

31 March 2023

DISPOSAL OF PATENTS BY JOINT VENTURE ENTITY

The Board of Directors (the “**Board**”) of Interra Resources Limited (the “**Company**”) refers to its earlier announcement made on 6 December 2017 regarding a technology transfer agreement dated 6 December 2017. Pursuant to the said technology transfer agreement, the Company’s joint venture entity, Goldpetrol Joint Operating Company Inc. (“**Goldpetrol**”) purchased certain patents (“**Patents**”) from Chengdu North Petroleum Exploration & Development Technology Co. with loans from the Company’s wholly-owned subsidiary, Goldwater Company Limited (“**GCL**”), and its joint venture partner, North Petrol Operating Inc. (“**NPOI**”). These loans were made pursuant to a loan agreement dated 5 February 2018 between GCL and NPOI as lenders and Goldpetrol as the borrower (“**Loan Agreement**”).

The Company has, through GCL, a 60% interest in Goldpetrol, which owns 100% interests in both Improved Petroleum Recovery Contracts of the Chauk field and the Yenangyaung field. NPOI has the remaining 40% interest in Goldpetrol.

The terms of the Loan Agreement provided for NPOI to provide further loans to Goldpetrol to repay the loan made by GCL to Goldpetrol. The terms of the Loan Agreement also provided for an option for the Patents to be transferred to NPOI if the loan made by GCL is fully repaid, following which NPOI cancels all its loans made to Goldpetrol and any interest due thereunder and delivers a certificate to Goldpetrol confirming that all its loans to Goldpetrol made under the loan agreement and any interest due thereunder have been cancelled. These conditions having been satisfied, NPOI has informed the Company on 31 March 2023 that it will be applying to transfer the Patents to itself.

The consideration for the transfer of the Patents is on a non-cash basis and no cash proceeds are involved. No valuation is required in respect of the said transfer as the terms were already agreed in the Loan Agreement. The net book value (“**NBV**”) of the Patents in Goldpetrol’s accounts as at the end of the financial year ended 31 December 2022 is US\$2,946,298. This was derived based on the initial cost less accumulated amortisation charges over a period of 5 years. The Group will record a net gain of US\$1,712,221 from the transfer of the Patents as a result of the cancellation of the loan from NPOI to Goldpetrol.

Based on the relative figures computed on the bases set out in Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited, the transaction is a “non-discloseable” one.

The Company further confirms that the transfer of the Patents will have no impact on its operations.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the transfer of the Patents, save for their interests by virtue of their shareholdings and/or directorships, as the case may be, in the Company.



By Order of the Board of Directors of
INTERRA RESOURCES LIMITED

Marcel Tjia
Chief Executive Officer

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.