilities are due within the current operating period.

## **AMANTA RESOURCES LTD.**

### **Notes to the Consolidated Financial Statements**

*(expressed in Canadian dollars)*

---

For the nine months ended November 30, 2011 and November 30, 2010

---

#### **Note 15 Joint Exploration Agreement**

On April 14, 2009, the Company entered into a Joint Exploration Agreement (“JEA”) with Japan Oil, Gas and Metals National Corporation (“JOGMEC”) for the further exploration and development of the Luang Namtha project (Note 5). Under the terms of the JEA, JOGMEC has been granted an Option to acquire a 51% interest in the Luang Namtha project by investing a total of USD\$3 million prior to March 31, 2012. The Company will act as Project Operator and will earn a fee of up to 10% of project expenditures. JOGMEC may terminate its interest at any time after it spends a minimum of USD\$800,000 and will not earn any interest unless it completes the USD\$3 million investment and exercises its Option, following which the parties will contribute pro-rata to ongoing project development costs. Should JOGMEC exercise its Option, it will have the right to transfer this interest to a qualified nominee, a Japanese company. With the exception of a transfer to a JOGMEC nominee, each party shall have a first right of refusal if either party wishes to sell any part of its interest in the project.

JOGMEC was established in February 2004 following the integration of the former Japan National Oil Corporation (“JNOC”) and Metal Mining Agency of Japan (“MMAJ”). It is a corporation under the Japanese Ministry of Economics, Trade and Industry (“METI”) with a mandate of investing in developing minerals projects worldwide to help secure a stable supply of natural resources for Japanese industry.

#### **Note 16 Joint Venture Agreement**

On July 19, 2010, the Company signed a Joint Venture Agreement (“JVA”) with CNP Exploration and Mining Import-Export Co., Ltd. (“CNP”), a Lao mining and construction company. Under the JVA, the companies will establish Lao-Canadian Mining Co. Ltd. (the “Joint Venture Company”) in order to apply for and subsequently develop mineral property interests in Laos.

The Company will make an initial investment of USD\$2,000,000 in the Joint Venture Company when that company has obtained its first mineral exploration concession or license from the Lao government in order to fund mineral property development. This investment will represent an 80% interest in the Joint Venture Company.

As at November 30, 2011, the Joint Venture was awaiting approval from the Lao PDR for its Foreign Investment License and applications for exploration concessions on the Oudom Xai property in Northern Laos are also pending approval.

**AMANTA RESOURCES LTD.**

**Notes to the Consolidated Financial Statements**

*(expressed in Canadian dollars)*

For the nine months ended November 30, 2011 and November 30, 2010

**Schedule A: Consolidated Summary of Mineral Property Interests**

| For the nine months ended Nov. 30                                      |                    |                    |                    |                  |                    |                     | 2011                | 2010 |
|--|--------------------|--------------------|--------------------|------------------|--------------------|---------------------|---------------------|------|
|  | LANGU              | DOI<br>NGOM        | MAE<br>LAMA        | MAE<br>CHEDI     | LUANG<br>NAMTHA    | TOTAL               | TOTAL               |      |
| <b>Performance bonds</b>   |                    |                    |                    |                  |                    |                     |                     |      |
| Opening balance  | \$ 30,672          | \$ -               | \$ -               | \$ 26,553        | \$48,704           | \$ 105,929          | \$ 87,881           |      |
| Recovery   | -                  | -                  | -                  | -                | -                  | -                   | (28,928)            |      |
| Additions  | -                  | -                  | -                  | -                | -                  | -                   | 20,828              |      |
| <b>Total performance bonds</b>   | <b>30,672</b>      | <b>-</b>           | <b>-</b>           | <b>26,553</b>    | <b>48,704</b>      | <b>105,929</b>      | <b>79,781</b>       |      |
| <b>Acquisition costs</b>   |                    |                    |                    |                  |                    |                     |                     |      |
| Opening balance  | 135,213            | 123,460            | 146,177            | -                | 98,307             | 503,157             | 738,006             |      |
| Additions  | -                  | -                  | -                  | -                | -                  | -                   | 23,761              |      |
| <b>Total acquisition costs</b>   | <b>135,213</b>     | <b>123,460</b>     | <b>146,177</b>     | <b>-</b>         | <b>98,307</b>      | <b>503,157</b>      | <b>761,767</b>      |      |
| <b>Exploration costs</b>   |                    |                    |                    |                  |                    |                     |                     |      |
| Opening balance  | 3,926,584          | 1,148,292          | 1,691,624          | 301,524          | 1,663,829          | 8,731,852           | 8,241,874           |      |
| <b>Additions</b>   |                    |                    |                    |                  |                    |                     |                     |      |
| Assaying, survey, line-cut   | -                  | -                  | -                  | -                | 66,368             | 66,368              | 84,766              |      |
| Drilling and mobilization  | -                  | -                  | -                  | -                | 230,467            | 230,467             | 174,716             |      |
| Field administration   | -                  | -                  | -                  | -                | 342,582            | 342,582             | 358,479             |      |
| Geological and consulting  | -                  | -                  | -                  | -                | 370,963            | 370,963             | 398,535             |      |
| Geological survey  | -                  | -                  | -                  | -                | -                  | -                   | 42,971              |      |
| Licences   | -                  | -                  | -                  | -                | -                  | -                   | 342                 |      |
| Other expense  | -                  | -                  | -                  | -                | -                  | -                   | 4,300               |      |
| Project travel   | -                  | -                  | -                  | -                | 140,773            | 140,773             | 100,258             |      |
| Project wages  | -                  | -                  | -                  | -                | 20,262             | 20,262              | 20,524              |      |
| Prepaid vehicle lease  | -                  | -                  | -                  | -                | -                  | -                   | 2,189               |      |
|  | -                  | -                  | -                  | -                | 1,171,415          | 1,171,415           | 1,187,080           |      |
| <b>Recovery of Mineral Property costs – JOGMEC – Notes 3(e) and 14</b> |                    |                    |                    |                  |                    |                     |                     |      |
|  | -                  | -                  | -                  | -                | (940,360)          | (940,360)           | (1,064,002)         |      |
| <b>Total exploration costs</b>   | <b>3,926,584</b>   | <b>1,148,292</b>   | <b>1,691,624</b>   | <b>301,524</b>   | <b>1,894,884</b>   | <b>8,962,907</b>    | <b>8,364,952</b>    |      |
| Write down of costs  | (4,061,797)        | (1,271,751)        | (1,837,800)        | (328,076)        | -                  | (7,499,424)         | (3,109,551)         |      |
| <b>MINERAL PROPERTY INTERESTS, END OF PERIOD</b>                       |                    |                    |                    |                  |                    |                     |                     |      |
|  | <b>\$30,672</b>    | <b>\$1</b>         | <b>\$1</b>         | <b>\$1</b>       | <b>\$2,041,895</b> | <b>\$2,072,569</b>  | <b>\$6,096,949</b>  |      |
| <b>CUMULATIVE EXPENDITURES ON MINERAL PROPERTY INTERESTS</b>           |                    |                    |                    |                  |                    |                     |                     |      |
|  | <b>\$4,092,468</b> | <b>\$1,271,752</b> | <b>\$1,837,801</b> | <b>\$328,077</b> | <b>\$5,350,286</b> | <b>\$12,880,384</b> | <b>\$11,074,910</b> |      |