

26 February 2020

Dear Shareholders,

**UNAUDITED RESULTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019**

**Highlights in FY 2019**

- Revenue from continuing operations for the financial year was US\$15.68 million, 5% higher than the previous financial year. The increase was due mainly to higher sales of shareable oil of 314,467 barrels as compared to the previous financial year of 266,531 barrels although at lower weighted average transacted oil prices of US\$63.13 per barrel as compared to the previous financial year of US\$67.95 per barrel.
- Total loss after income tax for the financial year was US\$0.58 million, as compared to total profit after income tax in previous financial year of US\$0.73 million.
- Earnings before divestment gain, interest income, exchange difference, finance cost, tax, depreciation, amortisation, allowance and impairment (EBITDA) from continuing operations for the financial year was US\$6.91 million.
- Net cash outflow for the financial year was US\$3.86 million, due mainly to net cash provided by operating activities of US\$3.11 million offset by net cash used for exploration and evaluation costs of US\$2.86 million and capital expenditure of US\$3.89 million.
- Cash and cash equivalents were US\$2.78 million as at 31 December 2019.

Yours sincerely,

The Board of Directors  
Interra Resources Limited

**About Interra**

Interra Resources Limited, a Singapore-incorporated company listed on SGX Mainboard, is engaged in the business of petroleum exploration and production (E&P). Our E&P activities include petroleum production, field development and exploration. We are positioning ourselves to become a leading regional independent producer of petroleum.

**INTERRA RESOURCES LIMITED**

(Incorporated in the Republic of Singapore)  
(Company Registration No. 197300166Z)

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ENDED 31 DECEMBER 2019****TABLE OF CONTENTS**

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1(a)(i) PROFIT OR LOSS

Group	Note	Q4 2019 US\$'000	Q4 2018 US\$'000	Change %	FY 2019 US\$'000	FY 2018 US\$'000	Change %
<b>Continuing operations</b>							
Revenue	A1	3,948	3,742	↑ 6	15,675	14,885	↑ 5
Cost of production	A2	(2,867)	(1,976)	↑ 45	(9,967)	(7,988)	↑ 25
<b>Gross profit</b>		<b>1,081</b>	<b>1,766</b>	<b>↓ 39</b>	<b>5,708</b>	<b>6,897</b>	<b>↓ 17</b>
Other income, net	A3	268	149	↑ 80	683	713	↓ 4
Administrative expenses		(502)	(851)	↓ 41	(3,031)	(4,464)	↓ 32
Finance expenses		(19)	(15)	↑ 27	(89)	(102)	↓ 13
Other expenses	A4	(50)	(3)	NM	(201)	(17)	NM
Impairment and allowances	A5	-	(2,138)	NM	(624)	(2,138)	↓ 71
Share of losses of associated companies		-	(474)	NM	(2,417)	(625)	↑ 287
<b>Profit/(Loss) before income tax</b>		<b>778</b>	<b>(1,566)</b>	<b>↑ 150</b>	<b>29</b>	<b>264</b>	<b>↓ 89</b>
Income tax (expense)/credit	A6	(217)	1,103	↑ 120	(606)	516	↑ 217
<b>Profit/(Loss) from continuing operations for the financial period/year</b>		<b>561</b>	<b>(463)</b>	<b>↑ 221</b>	<b>(577)</b>	<b>780</b>	<b>↓ 174</b>
<b>Discontinued operations</b>							
<b>Loss from discontinued operations for the financial period/year</b>	A7	-	-	NM	-	(54)	NM
<b>Total profit/(loss)</b>		<b>561</b>	<b>(463)</b>	<b>↑ 221</b>	<b>(577)</b>	<b>726</b>	<b>↓ 179</b>
<b>Attributable to:</b>							
Equity holders of the Company		589	(435)		(478)	848	
Non-controlling interests		(28)	(28)		(99)	(122)	
		<b>561</b>	<b>(463)</b>		<b>(577)</b>	<b>726</b>	
<b>Profit/(Loss) attributable to equity holders of the Company relates to:</b>							
Profit/(Loss) from continuing operations		589	(435)		(478)	874	
Loss from discontinued operations		-	-		-	(26)	
		<b>589</b>	<b>(435)</b>		<b>(478)</b>	<b>848</b>	
<b>Earnings/(Losses) per share for continuing and discontinued operations attributable to equity holders of the Company</b>							
<b>Basic earnings/(losses) per share (US cents)</b>							
- From continuing operations		0.101	(0.074)		(0.082)	0.151	
- From discontinued operations		-	-		-	(0.005)	
<b>Diluted earnings/(losses) per share (US cents)</b>							
- From continuing operations		0.097	(0.074)		(0.082)	0.145	
- From discontinued operations		-	-		-	(0.005)	

1(a)(i) STATEMENT OF COMPREHENSIVE INCOME

Group	Note	Q4 2019 US\$'000	Q4 2018 US\$'000	Change %	FY 2019 US\$'000	FY 2018 US\$'000	Change %
<b>Total profit/(loss) for the financial period/year</b>		561	(463)	↑ 221	(577)	726	↓ 179
<b>Other comprehensive (loss)/income, net of tax items that may be reclassified subsequently to profit or loss:</b>							
Share of currency translation differences of associated companies							
- Gains/(Losses)		-	363	↓ 100	33	(69)	↑ 148
- Deconsolidation of subsidiary corporations		-	-	NM	-	80	NM
Currency translation differences arising from consolidation							
- Losses		(33)	(30)	↑ 10	(28)	(98)	↓ 71
- Deconsolidation of subsidiary corporations		-	-	NM	-	174	NM
<b>Items that will not be reclassified subsequently to profit or loss:</b>							
Share of currency translation differences of associated companies		-	-	NM	-	(84)	NM
Currency translation differences arising from consolidation - Losses		-	-	NM	-	(173)	NM
Share of defined benefit obligation re-measurements of associated companies		-	29	NM	2	27	↓ 93
Defined benefit obligation re-measurements		-	-	NM	-	(23)	NM
		(33)	362		7	(166)	
<b>Total comprehensive income/(loss) for the financial period/year</b>		<b>528</b>	<b>(101)</b>	↑ 623	<b>(570)</b>	<b>560</b>	↓ 202
<b>Attributable to:</b>							
Equity holders of the Company		556	(73)		(471)	962	
Non-controlling interests		(28)	(28)		(99)	(402)	
		<b>528</b>	<b>(101)</b>		<b>(570)</b>	<b>560</b>	

↑ denotes increase  
↓ denotes decrease  
NM denotes not meaningful

Group	Q4 2019 barrels	Q4 2018 barrels	FY 2019 barrels	FY 2018 barrels
Group's share of shareable oil production	78,393	71,741	314,467	266,419
Group's sales of shareable oil	78,393	71,741	314,467	266,531
Group	Q4 2019 US\$'000	Q4 2018 US\$'000	FY 2019 US\$'000	FY 2018 US\$'000
<b>A1 Revenue</b>				
Sale of oil and petroleum products	3,948	3,742	15,675	14,885
<b>A2 Cost of production</b>				
Production expenses	2,252	1,673	8,091	7,023
Amortisation of producing oil and gas properties	393	217	1,397	622
Amortisation of intangible assets	86	86	343	343
Depreciation of right-of-use assets	136	-	136	-
	<b>2,867</b>	<b>1,976</b>	<b>9,967</b>	<b>7,988</b>
<b>A3 Other income, net</b>				
Interest income	70	67	297	354
Petroleum services fees	45	41	226	210
Management fees	7	-	15	14
Currency translation gain/(loss), net	10	26	9	(80)
Amortised cost adjustment for interest-free non-current payables	136	-	136	-
Gain on disposal of granite operations	-	-	-	217
Loss on disposal of property, plant and equipment	-	-	-	(5)
Fair value gain on investment properties	-	-	-	43
Loss on deconsolidation of subsidiary corporations	-	-	-	(48)
Others	-	15	-	8
	<b>268</b>	<b>149</b>	<b>683</b>	<b>713</b>
<b>A4 Other expenses</b>				
Depreciation of property, plant and equipment	3	3	11	17
Depreciation of right-of-use assets	47	-	190	-
	<b>50</b>	<b>3</b>	<b>201</b>	<b>17</b>
<b>A5 Impairment and allowances</b>				
Loss allowances	-	-	624	-
Allowance for impairment of investment in associated company	-	2,138	-	2,138
	<b>-</b>	<b>2,138</b>	<b>624</b>	<b>2,138</b>
<b>A6 Income tax expense/(credit)</b>				
Current income tax expense	217	201	831	788
Prior year over-provision of current income tax	-	(1,304)	(225)	(1,304)
	<b>217</b>	<b>(1,103)</b>	<b>606</b>	<b>(516)</b>
<b>A7 Loss from discontinued operations</b>				
Revenue	-	-	-	1,599
Expenses	-	-	-	(1,653)
Loss before income tax from discontinued operations	-	-	-	(54)
Income tax	-	-	-	-
<b>Total loss from discontinued operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(54)</b>

## 1(b)(i) STATEMENT OF FINANCIAL POSITION

	Note	Group		Company	
		31-Dec-19 US\$'000	31-Dec-18 US\$'000	31-Dec-19 US\$'000	31-Dec-18 US\$'000
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment		10	19	10	19
Right-of-use assets	B1	409	-	204	-
Producing oil and gas properties	B2	10,041	7,549	-	-
Exploration and evaluation costs	B3	13,498	10,641	-	-
Intangible assets	B4	2,791	3,134	-	-
Investments in subsidiary corporations		-	-	19,062	19,062
Investments in associated companies	B5	-	2,382	-	2,382
Other receivables	B6	4,060	2,820	11,215	18,367
		<b>30,809</b>	<b>26,545</b>	<b>30,491</b>	<b>39,830</b>
<b>Current assets</b>					
Inventories	B7	4,069	3,379	-	-
Trade and other receivables	B6	2,460	2,784	36	147
Other current assets		209	414	81	67
Cash and cash equivalents	B8	2,777	6,638	377	227
		<b>9,515</b>	<b>13,215</b>	<b>494</b>	<b>441</b>
<b>Total assets</b>		<b>40,324</b>	<b>39,760</b>	<b>30,985</b>	<b>40,271</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Other payables	B10	1,295	-	-	-
Lease liabilities	B9	117	-	77	-
		<b>1,412</b>	<b>-</b>	<b>77</b>	<b>-</b>
<b>Current liabilities</b>					
Trade and other payables	B10	3,642	5,095	11,136	9,167
Lease liabilities	B9	306	-	135	-
Borrowings		1,000	1,000	1,000	1,000
Current income tax liabilities		4,290	4,508	-	-
		<b>9,238</b>	<b>10,603</b>	<b>12,271</b>	<b>10,167</b>
<b>Total liabilities</b>		<b>10,650</b>	<b>10,603</b>	<b>12,348</b>	<b>10,167</b>
<b>Net assets</b>		<b>29,674</b>	<b>29,157</b>	<b>18,637</b>	<b>30,104</b>
<b>Equity</b>					
Share capital		72,873	72,738	72,873	72,738
Accumulated losses		(29,979)	(29,503)	(54,507)	(42,935)
Other reserves		(16,164)	(16,139)	271	301
<b>Equity attributable to owners of the Company</b>		<b>26,730</b>	<b>27,096</b>	<b>18,637</b>	<b>30,104</b>
Non-controlling interests		2,944	2,061	-	-
<b>Total equity</b>		<b>29,674</b>	<b>29,157</b>	<b>18,637</b>	<b>30,104</b>

Group		31-Dec-19 US\$'000	31-Dec-18 US\$'000
<b>B1</b>	<b><u>Right-of-use assets</u></b>		
	Property	267	-
	Motor vehicles	22	-
	Office equipment	10	-
	Heavy equipment and machinery	110	-
		<b>409</b>	<b>-</b>
<b>B2</b>	<b><u>Producing oil and gas properties</u></b>		
	Development tangible assets	809	562
	Development intangible assets	9,232	6,987
		<b>10,041</b>	<b>7,549</b>
<b>B3</b>	<b><u>Exploration and evaluation costs</u></b>		
	Exploration and evaluation assets	12,063	9,206
	Participating rights of exploration assets	1,435	1,435
		<b>13,498</b>	<b>10,641</b>
<b>B4</b>	<b><u>Intangible assets</u></b>		
	Patent rights	2,778	3,115
	Computer software	13	19
		<b>2,791</b>	<b>3,134</b>
<b>B5</b>	<b><u>Investments in associated companies</u></b>		
	Equity investment at costs	12,191	11,310
	Derecognition of subsidiary corporation with interests in associated companies	-	(3,952)
	Fair value of retained interests in subsidiary corporations deconsolidated, classified as associated companies	-	4,833
		12,191	12,191
	Share of losses in associated companies	(10,149)	(7,732)
	Share of other comprehensive income in associated companies	96	61
	Allowance for impairment of investment in associated company	(2,138)	(2,138)
		<b>-</b>	<b>2,382</b>
<b>B6</b>	<b><u>Trade and other receivables</u></b>		
	<b>Non-current</b>		
	Loan to non-related parties	4,060	2,820
	<b>Current</b>		
	Trade receivables - non-related parties	2,286	2,022
	Other receivables - non-related parties	143	204
	Loan to associated companies	655	558
		3,084	2,784
	Less: Loss allowances	(624)	-
		2,460	2,784
		<b>6,520</b>	<b>5,604</b>
<b>B7</b>	<b><u>Inventories</u></b>		
	Consumable inventories	<b>4,069</b>	<b>3,379</b>

1(b)(i) EXPLANATORY NOTES TO STATEMENT OF FINANCIAL POSITION (CONT'D)

Group		31-Dec-19 US\$'000	31-Dec-18 US\$'000
<b>B8</b>	<b><u>Cash and cash equivalents</u></b>		
	Cash at bank and on hand	1,777	2,613
	Short-term fixed deposits	1,000	4,025
		<b>2,777</b>	<b>6,638</b>
<b>B9</b>	<b><u>Lease liabilities</u></b>		
	Current	306	-
	Non-current	117	-
		<b>423</b>	-
<b>B10</b>	<b><u>Trade and other payables</u></b>		
	<b>Non-current</b>		
	Other payables - non-related party	905	-
	Other payables - related party	390	-
		1,295	-
	<b>Current</b>		
	Trade payables - non-related parties	1,271	1,737
	Trade payables - related parties	333	402
	Other payables - non-related parties	1,664	2,104
	Other payables - related parties	-	238
	Accruals	374	614
		3,642	5,095
		<b>4,937</b>	<b>5,095</b>

1(b)(ii) BORROWINGS AND DEBT SECURITIES

Group	31-Dec-19		31-Dec-18	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Amount repayable in one year or less, or on demand - Bank loan	-	1,000	-	1,000

The unsecured bank loan of US\$1.00 mil represents a bank loan from United Overseas Bank Limited ("UOB") to finance the Company's working capital. The interest rate is charged at 4.74% per annum for a tenor period of 1 month.



## 1(c) STATEMENT OF CASH FLOWS

Group	Note	Q4 2019 US\$'000	Q4 2018 US\$'000	FY 2019 US\$'000	FY 2018 US\$'000
<b>Cash Flows from Operating Activities</b>					
Total profit/(loss)		561	(463)	(577)	726
<b>Adjustments for non-cash items:</b>					
Income tax expense/(credit)		217	(1,103)	606	(516)
Share of losses of associated companies		-	474	2,417	625
Share option expense		-	60	-	278
Depreciation of property, plant and equipment		3	3	11	17
Depreciation of right-of-use assets		183	-	326	-
Amortisation of producing oil and gas properties		393	217	1,397	622
Amortisation of intangible assets		86	86	343	343
Interest income		(70)	(67)	(297)	(354)
Allowance for impairment of investment in associated company		-	2,138	-	2,138
Loss allowances		-	-	624	-
Gain on disposal of granite operations		-	-	-	(217)
Gain on curtailment		-	-	-	(45)
Fair value gain on investment properties		-	-	-	(43)
Interest on borrowings		-	15	52	102
Interest on lease liabilities		19	-	37	-
Loss on disposal of property, plant and equipment		-	-	-	5
Loss on deconsolidation of subsidiary corporations		-	-	-	48
Amortised cost adjustment for interest-free non-current payables		(136)	-	(136)	-
Unrealised currency translation gains		(37)	(40)	(44)	(51)
<b>Operating profit before working capital changes</b>		<b>1,219</b>	<b>1,320</b>	<b>4,759</b>	<b>3,678</b>
<b>Changes in working capital</b>					
Inventories		128	(200)	(690)	114
Trade and other receivables and other current assets		(252)	348	(97)	595
Trade and other payables		(2,363)	536	(37)	453
<b>Cash (used in)/generated from operations</b>		<b>(1,268)</b>	<b>2,004</b>	<b>3,935</b>	<b>4,840</b>
Income tax paid		(178)	(212)	(824)	(572)
<b>Net cash (used in)/provided by operating activities</b>		<b>(1,446)</b>	<b>1,792</b>	<b>3,111</b>	<b>4,268</b>
<b>Cash Flows from Investing Activities</b>					
Interest received		14	15	78	99
Net proceeds from disposal of granite operations	C1	-	-	-	185
Net proceeds from disposal of property, plant and equipment		-	-	-	4
Loans to an associated company		-	-	-	(378)
Cash and bank balances of subsidiary corporations deconsolidated	C2	-	-	-	(1,520)
Additions to property, plant and equipment		(2)	-	(2)	(1)
Additions to producing oil and gas properties		(993)	(1,380)	(3,889)	(5,038)
Additions to exploration and evaluation assets		(1,217)	(5)	(2,857)	(24)
Additions to intangible assets		-	-	-	(3,420)
<b>Net cash used in investing activities</b>		<b>(2,198)</b>	<b>(1,370)</b>	<b>(6,670)</b>	<b>(10,093)</b>

## 1(c) STATEMENT OF CASH FLOWS (CONT'D)

Group	Note	Q4 2019 US\$'000	Q4 2018 US\$'000	FY 2019 US\$'000	FY 2018 US\$'000
<b>Cash Flows from Financing Activities</b>					
Interest paid		(27)	(21)	(93)	(109)
Proceeds from issuance of new ordinary shares pursuant to share option plan, net of issuance costs		105	-	105	-
Proceeds from issuance of new ordinary shares pursuant to private placement of shares, net of issuance costs		-	-	-	3,380
Repayment of bank loans		-	-	-	(2,000)
Principal elements of lease payments		(178)	-	(314)	-
Deposits discharged		-	-	-	2,000
<b>Net cash (used in)/provided by financing activities</b>		<b>(100)</b>	<b>(21)</b>	<b>(302)</b>	<b>3,271</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(3,744)</b>	<b>401</b>	<b>(3,861)</b>	<b>(2,554)</b>
Cash and cash equivalents at beginning of financial period/year		6,521	6,237	6,638	9,192
<b>Cash and cash equivalents at end of financial period/year</b>		<b>2,777</b>	<b>6,638</b>	<b>2,777</b>	<b>6,638</b>

## 1(c) EXPLANATORY NOTES TO STATEMENT OF CASH FLOWS

Group	FY 2018 US\$'000
<b>C1 Net proceeds from disposal of granite operations</b>	
Property, plant and equipment	40
Mining properties (tangible assets)	2,362
Mining properties (intangible assets)	338
Intangible assets	413
Restricted cash	959
Inventories	963
	<b>5,075</b>
Retirement benefit obligations	(187)
Provision for environmental and restoration costs	(959)
Deferred income tax liabilities	(393)
	<b>(1,539)</b>
<b>Total net identifiable assets disposed</b>	<b>3,536</b>
<b>Total purchase consideration</b>	<b>3,753</b>
<b>Gain on disposal of granite operations</b>	<b>(217)</b>
<b>Effects on cash flows of the Group</b>	
<b>Total purchase consideration</b>	<b>3,753</b>
Less: Deposit received for proposed disposal of granite operations in FY 2015 and FY 2017	(3,130)
Less: Cash inflow from disposal of granite operations	(185)
	438
Less: Foreign exchange loss	(224)
<b>Balance of purchase consideration was settled in FY 2018</b>	<b>214</b>

Group	FY 2018	FY 2018	FY 2018
	MITI	GLS	Total
	US\$'000	US\$'000	US\$'000
<b>C2 Deconsolidation of subsidiary corporations</b>			
Property, plant and equipment	39	-	39
Producing oil and gas properties	-	19	19
Investment properties	266	-	266
Investments in associated companies	6,780	-	6,780
Inventories	-	1,126	1,126
Trade and other receivables	1,964	858	2,822
Cash and bank balances	393	1,127	1,520
Restricted cash	133	98	231
Current income tax assets	-*	-	-*
	<b>9,575</b>	<b>3,228</b>	<b>12,803</b>
Trade and other payables	(1,002)	(463)	(1,465)
Retirement benefit obligations	(91)	61	(30)
Provision for environmental and restoration costs	(133)	(1,580)	(1,713)
Borrowings	(701)	-	(701)
Current income tax liabilities	-	(2,011)	(2,011)
Deferred income tax liabilities	(4)	-	(4)
	<b>(1,931)</b>	<b>(3,993)</b>	<b>(5,924)</b>
<b>Total net identifiable assets/(liabilities) derecognised</b>	<b>7,644</b>	<b>(765)</b>	<b>6,879</b>
Net (assets)/liabilities derecognised	(7,644)	765	(6,879)
Non-controlling interests derecognised	5,460	(3,178)	2,282
Fair value of retained interests classified as associated companies, represents fair value of deemed consideration	4,833	-*	4,833
Cumulative exchange differences in respect of the net assets of the subsidiary corporations reclassified due to loss of control of subsidiary corporations	(254)	-	(254)
Defined benefits obligation re-measurements - reclassification to profit or loss due to loss of control of subsidiary corporations	(30)	-	(30)
<b>Gain/(Loss) on deconsolidation of subsidiary corporations</b>	<b>2,365</b>	<b>(2,413)</b>	<b>(48)</b>
<b>Effects on cash flows of the Group</b>			
Cash and bank balances of subsidiary corporations deconsolidated	<b>393</b>	<b>1,127</b>	<b>1,520</b>

\* Amount was less than US\$1,000.

## 1(d)(i) STATEMENTS OF CHANGES IN EQUITY

Group	Share Capital	Currency Translation Reserve	Special Reserve	Share Option Reserve	Accumulated Losses	Total	Non-Controlling Interests	Total Equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Balance as at 1 Jan 2019</b>	<b>72,738</b>	<b>105</b>	<b>(16,545)</b>	<b>301</b>	<b>(29,503)</b>	<b>27,096</b>	<b>2,061</b>	<b>29,157</b>
Loss for FY 2019	-	-	-	-	(478)	(478)	(99)	(577)
<u>Other comprehensive income/(loss)</u>								
Currency translation differences	-	(28)	-	-	-	(28)	-	(28)
Share of currency translation differences of associated companies	-	33	-	-	-	33	-	33
Share of defined benefit obligation re-measurements of associated companies	-	-	-	-	2	2	-	2
<b>Total comprehensive income/(loss) for FY 2019</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>(476)</b>	<b>(471)</b>	<b>(99)</b>	<b>(570)</b>
Additional increase of non-controlling interests in subsidiary corporation	-	-	-	-	-	-	982	982
Issuance of new ordinary shares pursuant to share option plan	135	-	-	(30)	-	105	-	105
Share issue expenses	-*	-	-	-	-	-*	-	-*
<b>Total transactions with owners, recognised directly in equity</b>	<b>135</b>	<b>-</b>	<b>-</b>	<b>(30)</b>	<b>-</b>	<b>105</b>	<b>982</b>	<b>1,087</b>
<b>Balance as at 31 Dec 2019</b>	<b>72,873</b>	<b>110</b>	<b>(16,545)</b>	<b>271</b>	<b>(29,979)</b>	<b>26,730</b>	<b>2,944</b>	<b>29,674</b>

Group	Share Capital US\$'000	Currency Translation Reserve US\$'000	Special Reserve US\$'000	Share Option Reserve US\$'000	Accumulated Losses US\$'000	Total US\$'000	Non-Controlling Interests US\$'000	Total Equity US\$'000
<b>Balance as at 1 Jan 2018</b>	<b>69,258</b>	<b>18</b>	<b>(16,545)</b>	<b>23</b>	<b>(30,378)</b>	<b>22,376</b>	<b>4,746</b>	<b>27,122</b>
Profit/(Loss) for FY 2018	-	-	-	-	848	848	(122)	726
<u>Other comprehensive income/(loss)</u>								
Currency translation differences								
- foreign subsidiary corporations	-	(98)	-	-	-	(98)	(173)	(271)
- Deconsolidation of subsidiary corporations	-	174	-	-	-	174	-	174
Share of currency translation differences of associated companies	-	(69)	-	-	-	(69)	(84)	(153)
Deconsolidation of subsidiary corporations with share of currency translation differences of associated companies	-	80	-	-	-	80	-	80
Defined benefit obligation re-measurements	-	-	-	-	-	-	(23)	(23)
Share of defined benefit obligation re-measurements of associated companies	-	-	-	-	27	27	-	27
<b>Total comprehensive income/(loss) for FY 2018</b>	<b>-</b>	<b>87</b>	<b>-</b>	<b>-</b>	<b>875</b>	<b>962</b>	<b>(402)</b>	<b>560</b>
Additional increase of non-controlling interests in subsidiary corporation	-	-	-	-	-	-	35	35
Disposal of a subsidiary corporation with non-controlling interests	-	-	-	-	-	-	(36)	(36)
Deconsolidation of subsidiary corporations with non-controlling interests due to loss of control	-	-	-	-	-	-	(2,282)	(2,282)
Issuance of new ordinary shares pursuant to private placement	3,480	-	-	-	-	3,480	-	3,480
Share issue expenses	*	-	-	-	-	*	-	*
Employee share option plan - value of employee services	-	-	-	278	-	278	-	278
<b>Total transactions with owners, recognised directly in equity</b>	<b>3,480</b>	<b>-</b>	<b>-</b>	<b>278</b>	<b>-</b>	<b>3,758</b>	<b>(2,283)</b>	<b>1,475</b>
<b>Balance as at 31 Dec 2018</b>	<b>72,738</b>	<b>105</b>	<b>(16,545)</b>	<b>301</b>	<b>(29,503)</b>	<b>27,096</b>	<b>2,061</b>	<b>29,157</b>

1(d)(i) STATEMENTS OF CHANGES IN EQUITY (CONT'D)

Company	Share Capital US\$'000	Share Option Reserve US\$'000	Accumulated Losses US\$'000	Total Equity US\$'000
<b>Balance as at 1 Jan 2019</b>	72,738	301	(42,935)	30,104
Total comprehensive loss for FY 2019	-	-	(11,572)	(11,572)
Issuance of new ordinary shares pursuant to share option plan	135	(30)	-	105
Share issue expenses	-*	-	-	-*
<b>Balance as at 31 Dec 2019</b>	<b>72,873</b>	<b>271</b>	<b>(54,507)</b>	<b>18,637</b>
<b>Balance as at 1 Jan 2018</b>	<b>69,258</b>	<b>23</b>	<b>(40,897)</b>	<b>28,384</b>
Total comprehensive loss for FY 2018	-	-	(2,038)	(2,038)
Issuance of new ordinary shares pursuant to share option plan	3,480	-	-	3,480
Share issue expenses	-*	-	-	-*
Employee share option plan - value of employee services	-	278	-	278
<b>Balance as at 31 Dec 2018</b>	<b>72,738</b>	<b>301</b>	<b>(42,935)</b>	<b>30,104</b>

\* Amount was less than US\$1,000.

1(d)(ii) SHARE CAPITAL

On 31 Dec 2019, an aggregate of 2,395,000 ordinary shares were issued at the exercise price of S\$0.060 per share pursuant to 2017 Options granted under the Share Option Plan. These newly issued ordinary shares ranked pari passu in all respects with the existing ordinary shares.

On 10 Jan 2020, an aggregate of 4,630,000 ordinary shares were issued at the exercise price of S\$0.060 per share pursuant to 2017 Options granted under the Share Option Plan. These newly issued ordinary shares ranked pari passu in all respects with the existing ordinary shares.

The number of ordinary shares comprised in the options granted and outstanding under the Interra Share Option Plan as at 31 Dec 2019 was 21,605,000 (31 Dec 2018: 24,000,000).

The Company does not have any treasury shares or subsidiary holdings as at 31 Dec 2019 and 31 Dec 2018.

1(d)(iii) ORDINARY SHARES (EXCLUDING TREASURY SHARES AND SUBSIDIARY HOLDINGS)

Group and Company	31 Dec 2019	31 Dec 2018
<b><u>Issued and fully paid</u></b>		
Opening balance	585,973,604	585,973,604
Issuance of new ordinary shares pursuant to share option plan	2,395,000	-
<b>Closing balance</b>	<b>588,368,604</b>	<b>585,973,604</b>

1(d)(iv) A STATEMENT SHOWING ALL SALES, TRANSFERS, CANCELLATION AND/OR USE OF TREASURY SHARES AS AT THE END OF THE CURRENT FINANCIAL PERIOD REPORTED ON

NA.

1(d)(v) A STATEMENT SHOWING ALL SALES, TRANSFERS, CANCELLATION AND/OR USE OF SUBSIDIARY HOLDINGS AS AT THE END OF THE CURRENT FINANCIAL PERIOD REPORTED ON

NA.

**2 WHETHER THE FIGURES HAVE BEEN AUDITED OR REVIEWED, AND IN ACCORDANCE WITH WHICH AUDITING STANDARD OR PRACTICE**

The figures have not been audited or reviewed by the Company's independent auditor, Nexia TS Public Accounting Corporation.

**3 WHERE THE FIGURES HAVE BEEN AUDITED OR REVIEWED, THE AUDITORS' REPORT (INCLUDING ANY QUALIFICATIONS OR EMPHASIS OF A MATTER)**

NA.

**4 WHETHER THE SAME ACCOUNTING POLICIES AND METHODS OF COMPUTATION AS IN THE ISSUER'S MOST RECENTLY AUDITED ANNUAL FINANCIAL STATEMENTS HAVE BEEN APPLIED**

Except as disclosed in Note 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the financial year ended 31 Dec 2018.

**5 IF THERE ARE ANY CHANGES IN THE ACCOUNTING POLICIES AND METHODS OF COMPUTATION, INCLUDING ANY REQUIRED BY AN ACCOUNTING STANDARD, WHAT HAS CHANGED, AS WELL AS THE REASONS FOR, AND THE EFFECT OF, THE CHANGE**

On 1 Jan 2019, the Group adopted the new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") and Interpretations of SFRS(I) ("INT SFRS(I)") that are effective for annual periods beginning on or after 1 Jan 2019. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I), INT SFRS(I) and amendments to SFRS(I).

The following SFRS(I), amendments to SFRS(I) and INT SFRS(I) that are relevant to the Group are as follows:

- SFRS(I) 16 - Leases
- SFRS(I) INT 23 - Uncertainty Over Income Tax Treatments
- Amendments to SFRS(I) 1 - 28 - Long-term Interests in Associates and Joint Ventures
- Annual Improvements to SFRS(I) 2015 - 2017 Cycle

Other than the adoption of SFRS(I) 16 - Leases, as disclosed below. The adoption of these new and revised SFRS(I), INT SFRS(I) and amendments to SFRS(I) did not result in substantial changes to the Group's and Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

The Group has adopted the SFRS(I) 16 - Leases, which took effect 1 Jan 2019, using the modified retrospective approach, where the comparative figures of the financial year prior to the first adoption will not be restated. SFRS(I) 16 - Leases introduces a single, on-balance sheet lease accounting model. It requires a lessee to recognise a right-of-use ("ROU") asset representing its use the underlying asset and a lease liability representing its obligation to make lease payments.

In compliance with SFRS(I) 16 - Leases, the Group and the Company has applied the practical expedient to recognise the amount of ROU assets equal to the lease liabilities as at 1 Jan 2019 adjusted by the amounts of any prepaid or accrued lease payments relating to those leases recognised in the statement of financial position before 1 Jan 2019, accordingly no adjustment was made to the opening accumulated losses of the Group. Subsequent to initial recognition, the Group and the Company depreciate the ROU assets over the lease term, and recognise interest expenses on the lease liabilities.

The ROU assets as at 1 Jan 2019 were mainly related to leases of the property, motor vehicle, office equipment, heavy equipment and machinery occupied by the Group in various countries. Accordingly, there was a corresponding increase in lease liabilities of approximately US\$0.73 mil as at 1 Jan 2019.

6 EARNINGS PER SHARE

Group	Q4 2019	Q4 2018	FY 2019	FY 2018
<b>Basic earnings/(losses) per ordinary share (US cents)</b>				
- From continuing operations	0.101	(0.074)	(0.082)	0.151
- From discontinued operations	-	-	-	(0.005)
Weighted average number of ordinary shares for the purpose of computing basic earnings/(losses) per share	585,999,637	585,973,604	585,980,166	579,437,151
<b>Fully diluted earnings/(losses) per ordinary share (US cents)</b>				
- From continuing operations	0.097	(0.074)	(0.082)	0.145
- From discontinued operations	-	-	-	(0.005)
Weighted average number of ordinary shares for the purpose of computing fully diluted earnings/(losses) per share	607,649,637	609,973,604	607,630,166	603,437,151

On 31 Dec 2019, an aggregate of 2,395,000 ordinary shares were issued at the exercise price of S\$0.060 per share pursuant to 2017 Options granted under the Share Option Plan.

For the purpose of computing basic and fully diluted earnings/(losses) per share, the relevant periods were from 1 Oct 2019 to 31 Dec 2019 and 1 Jan 2019 to 31 Dec 2019 respectively. The weighted average number of ordinary shares on issue has not been adjusted as the share options were anti-dilutive in Q4 2019 and FY 2019. The impact on losses per share from continuing operations for FY 2019 and losses per share from discontinued operations for FY 2018 were anti-dilutive as it resulted in higher losses per share. Therefore, diluted losses per share was same as basic losses per share.

7 NET ASSET VALUE PER SHARE

Group	Group		Company	
	31 Dec 2019	31 Dec 2018	31 Dec 2019	31 Dec 2018
Net asset value per ordinary share based on total number of issued shares (excluding treasury shares) (US cents)	4.543	4.624	3.167	5.137
Total number of issued shares (excluding treasury shares)	588,368,604	585,973,604	588,368,604	585,973,604



## 8(i) PERFORMANCE REVIEW

### (A) SIGNIFICANT FACTORS THAT AFFECT THE TURNOVER, COSTS AND EARNINGS OF THE GROUP

#### Revenue & Production

Revenue increased by US\$0.79 mil to US\$15.68 mil in FY 2019 from US\$14.89 mil in FY 2018. This was largely due to increased sales of shareable oil by 18% to 314,467 barrels in FY 2019 (FY 2018: 266,531 barrels) although at lower weighted average transacted oil prices in FY 2019 of US\$63.13 per barrel (FY 2018: US\$67.95 per barrel).

The Group's shareable oil production increased by 18% to 314,467 barrels in FY 2019 from 266,419 barrels in FY 2018. The increase was due to higher shareable production from Myanmar of 314,467 barrels in FY 2019 (FY 2018: 253,666 barrels). No contribution from Indonesia operation in FY 2019 after deconsolidation of GLS in Jun 2018 (FY 2018: 12,753 barrels).

#### Cost of Production

The increase in cost of production to US\$9.97 mil in FY 2019 from US\$7.99 mil in FY 2018 was largely attributable to higher production expenses by US\$1.07 mil and higher amortisation charges and depreciation charges by US\$0.91 mil in FY 2019 as compared to FY 2018. Myanmar operations incurred capital expenditure of US\$3.89 mil in FY 2019 which resulted in higher amortisation charges of producing oil and gas properties.

#### Net Loss After Tax

The Group posted a total loss after tax of US\$0.58 mil in FY 2019 as compared to a total profit after tax of US\$0.73 mil in FY 2018. The loss was mainly due to the following:

- (1) Higher revenue of US\$15.68 mil in FY 2019 (FY 2018: US\$14.89 mil) was due to higher sales of shareable oil although at lower oil prices.
- (2) Higher cost of production of US\$9.97 mil in FY 2019 (FY 2018: US\$7.99 mil), was due to higher production expenses and higher amortisation charges of producing oil and gas properties. The higher depreciation charges of right-of-use assets of US\$ 0.14 mil was included in the cost of production as a result of the adoption of SFRS(I) 16 - Leases from 1 Jan 2019.
- (3) Lower other income of US\$0.68 mil in FY 2019 (FY 2018: US\$0.71 mil), was mainly due to lower interest income of US\$0.30 mil in FY 2019 (FY 2018: US\$0.35 mil) although there was amortised cost adjustment for interest-free non-current payables of US\$0.14 mil (FY 2018: nil) and foreign exchange gain of US\$0.01 mil in FY 2019 (FY 2018: foreign exchange loss of US\$0.08 mil).
- (4) Lower administrative expenses of US\$3.03 mil in FY 2019 (FY 2018: US\$4.46 mil), were mainly due to lower corporate expenses by US\$0.78 mil from cost-cutting measures and no share option expenses in FY 2019 (FY 2018: US\$0.28 mil). Lower administrative expenses from Myanmar operations by US\$0.12 mil in FY2019 as compared to FY2018. Further to above, MITI and GLS administrative expenses of US\$0.50 mil were included in FY 2018 before it deconsolidation.
- (5) Higher other expenses of US\$0.20 mil in FY 2019 (FY 2018: US\$0.02 mil), were mainly due to depreciation charges of right-of-use assets of US\$0.19 mil as a result of the adoption of SFRS(I) 16 - Leases from 1 Jan 2019.
- (6) Lower impairment and allowances of US\$0.62 mil in FY 2019 (FY 2018: US\$2.14 mil) was from loss allowance on loan to an associated company, PT Indelberg Indonesia ("IOI") of US\$0.53 mil and balance due from IOI's subsidiary corporations of US\$0.09 mil.
- (7) Higher share of losses of associated companies of US\$2.42 mil in FY 2019 (FY 2018: US\$0.63 mil) as the Group recognised more share of losses of associated companies up to its cost of investments.
- (8) Current income tax expenses of US\$0.61 mil in FY 2019 (FY 2018: income tax credit of US\$0.52 mil), were due to reversal of prior year over-provision of income tax of US\$0.22 mil upon finalisation of tax assessment and current income tax expenses of US\$0.83 mil was in line with higher taxable income in FY 2019.

**(B) MATERIAL FACTORS THAT AFFECT THE CASH FLOW, WORKING CAPITAL, ASSETS OR LIABILITIES OF THE GROUP**

**Statement of Financial Position**

Right-of-use assets increased to US\$0.41 mil as at 31 Dec 2019, as a result of adoption of SFRS(I) 16 - Leases effective from 1 Jan 2019, which required the recognition of the right-of-use assets for leases of property, motor vehicle, office equipment and heavy equipment and machinery of US\$0.73 mil and amortised over the leased period, offset by amortisation charges of US\$0.32 mil.

Producing oil and gas properties increased by US\$2.49 mil to US\$10.04 mil as at 31 Dec 2019 from US\$7.55 mil as at 31 Dec 2018, were due to net capitalisation of drilling expenditure of US\$3.89 mil offset by amortisation charges of US\$1.40 mil for the financial year.

Exploration and evaluation costs increased to US\$13.50 mil as at 31 Dec 2019 from US\$10.64 mil as at 31 Dec 2018 were mainly due to capitalisation of first exploration well costs of US\$2.86 mil which completed drilling on 11 Dec 2019. As announced, further analysis of the data is still ongoing and the classification of exploration and evaluation costs remained unchanged until commercial viability is determined.

Intangible assets decreased to US\$2.79 mil as at 31 Dec 2019 from US\$3.13 mil as at 31 Dec 2018, as a result of amortisation charges of US\$0.34 mil.

Investments in associated companies decreased to nil as at 31 Dec 2019 from US\$2.38 mil as at 31 Dec 2018. This was mainly due to share of losses of US\$2.42 mil offset by share of other comprehensive income of US\$0.04 mil.

Inventories increased by US\$0.69 mil to US\$4.07 mil as at 31 Dec 2019 from US\$3.38 mil as at 31 Dec 2018, were due to higher consumable inventories maintained for Myanmar drilling activities.

Trade and other receivables - non-related parties (non-current) increased to US\$4.06 mil as at 31 Dec 2019 from US\$2.82 mil as at 31 Dec 2018, increased mainly due to increase of loan to non-related parties for the exploration activities in Kuala Pambuang PSC Indonesia. Trade and other receivables - non-related parties (current) increased to US\$2.43 mil as at 31 Dec 2019 from US\$2.23 mil as at 31 Dec 2018, were mainly from higher amounts billed by US\$0.42 mil as compared to the amounts collected of US\$0.16 mil and value-added tax reimbursement of US\$0.08 mil from Indonesia operation.

Loan to associated companies decreased to nil as at 31 Dec 2019 from US\$0.56 mil as at 31 Dec 2018, were due to loss allowance provided following the termination of the Benakat Barat KSO by Pertamina as per announcement on 16 May 2019.

Trade and other payables (non-current and current) decreased by US\$0.16 mil to US\$4.94 mil as at 31 Dec 2019 from US\$5.10 mil as at 31 Dec 2018, were mainly from lower trade payables (non-related parties and related parties) by US\$0.54 mil and lower accruals by US\$0.24 mil offset by higher other payables (non-related parties and related parties) by US\$0.62 mil.

Lease liabilities (non-current and current) increased to US\$0.42 mil as at 31 Dec 2019 due to the adoption of SFRS(I) 16 - Leases. The right-of-use assets are measured at the amount of lease liabilities of US\$0.73 mil effective from 1 Jan 2019 which have reduced by repayment of the principal elements of lease payments of US\$0.31 mil during the financial year.

**Statement of Cash Flows**

Cash and cash equivalents showed a net decrease of US\$3.86 mil in FY 2019 due to the following:

- (1) Net cash provided by operating activities of US\$3.11 mil was mainly due to net cash inflows contributed from oil and gas operations in Myanmar operations of US\$3.83 mil and net inflows from Indonesia operation of US\$0.19 mil from the settlement of trade receivables and value-added tax reimbursement offset by the corporate expenses of US\$1.86 mil.
- (2) Net cash used in investing activities of US\$6.67 mil was mainly due to addition of exploration and evaluation assets of US\$2.86 mil and capital expenditure for Myanmar operations of US\$3.89 mil offset by the interest received of US\$0.08 mil.
- (3) Net cash used in financing activities of US\$0.30 mil was mainly due to lease payments of US\$0.31 mil and interest payments of US\$0.09 mil offset the net proceeds received for issuance of new shares pursuant to share option plan of US\$0.10 mil.

8(ii) SEGMENTED REVENUE AND RESULTS

Geographical Segment	Indonesia		Myanmar		Consolidated	
	Oil and Gas		Oil and Gas			
	Q4 2019	Q4 2018	Q4 2019	Q4 2018	Q4 2019	Q4 2018
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000

<b>Results</b>						
EBITDA	(3)	(61)	1,552	1,926	1,549	1,865
EBIT	(3)	(61)	922	1,624	919	1,563
<b>Sales to external customers</b>	-	-	3,948	3,742	3,948	3,742
<b>Segment results</b>	85	(74)	922	1,624	1,007	1,550
Unallocated corporate net operating results					(229)	(3,116)
<b>Profit/(Loss) before income tax</b>					778	(1,566)
Income tax (expense)/credit					(217)	1,103
<b>Total profit/(loss)</b>					561	(463)

Geographical Segment	Indonesia		Myanmar		Consolidated	
	Oil and Gas		Oil and Gas			
	FY 2019	FY 2018	FY 2019	FY 2018	FY 2019	FY 2018
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000

<b>Results</b>						
EBITDA	(97)	215	7,004	6,640	6,907	6,855
EBIT	(193)	192	5,070	5,698	4,877	5,890
<b>Sales to external customers</b>	-	1,162	15,675	13,723	15,675	14,885
<b>Segment results</b>	(292)	(33)	5,070	5,698	4,778	5,665
Unallocated corporate net operating results					(4,749)	(5,401)
<b>Profit before income tax</b>					29	264
Income tax (expense)/credit					(606)	516
<b>Net (loss)/profit from continuing operations</b>					(577)	780
<b>Loss from discontinued operations for the financial year</b>					-	(54)
<b>Total (loss)/profit</b>					(577)	726

**Notes**

EBIT represents the operating earnings before divestment gain, interest income, exchange difference, finance cost and tax. This is net of joint operation partner's share.

EBITDA represents the operating earnings before divestment gain, interest income, exchange difference, finance cost, tax, depreciation, amortisation, allowance and impairment. This is net of joint operation partner's share.

8(iii) REVENUE BREAKDOWN

Group	FY 2019 US\$'000	FY 2018 US\$'000	Increase / (Decrease) %
<b>Revenue</b>			
- First half	8,094	6,848	18
- Second half	7,581	8,037	(6)
	<b>15,675</b>	<b>14,885</b>	5
<b>Operating (loss)/profit after tax before deducting non-controlling interests</b>			
- First half	(1,539)	(102)	1,409
- Second half	962	828	16
	<b>(577)</b>	<b>726</b>	(179)

9 WHERE A FORECAST, OR A PROSPECT STATEMENT, HAS BEEN PREVIOUSLY DISCLOSED TO SHAREHOLDERS, ANY VARIANCE BETWEEN IT AND THE ACTUAL RESULTS

NA.

10 COMMENTARY

Myanmar's shareable production increased by 3% to 78,393 barrels in Q4 2019 from 76,280 barrels in Q3 2019. For the whole year, the shareable production increased from 266,419 barrels for FY 2018, to 314,467 barrels in FY 2019, an increase of 18% over the previous financial year. The shareable production increase was largely the result of drilling successes earlier in the year combined with gains seen from the reactivations of shut-in wells and new perforations of prospective reservoirs. In addition, waterflooding was also yielding positive results in terms of higher production and reducing the decline rate for old wells.

For Kuala Pambuang PSC, the exploration well KP-1 was completed on 11 Dec 2019 after reaching a total depth of 3,771 feet. The drilling and testing results were positive, and casing was successfully installed and cemented on 15 Dec 2019. Production testing is planned for mid-year 2020. Further analysis of all technical data is ongoing and will be incorporated into well completion plans as well as the overall sub-surface interpretation of the Exploration Block. The Company will announce any noteworthy results of data analysis and expected perforation testing. No significant contribution is expected from this field in the near term.

Despite the good operational performance from the Myanmar operations for the quarter, the overall year to-date result was affected by the impairment charges made in Q2 2019 against the investments in an associated company. Moving forward, depending on the result of the exploration well drilled in Kuala Pambuang PSC, the Group will assess and evaluate the appropriate fund raising options. Nevertheless, and barring any unforeseen circumstances, the Company has sufficient cash resources to fulfil the current year work program. We will make the necessary and appropriate announcement in the future.

11 **DIVIDEND**

- (a) **Any dividend recommended for the current financial period reported on**  
No.
- (b) **Any dividend declared for the corresponding period of the immediately preceding financial year**  
No.
- (c) **Whether the dividend is before tax, net of tax or tax exempt**  
NA.
- (d) **Date payable**  
NA.
- (e) **Books closure date**  
NA.

12 **(A) IF NO DIVIDEND HAS BEEN DECLARED (RECOMMENDED), A STATEMENT TO THAT EFFECT AND THE REASON(S) FOR THE DECISION**

The Company has not declared a dividend for the current financial period reported on. Currently, the Company does not have profits available to declare dividend.

**(B) A BREAKDOWN OF THE TOTAL ANNUAL DIVIDEND (IN DOLLAR VALUE) FOR THE ISSUER'S LATEST FULL YEAR AND ITS PREVIOUS FULL YEAR**

NA.

13 **INTERESTED PERSON TRANSACTIONS**

The Company has not obtained any general mandate from shareholders pursuant to Rule 920(1)(a)(ii) of the Listing Rules.

14 **CONFIRMATION PURSUANT TO RULE 720(1)**

The Company confirmed that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7).

15 **RULE 704(13)**

Person occupying a managerial position in the Company and/or its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company during FY 2019 is as follows:-

<b>Name</b>	Marissa Soeryadjaya
<b>Age</b>	32
<b>Family relationship with any Director and/or Substantial Shareholder</b>	Daughter of Edwin Soeryadjaya, Non-Executive Chairman and substantial shareholder of the Company
<b>Current position and duties, and the year the position was held</b>	Business Development Manager (Indonesia) responsible for developing the Group's business in Indonesia since 13 Nov 2017
<b>Details of changes in duties and position held, if any, during the year</b>	No change

By Order of the Board of Directors of  
INTERRA RESOURCES LIMITED  
Marcel Tjia  
Chief Executive Officer  
26-Feb-20

## 16 ABBREVIATIONS

Q4 2018	denotes	Fourth calendar quarter of the year 2018
Q2 2019	denotes	Second calendar quarter of the year 2019
Q3 2019	denotes	Third calendar quarter of the year 2019
Q4 2019	denotes	Fourth calendar quarter of the year 2019
FY 2015	denotes	Full year ended 31 December 2015
FY 2017	denotes	Full year ended 31 December 2017
FY 2018	denotes	Full year ended 31 December 2018
FY 2019	denotes	Full year ended 31 December 2019
bopd	denotes	barrels of oil per day
Company	denotes	Interra Resources Limited
SFRS(I)	denotes	Singapore Financial Reporting Standards (International)
Goldpetrol	denotes	Goldpetrol Joint Operating Company Inc.
Goldwater	denotes	Goldwater Company Limited
Group	denotes	Interra Resources Limited and its subsidiary corporations and interests in joint operations and associated companies
GKP	denotes	Goldwater KP Pte. Ltd.
GLS	denotes	Goldwater LS Pte. Ltd.
IOI	denotes	PT Indelberg Oil Indonesia
IPRC	denotes	Improved Petroleum Recovery Contract
k	denotes	thousand
KP	denotes	Kuala Pambuang block
KSO	denotes	Cooperation Agreement
LS	denotes	Linda Sele fields
mil	denotes	million
MITI	denotes	PT Mitra Investindo TBK
MOGE	denotes	Myanma Oil and Gas Enterprise
NA	denotes	Not applicable
NM	denotes	Not meaningful
Pertamina	denotes	Perusahaan Pertambangan Minyak Dan Gas Bumi Negara
PSC	denotes	Production Sharing Contract
TAC	denotes	Technical Assistance Contract

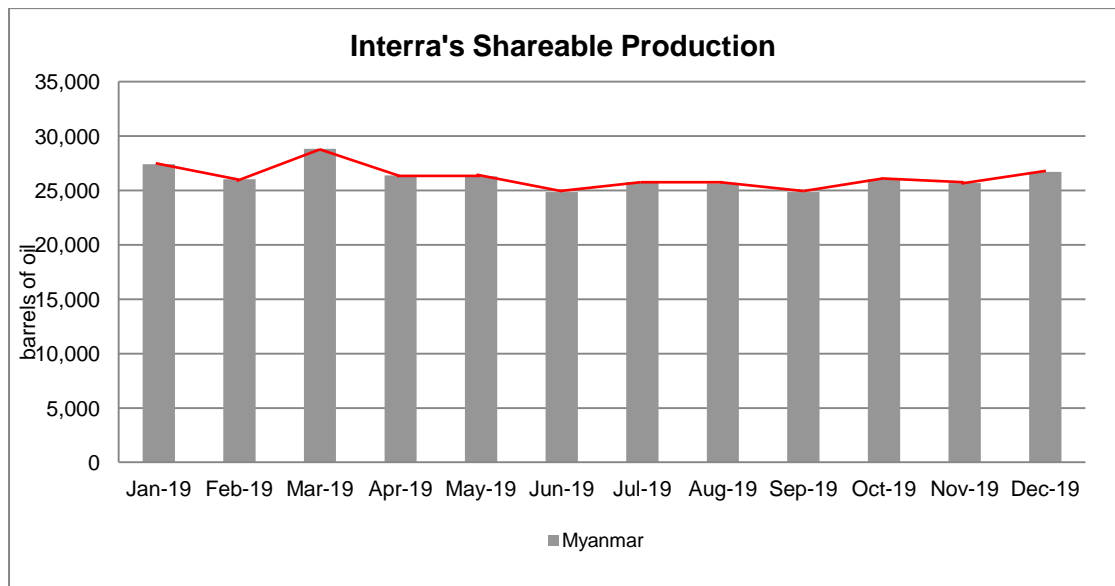
This release may contain forward-looking statements that are not statements of historical facts, and are subject to risk factors associated with the upstream petroleum and mining businesses. Actual future results, performance and outcomes may differ materially from those anticipated, expressed or implied in such forward-looking statements as a result of a number of risks, uncertainties and/or assumptions including but not limited to petroleum price fluctuations, actual petroleum demand, currency fluctuations, drilling and production results, reserve estimates, loss of contracts, industry competition, credit risks, environmental risks, geological risks, political risks, legislative, fiscal and regulatory developments, general industry conditions, economic and financial market conditions in various countries and regions, project delay or advancement, cost estimates, changes in operating expenses, cost of capital and capital availability, interest rate trends and the continued availability of financing in the amounts and the terms necessary to support future business. Undue reliance must not be placed on these forward-looking statements, which are based on current developments, events or circumstances, and may not be updated or revised to reflect new information or events.

26 February 2020

## PRODUCTION, DEVELOPMENT & EXPLORATION ACTIVITIES FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2019 (“Q4 2019”)

### Production Profile

(Barrels)	Myanmar	
	Q3 2019	Q4 2019
Shareable production	127,134	130,655
Interra’s share of shareable production	76,280	78,393



*Shareable production is defined as the petroleum produced in the contract area that is over and above the non-shareable production in accordance with the contractual terms. The chart above represents Interra’s share of the shareable production in the fields.*



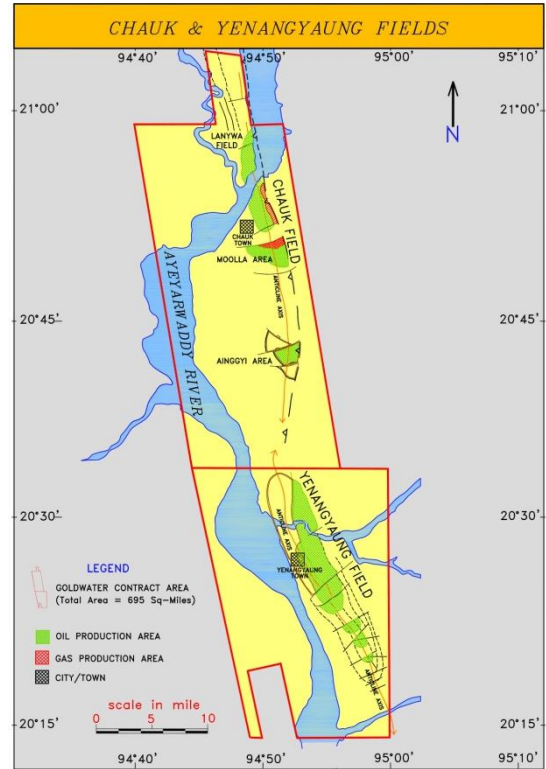
**Development and Production Activities**

**Myanmar: Chauk and Yenangyaung IPRCs (Interra 60%)**

In Q4 2019, the combined shareable production for both fields was 78,393 barrels of oil, an increase of 3% over the preceding quarter of 76,280 barrels of oil.

Production and development expenditures for the period were US\$2,251,864 and US\$993,488 respectively.

The operator, Goldpetrol Joint Operating Company Inc. (“**Goldpetrol**”) (Interra 60%) commenced drilling three new wells in Myanmar in Q4 2019, one of which was under the 2020 approved budget. The shareable production increase is largely the results of drilling successes earlier in the year combined with gains seen from the reactivations of shut-in wells and new perforations of prospective reservoirs. Under the 2019 budget ten new wells were drilled of which eight were completed as oil producers and two Q4 2019 wells were under testing and evaluation at year-end.



Monitoring of existing waterflood projects continues with a focus on optimizing current water injection strategies for each project to maximize oil production. Five new projects were implemented in 2019, giving a total at year end 2019 of ten active of various sizes and "sweep" objectives. Several additional are planned for implementation in 2020.

Normal field operations are ongoing with respect to surface and borehole improvements combined with scheduled maintenance in existing wells with the objective of minimizing production declines.





## Exploration Activities

### **Indonesia: Kuala Pambuang PSC (Interra 67.5%)**

The drilling and testing of exploration well KP-1 was completed on 11 December 2019 after reaching a total depth of 3,771 feet. Live oil shows over several zones were recorded while drilling in the primary reservoir targets by borehole cuttings analysis. Electric Wireline Line data has confirmed and is consistent with the drilling shows. Subsequently, testing was completed in the open hole and samples of oil have been collected.

The Company has determined that the drilling and testing results were positive, and casing was successfully installed and cemented on 15 December 2019. Production testing by casing perforation and possibly reservoir stimulation are planned to be performed in 2020. Further analysis of all technical data is ongoing and will be incorporated into well completion plans as well as the overall sub-surface interpretation of the Exploration Block.

This is the first well drilled in the Kuala Pambuang Block and the Company will announce any noteworthy results of data analysis and expected perforation testing.

Exploration costs for the period were US\$1,218,240.

