Anterra Energy Inc.
Condensed Interim
Financial Statements
FOR THE THREE MONTHS ENDED March 31, 2015

NOTICE OF NO AUDITOR REVIEW OF
INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The accompanying unaudited interim financial statements of Anterra Energy Inc. (the "Company") have been prepared by and are the responsibility of the management of the Company. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

ANTERRA ENERGY INC

Condensed Interim Statements of Financial Position
(Unaudited)

	Note	**March 31, 2015**	December 31 2014
Assets			
Trade and other receivables		**$ 2,923,245**	$ 2,747,669
Deposits and prepaid expenses		**1,018,107**	1,090,822
Fair value of risk management contracts	10	**469,563**	222,111
		4,410,915	4,060,602
Property, plant and equipment	6	**66,301,526**	64,445,608
Evaluation and exploration assets	7	**386,667**	386,667
		$ 71,099,108	$ 68,892,877
Liabilities			
Bank debt	8	**14,271,823**	$ 12,484,515
Trade and other payables	9	**10,936,528**	9,687,480
		25,208,351	22,171,995
Other non-current liabilities	9	**-**	2,808,105
Decommissioning liabilities	11	**25,459,194**	22,669,166
Convertible debenture	12	**3,641,138**	3,610,812
		54,308,683	51,260,078
Equity			
Share capital	13	**46,706,177**	46,706,177
Equity component of convertible debenture	12	**454,895**	454,895
Contributed surplus		**2,882,545**	2,882,545
Deficit		**(33,253,192)**	(32,410,818)
		16,790,425	17,632,799
		$ 71,099,108	$ 68,892,877

See accompanying notes to financial statements.

ANTERRA ENERGY INC

Condensed Interim Statements of Operation and Comprehensive Income (Loss)
(Unaudited)

For the periods ended March 31,	Note	**2015**	2014
Revenue			
Production and processing		**$ 3,433,473**	$ 6,596,524
Royalties		**(404,358)**	(1,268,410)
		3,029,115	5,328,114
Realized gain on risk management contracts	10	**495,780**	-
Unrealized gain on risk management contracts	10	**247,452**	-
		3,772,347	5,328,114
Expenses			
Production and operating		**2,402,051**	2,771,477
Spill clean-up and site remediation		**111,215**	-
Transportation		**202,533**	252,724
Depletion, depreciation and amortization	6	**1,002,313**	1,047,390
General and administrative		**510,632**	741,359
Finance expense	14	**385,977**	345,753
Share-based payments		**-**	1,752
		4,614,721	5,160,455
Net income (loss) and comprehensive income (loss)		**$ (842,374)**	$ 167,659
Income (loss)per share			
Basic and diluted	16	**$ (0.002)**	$ 0.000

See accompanying notes to financial statements

ANTERRA ENERGY INC

Condensed Interim Statements of Changes in Equity

(Unaudited)

	Note	Share Capital	Convertible Debenture Equity Component	Contributed Surplus	Accumulated Deficit	Total Equity
Balance, January 1, 2014		$46,706,177	$ 454,895	$2,880,793	($16,357,240)	$33,684,625
Share based payments		-	-	1,752	-	1,752
Income for the period					167,659	167,659
Balance, March 31, 2014		$46,706,177	$ 454,895	$2,882,545	($16,189,581)	$33,854,036
Balance, January 1, 2015		$46,706,177	$ 454,895	$2,882,545	$ (32,410,818)	$17,632,799
Loss for the period					(842,374)	(842,374)
Balance, March 31 , 2015		**$46,706,177**	**$ 454,895**	**$2,882,545**	**(33,253,192)**	**16,790,425**

See accompanying notes to financial statements

ANTERRA ENERGY INC

Condensed Interim Statements of Cash Flows

(Unaudited)

For the periods ended March 31,		2015	2014
Operating activities:	Note		
Income (loss) for the period		**$ (842,374)**	$ 167,659
Adjustments for:			
Depletion, depreciation and amortization	6	**1,002,313**	1,047,390
Accretion	14	**127,272**	175,762
Share based payments		**-**	1,752
Unrealized gain on risk management contracts	10	**(247,452)**	-
Decommissioning expenditures	11	**(16,332)**	(150,904)
Change in non-cash working capital	17	**(1,663,720)**	612,367
Cash (used in) provided by operating activities		**$ (1,640,293)**	$ 1,854,026
Investing activities:			
Property, plant and equipment expenditures		**(148,817)**	(745,541)
Change in non-cash working capital	17	**1,802**	297,722
Cash (used in) investing activities		**(147,015)**	$ (447,819)
Financing activities:			
Proceeds from (repayment of) bank debt		**1,787,308**	(1,406,207)
Cash provided by (used in) financing activities		**1,787,308**	(1,406,207)
Change in cash and cash equivalents		**$ -**	$ -
Cash and cash equivalents, beginning of period		**$ -**	$ -
Cash and cash equivalents, end of period		**$ -**	$ -

See accompanying notes to financial statements

1. Reporting entity:

Anterra Energy Inc. ("Anterra" or the "Company") is engaged in the acquisition, exploration, development and production of oil and natural gas from properties in western Canada. The Company's common shares are listed and trade on the TSX Venture Exchange under the symbol AE.A. The Company's head office is located at 1420, 1122 4th Street SW, Calgary, Alberta T2R 1M1 and its registered office is located at 3700, 400 - 3rd Avenue SW Calgary, Alberta T2P 4H2.

The Company has two reportable operating segments and a corporate segment. The oil and gas production segment explores for, develops and produces oil and gas. The midstream processing segment provides processing and disposal services to the oil and gas industry.

2. Basis of presentation:

These unaudited condensed interim financial statements ("financial statements") have been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting. These financial statements do not include all the necessary annual disclosures as prescribed by International Financial Reporting Standards ("IFRS") and should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2014. The Company's accounting policies are unchanged from December 31, 2014 except as otherwise noted. The use of estimates and judgments is also consistent with the December 31, 2014 financial statements. The financial statements were authorized for issuance by the Company's Board of Directors on May 26, 2015.

The financial statements have been prepared on the historical cost basis and are presented in Canadian dollars which is the Company's functional currency.

3. Going concern:

Continuing weak crude oil prices experienced during the first quarter of 2015 have negatively impacted earnings and cash flow for the period. Additionally, total net costs of $3.0 million associated with two major pipeline failures at the Company's Nipisi property during 2014 have further strained the Company's financial resources.

The foregoing together with associated production disruptions were major contributors to the losses reported for the year ended December 31, 2014 and the first quarter of 2015. As a result the Company has a working capital deficiency of $6.5 million, excluding bank debt of $14.3 million, at March 31, 2015. In addition, at March 31, 2015, the Company was in default under its Credit Facility Agreement and the default may continue throughout 2015.

Lower year end commodity prices also had a negative impact on the value of the Company's oil and natural gas reserves and the borrowing base upon which the Company's credit facility is determined. Although proven plus probable reserves at December 31, 2014, as determined by the

Company's independent reserve evaluators, increased over year end 2013 reserves, lower commodity prices resulted in a reduction of their Net Present Value as compared to 2013.

Pursuant to a review by the Company's lender, effective March 9, 2015, the Company's $15 million revolving, operating demand loan credit facility was restructured to include a revolving operating demand loan facility in the maximum amount of $10 million and a non-revolving demand loan facility in the maximum amount of $4.8 million. The non-revolving loan facility was repayable as to $200,000 on acceptance of the facilities agreement and thereafter in monthly principal payments of $200,000.

These conditions create a material uncertainty that may cast significant doubt as to the Company's ability to execute on its business strategy and continue as a going concern.

These financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of obligations in the normal course of business. If this assumption is not appropriate, adjustments to the carrying amounts of assets and liabilities, revenues and expenses and the statement of financial position classifications used in the financial statements may be necessary and such adjustments could be material.

4. New Accounting Standards

Accounting standards issued but not yet applied

IFRS 9, Financial Instruments, replaces IAS 39 "Financial Instruments: Recognition and Measurement" and addressed the classification and measurement of financial instruments. On April 28, 2015, the IASB deferred the effective date by one year to January 1, 2018. The Company is currently evaluating the impact of adopting IFRS 9 on its financial statements.

IFRS 15, Revenue From Contracts With Customers, provides clarification for recognizing revenue from contracts with customer and establishes a single revenue recognition and measurement framework that applies to contracts with customers. The new standard is effective for annual periods beginning on or after January 1, 2017, with early adoption permitted. The Company is currently evaluating the impact of adopting IFRS 15 on its financial statements.

The IASB issued amendment to IAS 1, "Presentation of Financial Statements", effective for annual periods beginning on or after January 1, 2016 with early adoption permitted. These amendments, intended to improve financial statement disclosures, will not require significant changes to the Company's current practices and will be adopted for the annual period beginning on January 1, 2016.

5. Segmented Financial Information:

For the three months ended March 31, 2015	**Oil and Gas Production**	**Midstream Processing**	**Corporate Segment**	**Eliminations**	**Total**
Revenue	$ 2,448,012	$ 994,438	-	$ (8,977)	3,433,473
Royalties	(404,358)	-	-	-	(404,358)
	2,043,654	994,438	-	(8,977)	3,029,115
Realized gain on risk Management contracts	495,780	-	-	-	495,780
Unrealized gain(loss) on risk management contracts	247,452	-	-	-	247,452
	2,786,886	944,438	-	(8,977)	3,772,347
Production and operating expenses	2,062,158	348,870	-	(8,977)	2,402,051
Spill clean-up and site remediation	111,215	-	-	-	111,215
Transportation	199,363	3,170	-	-	202,533
Depletion, depreciation and amortization	962,120	40,193	-	-	1,002,313
General and administrative expenses	290,747	117,042	102,843	-	510,632
Finance expense	92,111	4,837	289,029	-	385,977
Net income (loss)	**($930,828)**	**$480,326**	**($391,872)**	**-**	**($842,374)**
Capital expenditures:					
Property, plant and equipment	**$ 79,714**	**$ 69,103**	**$ -**	**$ -**	**$ 148,817**
Total Assets	**$63,377,888**	**$3,310,305**	**$4,410,915**	**$ -**	**$ 71,099,108**

5. Segmented Financial Information, continued;

For the three months ended March 31, 2014	Oil and Gas Production	Midstream Processing	Corporate Segment	Eliminations	Total
Revenue	$ 5,715,660	$ 892,909	$ -	$ (12,045)	$ 6,596,524
Royalties	(1,268,410)	-	-	-	(1,268,410)
	4,447,250	892,909	-	(12,045)	5,328,114
Production and operating expenses	2,381,964	401,558	-	(12,045)	2,771,477
Transportation	252,724	-	-	-	252,724
Depletion, depreciation and amortization	1,025,878	21,512	-	-	1,047,390
General and administrative expenses	624,771	116,588	-	-	741,359
Share-based payments	-	-	1,752	-	1,752
Finance expense	139,034	6,401	200,318	-	345,753
Net income (loss)	$ 22,879	$ 346,850	$ (202,070)	-	$ 167,659
Capital expenditures:					
Property, plant and equipment	$ 701,871	$ 43,670	-	-	$ 745,541
	$ 701,871	$ 43,670	$ -	$ -	$ 745,541
Total Assets	$ 69,122,298	$ 3,101,108	$4,844,224	$ -	$77,067,630

6. Property, plant and equipment:

	Petroleum and natural gas properties $	Processing and other facilities $	Total $
Cost			
Balance at January 1, 2014	77,882,913	5,336,130	83,219,043
Additions	6,840,487	106,753	6,947,240
Decommissioning provisions	499,420	161,779	661,199
Balance at December 31, 2014	85,222,820	5,604,662	90,827,482
Additions	79,714	69,103	148,817
Decommissioning provisions	2,633,889	75,525	2,709,414
Balance at March 31, 2015	**87,936,423**	**5,749,290**	**93,685,713**
Depletion, depreciation and impairment			
Balance at January 1, 2014	8,353,334	2,239,769	10,593,103
Depletion for the year	4,076,584	159,023	4,235,607
Impairment for the year	11,553,164	-	11,553,164
Balance at December 31, 2014	23,983,082	2,398,792	26,381,874
Depletion for the period	962,120	40,193	1,002,313
Balance at March 31, 2015	**24,945,202**	**2,438,985**	**27,384,187**
Net book value			
Balance at December 31, 2014	61,239,738	3,205,870	64,445,608
Balance at March 31, 2015	**62,991,221**	**3,310,305**	**66,301,526**

Future development costs totaling $47,001,686 (2014 - $47,081,400) are included in the depletion calculation. Personnel expenses of $48,534 (2014 - $50,712) directly attributed to capital activities were capitalized in property, plant and equipment for the three months ended March 31, 2015.

7. Evaluation and exploration assets:

Balance, January 1, 2013	$ 4,547,147
Additions	651
Exploration and evaluation expense	(4,161,131)
Balance, March 31, 2015, December 31, 2014 and 2013	$ 386,667

Exploration and evaluation (E&E) assets consist of the Company's exploration projects which are pending the determination of proven or probable reserves.

8. Bank debt:

	March 31, 2015	December 31, 2014
Authorized		
Revolving demand loan	**$10,000,000**	$15,000,000
Non-revolving demand loan	**4,400,000**	-
	$14,400,000	$15,000,000
Outstanding		
Revolving demand loan	**$9,871,823**	$12,484,515
Non-revolving demand loan	**4,400,000**	-
	$14,271,823	$12,484,515

As at March 9, 2015 the Company's authorized $15 million revolving, operating demand loan credit facility was restructured to include a revolving operating demand loan facility in the maximum amount of $10 million and a non-revolving demand loan facility in the maximum amount of $4.4 million. The revolving facility bears interest at the bank prime plus 1.25% (December 31, 2014 - prime rate plus 1.00%), with an effective rate at March 31, 2015 of 4.10% (March 31, 2014 – 3.75%). The non-revolving facility bears interest at the bank prime rate plus 3% with an effective rate as at March 31, 2015 of 5.85%, and is repayable in monthly principal payments of $200,000.

The facilities are secured by a first floating charge debenture in the amount of $35 million over all assets of the Company. Under its Credit Facilities Agreement, the Company is required to maintain an adjusted working capital ratio, after adding the unused portion of the revolving demand loan facility and excluding outstanding debt under the facility, of not less than 1:1. As at March 31, 2015 the adjusted working capital ratio was 1 to 0.37 and the Company is in default under the Agreement, and the default may continue throughout 2015.

9. Trade and other payables

Trade and other payable include an amount of $2.8 million payable to a related party, see note 19, due January 31, 2016 together with interest at 10% per annum.

10. Risk management contracts

The Company's activities expose it to a variety of financial risks that arise as a result of its exploration, development, operating and financial activities. The Company's financial risks are consistent with those discussed in December 31, 2014 financial statements.

The Company has entered into two commodity price contracts, as outlined below, to mitigate a degree of its exposure to commodity price risk and provide a degree of stability to operating cash flows which enable the Company to fund a portion of its capital program. Additionally the Company has entered into two fixed price power contacts also outlined below,

Such contracts are not used for trading or speculative purposes. The Company has not designated the financial derivative contracts as effective accounting hedges although the Company considers them to be an effective economic hedge. As a result, the contracts are recorded at fair value on the statement of financial position, with changes in fair value being recognized as an unrealized gain or loss on the statement of operations.

Financial assets and liabilities carried at fair value are required to be classified in accordance with a hierarchy that prioritizes the inputs used to measure fair value. The risk management contracts are valued using level 2 inputs which are based on quoted forward prices that can be substantially observed or corroborated in the market place.

Commodity price contracts

Remaining term	Contract Type	Quantity Contracted	Price Floor	Price Ceiling
Apr. 1 to June 1, 2015	Crude Oil – collar	150 bbls per day	$97.00 / bbl	$112.00 /bbl
June 1 to Dec 31, 2015	Crude Oil collar	200 bbls per day	$65.00 / bbl	$ 76.00 / bbl

Power price contracts

Remaining term	Contract Type	Volume	Price
Apr. 2015 – December 2015	Fixed price	0.2 MW	$52.99/MWh
Apr. 2015 – June 2017	Fixed price	1.5 MW	$55.25/MWh

At March 31, 2015, the foregoing derivative contracts were recorded at fair value on the statement of financial positon as an asset of $469,563 and the Company recognized an unrealized gain of $247,452 and realized gain of $495,780.

11. Decommissioning liabilities:

Balance at January 1, 2014	$ 22,152,634
Changes to estimate	661,199
Obligation acquired	(698,533)
Accretion expense	553,866
Balance, December 31, 2014	$ 22,669,166
Changes to estimate	2,709,414
Obligation settled	(16,332)
Accretion expense	96,946
Balance, March 31, 2015	$ 25,459,194

The Company's decommissioning liability results from its ownership interest in petroleum and natural gas assets including well sites, gathering systems and processing and production facilities, all of which will require future expenditures for decommissioning under existing legislation.

The Company has estimated the net present value of the decommissioning obligations to be $25,459,194 at March 31, 2015 (December 31, 2014- $22,669,166) based on an undiscounted total future liability of $34,014,765 (December 31, 2014 - $34,014,765). These expenditures are expected to be incurred over the next 25 years with the majority of costs to be incurred between 2015 and 2025. A risk free rate of 1.71% (2014 – 2.50%) and an inflation factor of 2% were used to determine the decommissioning liability at March 31, 2015.

12. Convertible debenture:

6% redeemable convertible debenture

	March 31, 2015	December 31, 2014
6% redeemable convertible debenture, at face value	**$4,000,000**	$4,000,000
Equity component, before deferred income taxes	**(606,526)**	(606,526)
Accretion	**247,664**	217,338
Balance	**$3,641,138**	$3,610,812

On March 14, 2013 the Company issued a $4 million principal amount convertible debenture as partial settlement of a hydrocarbon purchase agreement. The debenture bears interest at 6% payable semi-annually with the principal repayable on March 14, 2018; the debenture is secured, subordinate to the bank credit facility, by a floating charge on the property and assets of the Company.

At the option of the holder on 20 days' notice, the debenture is convertible, in whole or in part at any time, into common shares of the Company at a price of $0.10 per share. The debenture is redeemable, in whole or in part at any time, by the Company on 30 days' notice.

The debenture was initially recorded at its principal amount net of an equity component valued at $606,526 ($454,895 after deferred income tax) attributable to the holder's option to convert the debt into common shares.

13. Share capital:

Authorized

Unlimited Class A voting shares without par value

Unlimited preferred shares, issuable in series, rights and privileges to be determined on issue

Issued and Outstanding		**Class A Shares**	**Warrants**	**$**
Balance, January 1, 2013		246,438,032	-	31,110,546
Acquisition	(a)(b)	36,680,174	5,150,000	2,356,213
Expired	(b)	-	(3,150,000)	-
Private placement	(c)	107,692,308	1,000,000	6,619,750
Private placement	(d)	106,060,606	1,000,000	6,619,668
Balance, March 31, 2015, December 31, 2014 and 2013		**496,871,120**	**4,000,000**	**46,706,177**

14. Finance income and expenses:

	2015	2014
Finance income:		
Interest income on bank deposits	**$ (217)**	$ (215)
Financial expenses:		
Interest on bank debt	**128,719**	110,206
Interest on other liabilities	**70,203**	-
Interest on debenture	**60,000**	60,000
Accretion of debenture	**30,326**	30,327
Accretion of decommissioning liabilities	**96,946**	145,435
	386,194	345,968
Net finance expense	**$ 385,977**	$ 345,753

15. Income taxes

As at December 31, 2014, the Company had accumulated non-capital losses of approximately $37.9 million. The losses expire between 2023 and 2034 and are available to offset future taxable income. The related tax benefits have been recognized only to the extent of taxable temporary differences.

16. Per share amounts:

Basic income per share was calculated as follows:

	2015	2014
Income(loss) for the period	**$ (842,374)**	$ 167,659
Weighted average number of common shares (Basic and Diluted)	**496,871,120**	496,871,120

The effect of outstanding options, warrants and convertible instruments is non-dilutive.

17. Supplemental cash flow information:

Changes in non-cash working capital is comprised of

	2015	2014
Source of cash:		
Trade and other receivable	**$ (175,576)**	$ (968,678)
Deposit and prepaid expenses	**72,715**	(18,599)
Trade and other payable	**(1,559,057)**	1,897,366
	(1,661,918)	910,089
Related to investing activities	**1,802**	612,367
Related to operating activities	**(1,663,720)**	297,722

18. Commitments:

The Company has entered into a lease arrangement for office facilities and expiring December 31, 2017. Annual base lease payments are $221,892.

19. Related party transactions:

The Company has entered into the following transactions with related parties:

(a) LandOcean Energy Services Co., Ltd. ("LandOcean") and Western Union Petro (Canada) Technology Co., Ltd. ("Western Union"), a wholly owned subsidiary of LandOcean.
LandOcean currently holds approximately 21.7% of the issued and outstanding Class A common shares of Anterra through its subsidiary, LandOcean Resources Investment Canada Co., Ltd. LandOcean has been tasked with (1) assessing the potential of the Company's oil and gas properties and preparing development plans for the properties; and (2) providing assistance to the Company's management in executing such plans. Specific projects, as summarized below, undertaken by LandOcean and Western Union are approved by the independent directors of the Company prior to the commencement of the project. The Company's management monitors and manages the work, and tracks all expenses against a budget approved by the directors for the project.

i) On April 8, 2013, the Company entered into an agreement ("the Agreement") with LandOcean whereby LandOcean will provide Anterra with long-term technical consulting services including integrated reservoir studies, exploitation evaluations and production planning for existing properties and acquisition projects through to the end of 2014. Pursuant to the Agreement, LandOcean will earn total compensation of $1,949,600 for technical services of which $976,880 has been earned to December 31, 2014. The Company charges technical costs incurred under the Agreement to petroleum and natural gas properties. Additionally, under the terms of the Agreement, $50,000 for travel, communication and management costs, were paid and expensed during 2013. At March 31, 2015, $392,000 was payable to LandOcean in relation to the Agreement.

ii) During 2014, the Company engaged Western Union, to complete various field projects including the initial stage of a water-flood project at Strathmore, Alberta. During the year total costs of $3,584,962 related to the various projects were incurred of which $2,808,105 remains payable at March 31, 2015, see Note 9.

No work additional to that completed during 2014 is ongoing or anticipated with the above related entities.

b) During the three months ended March 31, 2015, a consulting company, to which an officer of Anterra is related, charged the Company $25,314 (2014 - $19,290) for consulting services. March 31, 2015, $8,438 was payable in relation to services provided.

c) During the three months ended March 31, 2015, a consulting company, to which a director of Anterra is related, charged the Company $4,200 (2014 - $12,600) for management and advisory services.