

AMANTA RESOURCES LTD.

(formerly "Cal-Star Inc.")
#507, 837 West Hastings Street
Vancouver, BC V6C 3N6
Tel: 604.685.1017
Fax: 604.685.5777

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MANAGEMENT DISCUSSION & ANALYSIS

This Management Discussion & Analysis should be read in conjunction with our consolidated financial statements and the accompanying notes for the year ended February 29, 2004. Except where otherwise noted, all dollar amounts are stated in Canadian dollars. Additional information relating to Amanta Resources Ltd. is available on SEDAR at www.sedar.com.

Overview

Our corporate jurisdiction is the State of Wyoming, USA and we are extra provincially registered in British Columbia. We were incorporated in British Columbia as Approach Resources Ltd. on September 4, 1986 under the *Company Act* (British Columbia) in effect on that date. We subsequently changed our name to *Future Media Technologies Corp.* on January 29, 1987. On January 29, 1999 we continued our incorporation under the *Wyoming Business Corporations Act*. On June 18, 1999, we changed our name to *Future Link Systems Inc.*; and consolidated our share capital on the basis of one new share for each ten old shares. Subsequently on August 23, 2001, we changed our name to *Cal-Star Inc.* and on July 13, 2004 we changed our name to *Amanta Resources Ltd.*

As of August 18, 2003, in accordance with TSX Venture Exchange Policy 2.5, we were transferred to the NEX board from Tier 2 of the TSX-V. We were previously designated as a TSV-V inactive issuer. Accordingly, we were subject to restriction on share issuances and certain types of payments as set out in the NEX policies. Our trading symbol was changed to include a .H extension (CAI.H). At that time, there was no change in our name, no change in our CUSIP number and no consolidation of capital. The symbol extension differentiated NEX symbols from Tier 1, Tier 2, or Tier 3 symbols within the TSX-V market.

The NEX is a separate and designated board or "tier" of the TSX for the trading of issuers with business activity levels that fail to meet the tier maintenance requirements of the TSX for Tier 2 issuers and are accordingly designated as "inactive" under the policies of the TSX. The NEX replaced the former policies and practice of the TSX to designate such issuers as inactive, following which they were permitted to trade on Tier 2 of the TSX for a specified period of time.

The NEX provides a separate board and policies suited to the needs of inactive issuers looking to reactivate themselves as companies carrying on an active business.

At our annual shareholders meeting held on August 29, 2003, the shareholders approved a change of business by the acquisition of the Thailand properties, as well as the issuance of 1,272,860 common shares at a price of \$0.10 per share in settlement of debt in the amount of \$127,286 and a private placement of 6,500,000 units at a price of \$0.10 per share, which private placement was subsequently increased to 10,000,000 units. We subsequently received TSX approval to the change of business, shares for debt settlement and private placement and, accordingly, effective June 25, 2004, we were reactivated for trading as a Tier 2 issuer on the TSX Venture Exchange under the trading *CAI*.

Reverse Takeover and Change of Business

We recently completed a reverse takeover, which included a change of business, acquisition of new properties, a private placement and debt settlement, the particulars of which are as follows:

Property Asset Agreements

We acquired two mineral properties in Thailand pursuant to the following Property-Asset Agreements:

- (a) by agreement dated July 23, 2002, we acquired exploration and development rights to 2,500 hectares of land, held under Special Prospecting Licenses by Amanta Limited, on the Langu Property located in Satun Province, Southern Thailand, for and in consideration of an aggregate of US\$50,000 cash, which has been paid, and a 2% net smelter royalty. There are no shares being issued and Amanta Limited is arm's length. The first phase of a two phase exploration program has been carried out a cost of \$110,400 US. We agreed to fund a two phase work program on the Langu Property for a total cost of approximately \$348,400 US.
- (b) by agreement dated December 30, 2002, we acquired exploration and development rights to 15.4 hectares of land, held under two mining licenses owned by Arun Sapachai Mining Partnership, on the Arun Property located in Southern Thailand, 12 kilometres north of the village of Langu, for and in consideration of Cdn\$18,500 (500,000 Baht) per year, for a period of up to four years for an aggregate of Cdn\$74,000 (2,000,000 Baht), of which two annual payments have been made to date, and a 2% net smelter royalty. The property is located in the middle of the Langu Property. There are no shares being issued and Arun Sapachai Mining Partnership is arm's length; and
- (c) by amendment agreement dated April 30, 2003, we agreed to reimburse up to US\$125,000 in exploration costs and other obligations related to the licenses as advanced by Amanta Limited, which has now been paid.

The Langu properties are located in the southern Thai province of Satun, near the border with Malaysia. The tenements consist of a set of two Special Prospecting Licenses under Thai Mining Law with a total area of 25 square kilometers and one Mining License (400x400 meters) in an existing quarry area. The property holds significant potential for what has been recognized as 'Carlin-style' gold mineralization. In the initial stages of exploration, high grade float with gold values of up to 180 g/t was sampled in the tenement area and the gold is associated with arsenopyrite 'needles' in limestone.

Mineralization has been identified at surface over a 20 meter long outcrop. Outcrop samples consistently returned values of up to 30 g/t gold, with none of the samples returning lower than 15 g/t gold. Line cutting, sampling and mapping has been completed in order to get an indication of the possible extension of the mineralized area. Within the quarry area, where the mineralization was first encountered, the length of the mineralized trend has been established as well over 250 meters, while in the area covered by the exploration licenses, this trend seems to continue for at least 2500 meters along a N30E strike with gold mineralized stibnite (12 g/t Au.) being found at that distance from the quarry area.

Regional assessment work included the review of available airborne geophysical data and an interpretation of Landsat TM data. The latter reveals significant lengths of anticlinal/synclinal structures offset by two sets of normal faults and a large sub-regional thrust structure, indicating that a fairly extensive mineralized system has been developed.

Systematic regional sampling and mapping within the area of the exploration licenses and detailed work, including some shallow drilling, in the quarry zone, are planned by the Company in order to get a better understanding of the characteristics and extent of the mineralized zone.

This will be followed by a more extensive drilling program.

The Technical Report for the Langu Property, Satun Province, Thailand dated June 20, 2003, as prepared by Apex Geoscience, was previously filed and vetted by the TSX Venture Exchange was filed on SEDAR on January 30th, 2004.

Sponsorship

By a Sponsorship Agreement dated January 30, 2004 with Canaccord Capital Corporation, Canaccord agreed to act as our sponsor in conjunction with our reactivation and reverse takeover.

Private Placement

We completed a private placement of 10,000,000 units at a price of \$0.10 per unit for an aggregate of \$1,000,000. Each unit consists of one common share and one share purchase warrant to purchase one additional common share at a price of \$0.20 per share, exercisable for a period of two years from June 25th, 2004.

The common shares forming part of the units, together with any shares that may be acquired upon exercise of the warrants are restricted from trading until October 26th, 2004.

No finder's fee was payable with respect to the private placement.

Shares for Debt Settlement

By a Debt Settlement Agreement dated May 31st, 2002 with Anton J. Drescher, on of our directors, we agreed to issue 1,272,860 common shares at a deemed price of \$0.10 per share in settlement of debt in the amount of \$127,286. The debt settlement shares are restricted from trading until October 26th, 2004.

Escrowed Shares

The private placement securities that were issued to insiders and a related party, as well as the debt settlement shares, being an aggregate of 7,172,860 common shares are subject to escrow restrictions pursuant to an Escrow Agreement dated May 4th, 2004, as follows:

- (a) 1/10 of the remaining escrow securities or 717,286 common shares were released as of the June 24th, 2004;
- (b) 1/6 of the remaining escrow securities or 1,075,929 common shares are releasable as of December 24, 2004;
- (c) 1/5 of the remaining escrow securities or 1,075,929 common shares are releasable as of June 24, 2005;
- (d) 1/4 of the remaining escrow securities or 1,075,929 common shares are releasable as of December 24, 2005;
- (e) 1/3 of the remaining escrow securities or 1,075,929 common shares are releasable as of June 24, 2006;
- (f) 1/2 of your remaining escrow securities or 1,075,929 common shares are releasable as of December 24, 2006; and
- (g) all of the remaining escrow securities or 1,075,929 common shares are releasable as of June 24, 2007

Recent Events

Reactivation

Effective June 25th, 2004, we commenced trading as a Tier 2 issuer on the TSX Venture Exchange under the trading symbol "CAF".

Name Change

We received approval of the TSX Venture Exchange to a name change from "Cal-Star Inc." to "Amanta Resources Ltd.", and effective July 13th, 2004, we commenced trading under our new name under the trading symbol "AMH".

Plan of Operation

Our immediate goal is to carry out the recommended exploration programs on our Thailand properties. Once the exploration programs are completed, our long-term goal is to develop the properties if recommended by a qualified engineer.

Selected Annual Information

Description	February 29, 2004 (1) \$	February 28, 2003 \$	February 28, 2002 \$
<i>Total Revenues</i>	0	0	0
<i>Income or loss</i>			
<i>Total</i>	(156,387)	(74,854)	(66,811)
<i>Per share</i>			
<i>Net income or loss</i>			
<i>Total</i>	(156,044)	(91,767)	365,238
<i>Per share</i>	(0.08)	(0.04)	0.14
<i>Total Assets</i>	613,181	19,810	4,344
<i>Long term financial liabilities</i>	0	0	0
<i>Cash dividends</i>	N/A	N/A	N/A

Summary of Quarterly Results

Description	Year ended Feb 29 2004 (1) \$	Nine months ended Nov 31 2003 \$	Six months ended Aug 31 2003 \$	Three months ended May 31 2003 \$	Year ended Feb 29 2003 \$	Nine months ended Nov 31 2002 \$	Six months ended Aug 31 2002 \$	Three months ended May 31 2002 \$
<i>Net Revenues</i>	0	0	0	0	0	0	0	0
<i>Income or loss before other items</i>								
<i>Total</i>	(156,387)	(91,303)	(63,993)	(11,726)	(74,854)	(55,830)	(37,254)	(14,072)
<i>Per share</i>	(0.08)	(0.04)	(0.03)	(0.006)		(0.02)	(0.01)	(0.006)
<i>Net income or loss for period</i>								
<i>Total</i>	(156,044)	(91,303)	(63,993)	(11,726)	(91,767)	(55,830)	(37,254)	(14,072)
<i>Per share</i>	(0.08)	(0.04)	(0.03)	(0.006)	(0.04)	(0.02)	(0.01)	(0.006)

Liquidity and Solvency

As of February 29, 2004 we had a cash position of \$281,665, compared to \$14,396 as at February 28, 2003, representing an increase of \$267,269. The increased amount for the year ended February 29, 2004 was from the private placement proceeds received during that year. As of February 29, 2004, we had a working capital deficiency of \$164,074, compared to a working capital deficiency of \$221,429 as at February 28, 2003. Our current cash and cash equivalents are sufficient to meet our cash requirements for a period of seven months, based on average expenditures of \$40,000 per month. We will require additional financing to fund current operations, as well as any exploration programs on our properties, if applicable. We have historically satisfied our capital needs primarily by issuing equity securities. We have no funding commitments or arrangements for additional financing at this time and there is no assurance that we will be able to obtain any additional financing on terms acceptable to us, if at all. Any additional funds raised will be used for the exploration and development of our properties and for general and administrative expenses. We estimate that we will require approximately \$40,000 per month, or \$480,000 annually, to fund our general and administrative expenses for the next twelve months. The quantity of funds to be raised and the terms of any equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arise. Specific plans related to the use of proceeds will be devised once a financing has been completed and management knows what funds will be available for these purposes.

During the year ended February 29, 2004, we raised an aggregate of \$535,000 by way of private placement and subsequent to the year end, we raised an additional \$465,000 in private placement proceeds, for total proceeds of \$1,000,000. During the year ended February 28, 2003 we did not raise any funds.

Results of Operations

We incurred a net loss of \$156,044 for the year ended February 29, 2004, compared to a net loss of \$91,767 for the year ended February 28, 2003. Some of the items comprising the loss for the year ended February 29, 2004 were accounting, audit and legal fees of \$27,341 (2003 - \$14,822), consulting fees of \$30,630 (2003 - \$30,000), filing fees and transfer agent costs of \$25,867 (2003 - \$14,253), and office and miscellaneous cost of \$23,651 (2003 - \$3,633) and rent of \$8,400 (2003 - \$12,000). During the year ended February 29, 2004 we incurred additional expenses for the sponsorship fee of \$30,000, travel and related costs of \$3,921 and wages and benefits of \$6,452. Also included in the expenses for the year ended February 28, 2003 is \$16,913 for property investigation costs.

We do not have any employees; all of our services are carried out by the directors and officers or by consultants retained on an as needed basis.

Liquidity and Capital Resources

We anticipate that we have sufficient funds on hand for the next seven months of operation. We expect that we will operate at a loss for the foreseeable future. We have continued to provide capital through equity financing. We have no agreements for additional financing and we can provide no assurance that additional funding will be available to us on acceptable terms in order to enable us to complete any plan of operations.

Our capital requirements are currently for general and administrative expenses and our future capital requirements will depend upon any recommended exploration or development programs recommended for our properties.

Transactions with Related Parties

During the years ended February 29, 2004 and February 28, 2003, we entered into the following transactions with related parties:

- (a) We incurred accounting fees and consulting fees of \$35,088 during the year ended February 29, 2004 (2003 - \$32,717) with our directors, either directly or indirectly to companies controlled by them.
- (b) Included in accounts payable at February 29, 2004 is \$26,339 (2003 - \$29,189) due to a company controlled by a director with respect to unpaid accounting and consulting fees and \$234,170 (2003 - Nil) to a company with a common director with respect to resource property costs.
- (c) As of February 29, 2004 Nil (2003 - \$15,000) was payable to a director, either directly or indirectly to a company controlled by a director. The loan is unsecured, non-interest bearing and has no specific terms of repayment.
- (d) As of February 29, 2004, \$122,286 (2003 - \$150,186) was due to our directors, either directly or indirectly to companies controlled by them, in respect of unpaid advances.