

[Print this page](#)**Third Quarter \* Financial Statement And Dividend Announcement**

\* Asterisks denote mandatory information


Name of Announcer *	INTERRA RESOURCES LIMITED
Company Registration No.	197300166Z
Announcement submitted on behalf of	INTERRA RESOURCES LIMITED
Announcement is submitted with respect to *	INTERRA RESOURCES LIMITED
Announcement is submitted by *	LUKE CHRISTOPHER TARGETT
Designation *	DIRECTOR
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**>> Announcement Details**

The details of the announcement start here ...

For the Financial Period Ended *	30-09-2005
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**Attachments:**

 [InterraResult-3Q2005.pdf](#)  
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9 November 2005

Dear Shareholders,

**UNAUDITED RESULTS FOR THE QUARTER ENDED 30 SEPTEMBER 2005**

The Group's shareable production from Tanjung Miring Timur ("TMT") and Myanmar fields increased by almost 3k barrels ("bbls") (4%) of oil from 68k bbls in 3Q 2004 to 71k bbls in 3Q 2005. The Group's share of production from its net working interest of 2.5% in Offshore Northwest Java PSC ("ONWJ") and South East Sumatra PSC ("SES") which are not consolidated into the Group's top line revenue, amounted to 306k barrels of oil and oil equivalent ("boe").

Combining both consolidated and non-consolidated share of production, the Group's shareable production was 377k boe in 3Q 2005 or 4,099 boe per day. In 2Q 2005, the Group's consolidated and on-consolidated share of production was 223k boe or 2,448 boe per day. On a year on year basis, the Group's consolidated and non-consolidated average share production in first nine months of 2005 was 2,430 boe per day compared with 426 boe per day for the same period last year.

The unaudited results for the third quarter of 2005 are attached hereto.

Yours sincerely,

The Board of Directors  
Interra Resources Limited



**INTERRA RESOURCES LIMITED  
UNAUDITED RESULTS FOR THE PERIOD  
ENDED 30 SEPTEMBER 2005**

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1(a)(i) **PROFIT AND LOSS STATEMENT**

Group	Note	3Q 2005 S\$'000	3Q 2004 S\$'000	Change %	9M 2005 S\$'000	9M 2004 S\$'000	Change %
Revenue		5,269	3,561	+ 48	13,274	7,468	+ 78
Cost of production	A 1	(2,988)	(2,661)	- 12	(8,136)	(5,505)	- 48
<b>Gross profit</b>		<b>2,281</b>	<b>900</b>	+ 153	<b>5,138</b>	<b>1,963</b>	+ 162
Operating income	A 2	310	244	+ 27	766	714	+ 7
Administrative expenses		(868)	(817)	- 6	(2,364)	(1,876)	- 26
Depreciation and amortization	A 3	(276)	(213)	- 30	(820)	(671)	- 22
Other operating expenses	A 4	(19)	(79)	+ 76	(23)	(43)	+ 47
<b>Profit from operations</b>		<b>1,428</b>	<b>35</b>	+ 3,980	<b>2,697</b>	<b>87</b>	+ 3,000
Finance costs	A 5	(547)	-	NM	(942)	-	NM
Share of associated companies' profit after tax		818	-	NM	1,351	-	NM
<b>Profit before tax</b>		<b>1,699</b>	<b>35</b>	+ 4,754	<b>3,106</b>	<b>87</b>	+ 3,470
Taxation		(451)	(127)	- 255	(731)	(306)	- 139
<b>Profit/(Loss) after tax</b>		<b>1,248</b>	<b>(92)</b>	NM	<b>2,375</b>	<b>(219)</b>	NM

+ change in % means favourable change for the Group  
- change in % means unfavourable change for the Group

1(a)(ii) **EXPLANATORY NOTES TO PROFIT AND LOSS STATEMENT**

Group	3Q 2005 S\$'000	3Q 2004 S\$'000	9M 2005 S\$'000	9M 2004 S\$'000
<b>A1 Cost of production</b>				
Production expenses	2,354	2,396	6,368	4,883
Depreciation of property, plant and equipment of oil operations	185	139	512	273
Amortization of exploration, evaluation and development cost	449	126	1,256	349
	<b>2,988</b>	<b>2,661</b>	<b>8,136</b>	<b>5,505</b>
<b>A2 Operating income</b>				
Management fees	-	44	-	147
Interest income	116	16	216	22
Deferred income	179	183	530	544
Other income	15	1	20	1
	<b>310</b>	<b>244</b>	<b>766</b>	<b>714</b>
<b>A3 Depreciation and amortization</b>				
Property, plant and equipment	14	17	44	42
Concession rights	12	13	36	38
Goodwill on reverse acquisition	-	-	-	47
Participation rights	71	-	210	-
Intangible benefits	179	183	530	544
	<b>276</b>	<b>213</b>	<b>820</b>	<b>671</b>
<b>A4 Other operating expenses</b>				
Foreign exchange loss, net	19	79	23	43
	<b>19</b>	<b>79</b>	<b>23</b>	<b>43</b>
<b>A5 Finance costs</b>				
Interest expense amortisation for bonds issued	547	-	942	-
	<b>547</b>	<b>-</b>	<b>942</b>	<b>-</b>

1(b)(i) BALANCE SHEET

	Note	Group		Company	
		30-Sep-05 S\$'000	31-Dec-04 S\$'000	30-Sep-05 S\$'000	31-Dec-04 S\$'000
<b>Non-Current Assets</b>					
Property, plant and equipment		1,936	1,597	23	35
Exploration, evaluation and development cost		25,076	24,142	-	-
Intangibles		8,277	9,135	-	-
Interest in subsidiaries		-	-	41,162	41,031
Interest in associates	B1	20,280	-	18,929	-
Goodwill on reverse acquisition		2,438	2,438	-	-
Participation rights		3,192	3,302	-	-
Club membership		7	-	7	-
		<b>61,206</b>	<b>40,614</b>	<b>60,121</b>	<b>41,066</b>
<b>Current Assets</b>					
Inventories		1,415	1,881	-	-
Trade receivables	B2	5,517	2,282	-	-
Deposit, other receivables and prepayment		738	413	303	255
Cash and bank	B3	2,447	7,775	1,650	5,930
Restricted Cash (Debt Service Reserves)	B3	3,903	-	3,903	-
		<b>14,020</b>	<b>12,351</b>	<b>5,856</b>	<b>6,185</b>
<b>Current Liabilities</b>					
Trade payables		(258)	(1,296)	-	-
Amount due to related parties (trade)		(280)	(1,753)	-	-
Other payables and accruals	B4	(3,479)	(2,039)	(1,163)	(204)
Provision for tax		(2,565)	(1,770)	-	-
Coupon payable		(661)	-	(661)	-
		<b>(7,243)</b>	<b>(6,858)</b>	<b>(1,824)</b>	<b>(204)</b>
<b>Net Current Assets</b>		<b>6,777</b>	<b>5,493</b>	<b>4,032</b>	<b>5,981</b>
<b>Non-Current Liabilities</b>					
Loan from a director		(2,369)	(2,296)	-	-
Loan from a substantial shareholder		(2,516)	(2,439)	-	-
Loan from a related party		(2,516)	(2,439)	-	-
Deferred income		(8,277)	(8,546)	-	-
Secured Bond 7% due 2010	B5	(17,948)	-	(17,948)	-
		<b>(33,626)</b>	<b>(15,720)</b>	<b>(17,948)</b>	<b>-</b>
<b>Net Assets</b>		<b>34,357</b>	<b>30,387</b>	<b>46,205</b>	<b>47,047</b>
<b>Capital and Reserves</b>					
Share capital		48,132	48,132	48,132	48,132
Reserves		(13,775)	(17,745)	(1,927)	(1,085)
<b>Shareholders' Equity</b>		<b>34,357</b>	<b>30,387</b>	<b>46,205</b>	<b>47,047</b>

**Exchange Rates**

The functional currencies for the accounts of the Group's subsidiaries are in US\$ and have been translated to S\$ at the exchange rate prevailing at the balance sheet date. The exchange rates as at 30 Sep 2005 and 31 Dec 2004 are 1.6894 and 1.6376 respectively.

### Explanatory Notes to Balance Sheet

The key movements in the balance sheet items for this period were attributable to two main transactions, ie the issuance of bonds cum detachable warrants and the acquisition of a 50% interest in Orchard Energy Holding Java & Sumatra B.V. ("Orchard").

- B1 Interest in associates represents the Group's 50% interest in Orchard.
- B2 Increase in trade receivables as at 30 Sep 2005 compared with 31 Dec 2004 was due to an increase in billings of crude oil sales in the last two months of the respective period. This accounted for S\$1.6 mil of the increase in trade receivables. The increase was also due to slower payments from the Myanmar crude oil sales debtor.
- B3 Cash and bank balances as at 30 Sep 2005 include the restricted cash deposits (Secured Debt Service Reserve Account) of S\$3.9 mil.
- B4 Increase in other payables and accruals was due mainly to outstanding acquisition costs of Orchard which have not been paid as at 30 Sep 2005.
- B5 Secured Bond 7% due 2010 represents the principal amount of US\$11 mil (S\$18.5 mil) and a debit redemption premium balance of US\$376k (S\$636k). Detachable warrants were also issued to the bondholder. In accordance with FRS 32 ("Financial Instruments: Disclosure and Presentation") and FRS 39 ("Financial Instruments: Recognition and Measurement"), a value is allocated to the warrants issued even though they were issued at no cost. This value amounts to S\$900k and is recognised on the issue date as warrant premium reserves.

### **1(b)(ii) BORROWINGS AND DEBT SECURITIES**

Group	30-Sep-05		31-Dec-04	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand	-	-	-	-
Amount repayable after one year	17,948	7,401	-	7,174

### Details of Collateral

The secured borrowings of the Group are secured by

- a charge over the shares held by the Company in the capital of Goldwater Company Limited;
- a charge over the shares held by the Company in the capital of Goldwater TMT Pte. Ltd.; and
- an assignment of all rights in respect of the Secured Debt Service Reserve Account.

1(c) CASH FLOW STATEMENT

Group	3Q 2005 S\$'000	3Q 2004 S\$'000	9M 2005 S\$'000	9M 2004 S\$'000
<b>Cash Flows from Operating Activities</b>				
<b>Profit before tax</b>	<b>1,699</b>	<b>34</b>	<b>3,106</b>	<b>87</b>
Share of associated company's profit after tax	(818)	-	(1,351)	-
Adjustments for non-cash items:				
Currency re-alignment and translation	41	(237)	474	(219)
Depreciation of property, plant and equipment	199	156	556	315
Amortization of:				
Exploration, evaluation and development cost	449	126	1,256	349
Concession rights	12	13	36	38
Intangible benefits	179	183	530	544
Goodwill on reverse acquisition	-	-	-	47
Participation rights	71	-	210	-
Other income	-	-	(4)	-
Interest income	(116)	(16)	(216)	(22)
Interest expense	547	-	941	-
Deferred income	(179)	(183)	(530)	(544)
Exchange difference	19	5	23	43
<b>Operating profit before working capital changes</b>	<b>2,103</b>	<b>81</b>	<b>5,031</b>	<b>638</b>
Inventories	173	(761)	467	(744)
Trade and other receivables	(1,620)	(2,406)	(3,528)	(2,046)
Trade and other payables	(245)	2,486	(1,206)	2,785
Accrued operating expenses	414	41	1,211	(131)
Amount due to related parties (trade)	(197)	(55)	(1,474)	(645)
Amount due to directors	-	(1)	-	(12)
<b>Net cash inflow / (outflow) from operating activities</b>	<b>628</b>	<b>(615)</b>	<b>501</b>	<b>(155)</b>
<b>Cash Flows from Investing Activities</b>				
Interest income received	134	16	172	22
Net proceeds from disposal of property, plant and equipment	-	-	7	-
Investment in associate companies	(1,942)	-	(18,501)	-
Acquisition of subsidiaries	-	-	-	(8,596)
Investment in club membership	(7)	-	(7)	-
Additional investments in production phase properties:				
Purchase of property, plant and equipment	(51)	(10)	(262)	(1,009)
Well drillings and improvements	(241)	(1,175)	(1,193)	(3,003)
Geological and geophysical studies	(138)	-	(271)	-
Refund of deposit placed for possible acquisition	-	-	-	2,511
<b>Net cash (outflow) from investing activities</b>	<b>(2,245)</b>	<b>(1,169)</b>	<b>(20,055)</b>	<b>(10,075)</b>
<b>Cash Flows from Financing Activities</b>				
Net proceeds from placement of shares	-	-	-	14,977
Net proceeds from issuance of bonds	-	-	18,129	-
<b>Net cash inflow from financing activities</b>	<b>-</b>	<b>-</b>	<b>18,129</b>	<b>14,977</b>
<b>Net (outflow) / inflow of cash and cash equivalents</b>	<b>(1,617)</b>	<b>(1,784)</b>	<b>(1,425)</b>	<b>4,747</b>
Cash and cash equivalents at beginning of period	7,967	10,653	7,775	4,122
<b>Cash and cash equivalents at end of period (See Note B3)</b>	<b>6,350</b>	<b>8,869</b>	<b>6,350</b>	<b>8,869</b>

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

Group	Share Capital	Share Premium	Currency Translation Reserves	Special Reserves	Warrant Premium Reserves	Accumulated Profit/(Loss)	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance as at 30 Jun 2004</b>	48,132	109,277	11	(135,457)	-	10,228	32,191
Translation differences	-	-	53	-	-	-	53
Net loss after tax for 3Q 2004	-	-	-	-	-	(92)	(92)
<b>Balance as at 30 Sep 2004</b>	<b>48,132</b>	<b>109,277</b>	<b>64</b>	<b>(135,457)</b>	<b>-</b>	<b>10,136</b>	<b>32,152</b>
<b>Balance as at 30 Jun 2005</b>	48,132	109,277	(506)	(135,458)	900	10,709	33,054
Translation differences	-	-	55	-	-	-	55
Net profit after tax for 3Q 2005	-	-	-	-	-	1,248	1,248
<b>Balance as at 30 Sep 2005</b>	<b>48,132</b>	<b>109,277</b>	<b>(451)</b>	<b>(135,458)</b>	<b>900</b>	<b>11,957</b>	<b>34,357</b>

Company	Share Capital	Share Premium	Warrant Premium Reserves	Accumulated Losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance as at 30 Jun 2004</b>	48,132	174,175	-	(174,434)	47,873
Net loss after tax for 3Q 2004	-	-	-	(440)	(440)
<b>Balance as at 30 Sep 2004</b>	<b>48,132</b>	<b>174,175</b>	<b>-</b>	<b>(174,874)</b>	<b>47,433</b>
<b>Balance as at 30 Jun 2005</b>	48,132	174,175	900	(176,257)	46,950
Net loss after tax for 3Q 2005	-	-	-	(745)	(745)
<b>Balance as at 30 Sep 2005</b>	<b>48,132</b>	<b>174,175</b>	<b>900</b>	<b>(177,002)</b>	<b>46,205</b>

1(d)(ii) SHARE CAPITAL

No additional share capital was issued in 3Q 2005.



**2 WHETHER THE FIGURES HAVE BEEN AUDITED OR REVIEWED, AND IN ACCORDANCE WITH WHICH STANDARD (EG. THE STANDARD ON AUDITING 910 (ENGAGEMENTS TO REVIEW FINANCIAL STATEMENTS), OR AN EQUIVALENT STANDARD)**

The figures have not been audited or reviewed by our auditors.

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

Not applicable.

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

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 year ended 31 Dec 2004.

**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**

Not applicable.

**6 EARNINGS PER SHARE**

Group	3Q 2005	3Q 2004
Basic earnings/ (loss) per share (cents) #	+ 0.648	(0.0480)
Fully diluted earnings/ (loss) per share (cents) +	+ 0.506	(0.0480)

# Basic earnings per share for 3Q 2005 is based on the weighted average number of 192,527,024 shares of S\$0.25 each in issue in 3Q 2005 (3Q 2004: 192,527,024). For comparison purposes, the weighted average number of shares of S\$0.05 each in issue in 3Q 2004 has been adjusted to reflect the 5 to 1 share consolidation which took place on 29 Apr 2005.

+ The fully diluted earnings per share is based on the weighted average number of 246,655,213 shares of S\$0.25 each in issue in 3Q 2005 (3Q 2004: 192,527,024). This is arrived after taking into account the potential shares arising from the exercise of warrants which would dilute the basic earnings per share from 25 Apr 2005 onwards.

**7 NET ASSET VALUE PER SHARE**

	Group		Company	
	30-Sep-05	31-Dec-04	30-Sep-05	31-Dec-04
Net asset value per ordinary share based on issued share capital (cents) ^	17.845	15.783	23.999	24.437
Number of ordinary shares in issue ^	192,527,024	192,527,024	192,527,024	192,527,024

^ For comparison purposes, the number of shares in issue as at 31 Dec 2004 comprising 962,635,120 shares of S\$0.05 each have been adjusted to reflect the 5 to 1 share consolidation which took place on 29 Apr 2005.

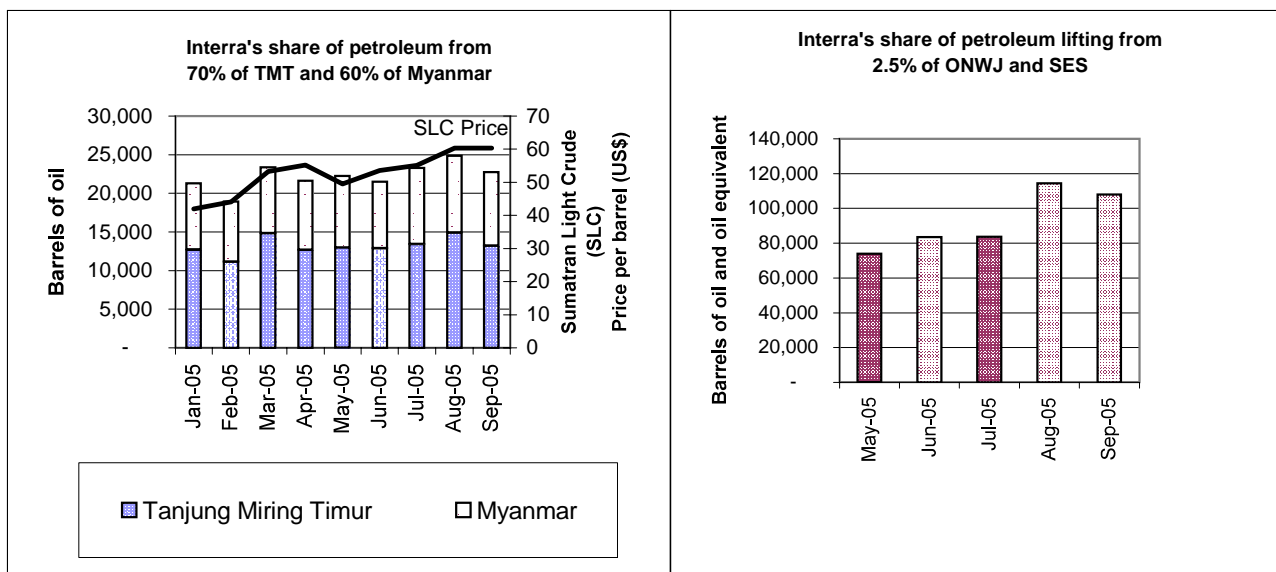
8(i) **PERFORMANCE REVIEW**

**Significant factors affecting the turnover, costs and earnings of the Group**

**Production**

The Group's shareable production from Tanjung Miring Timur ("TMT") and Myanmar fields increased by almost 3k barrels ("bbls") (4%) of oil from 68k bbls in 3Q 2004 to 71k bbls in 3Q 2005. The Group's share of production from its net working interest of 2.5% in Offshore Northwest Java PSC ("ONWJ") and South East Sumatra PSC ("SES") which are not consolidated into the Group's top line revenue, amounted to 306k barrels of oil and oil equivalent ("boe").

Combining both consolidated and non-consolidated share of production, the Group's shareable production was 377k boe in 3Q 2005 or 4,099 boe per day. In 2Q 2005, the Group's consolidated and on-consolidated share of production was 223k boe or 2,448 boe per day. On a year on year basis, the Group's consolidated and non-consolidated average share production in first nine months of 2005 was 2,430 boe per day compared with 426 boe per day for the same period last year.



**Revenue**

Revenue increased by S\$1.7 mil (48%) from S\$3.5 mil in 3Q 2004 to S\$5.3 mil in 3Q 2005. This was due mainly to the increased oil price. The weighted average transacted oil prices in 3Q 2005 and 3Q 2004 were approximately US\$58.50 and US\$40.40 respectively. The increase in shareable production in 3Q 2005 (71k bbls) compared with 3Q 2004 (68k bbls) also contributed to the increase in revenue.

**Cost of production**

There was no material change in the cost of production. In 3Q 2005, cost of production was S\$3.0 mil compared with S\$2.7 mil in 3Q 2004.

**Net profit after tax**

The Group posted a profit of S\$1.2 mil in 3Q 2005 compared with a loss of S\$0.1 mil in 3Q 2004. Profit contributions were mainly derived from the Group's 70% interest in TMT amounting to S\$1.2 mil. The Group's 2.5% working interest in ONWJ and SES contributed S\$0.8 mil (before deducting the financing cost of the bond issue of S\$0.5 mil) whereas the Group's 60% interest in Myanmar contributed S\$0.6 mil. After deducting unallocated corporate expenses of S\$0.4 mil, Indonesia and Myanmar tax of S\$0.5 mil, the Group registered a net profit after tax of S\$1.2 mil.

**Material factors affecting the cash flow, working capital, assets or liabilities of the Group during the current financial period**

The most material factor affecting the Group was the prevailing oil price which has continued to be strong.

8(ii) SEGMENTED REVENUE AND RESULTS

Geographical Segment	Indonesia		Myanmar		Consolidated	
	3Q 2005	3Q 2004	3Q 2005	3Q 2004	3Q 2005	3Q 2004
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Results</b>						
<b>EBITDA</b>	1,622	240	942	552	2,564	792
<b>EBIT</b>	1,229	191	609	310	1,838	501
<b>Sales to external customers</b>	3,194	2,176	2,075	1,385	5,269	3,561
<b>Segment Results</b>	1,236	195	609	311	1,845	506
Unallocated corporate net operating results					(417)	(471)
<b>Profit from operations</b>					1,428	35
Finance costs					(547)	-
Share of associated companies' profit after tax					818	-
<b>Profit before tax</b>					1,699	35
Taxation					(451)	(127)
<b>Net profit/(loss) after tax</b>					1,248	(92)

Geographical Segment	Indonesia		Myanmar		Consolidated	
	9M 2005	9M 2004	9M 2005	9M 2004	9M 2005	9M 2004
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Results</b>						
<b>EBITDA</b>	4,429	402	1,614	1,590	6,043	1,992
<b>EBIT</b>	3,343	335	660	971	4,003	1,306
<b>Sales to external customers</b>	8,147	3,928	5,127	3,540	13,274	7,468
<b>Segment Results</b>	3,357	361	660	971	4,017	1,332
Unallocated corporate net operating results					(1,320)	(1,245)
<b>Profit from operations</b>					2,697	87
Finance costs					(942)	-
Share of associated companies' profit after tax					1,351	-
<b>Profit before tax</b>					3,106	87
Taxation					(731)	(306)
<b>Net profit/(loss) after tax</b>					2,375	(219)

**Notes**

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

EBITDA is the operating earnings before divestment gains, interest income, exchange difference, finance cost, tax, depreciation and amortisation. This is net of joint venture partner's share.

8(iii) PRODUCTION PROFILE

Myanmar Production		3Q 2005 barrels	3Q 2004 barrels	9M 2005 barrels	9M 2004 barrels
Average gross production per day		2,211	2,258	2,193	2,239
Gross production		203,445	207,761	598,676	613,610
Non-shareable production		(154,559)	(161,371)	(463,571)	(485,820)
Production shareable with Myanma Oil and Gas Enterprise		48,886	46,390	135,105	127,790
Group's 60% share of production		29,332	27,834	81,063	76,674
Group's average shareable production per day		319	303	297	280
Myanmar Revenue		3Q 2005	3Q 2004	9M 2005	9M 2004
Weighted average oil price transacted	US\$	58.59	40.43	52.94	39.47
Revenue shareable with MOGE	US\$'000	1,719	1,125	4,291	3,026
MOGE's share	US\$'000	(483)	(316)	(1,205)	636
Group's net share of revenue in US\$	US\$'000	1,236	809	3,086	3,662
Group's net share of revenue in S\$	S\$'000	2,075	1,385	5,127	3,540
Indonesia Production		3Q 2005 barrels	3Q 2004 barrels	9M 2005 barrels	9M 2004 barrels
Average gross production per day		721	719	704	719 @
Gross production		66,307	66,178	192,325	66,178
Non-shareable production		(6,940)	(8,857)	(22,636)	(8,857)
Production shareable with Pertamina		59,367	57,321	169,689	57,321
Group's 70% share production		41,557	40,125	118,782	40,125
Group's average shareable production per day		452	436	435	436
@ Indonesia operations was consolidated into the Group's financial statements from 1 Apr 2004 onwards. Average gross production per day is based on 183 days, ie from 1 Apr 2004 to 30 Sep 2004.					
Indonesia Revenue		3Q 2005	3Q 2004	9M 2005	9M 2004
Weighted average oil price transacted	US\$	58.66	40.62	52.92	37.93
Revenue shareable with Pertamina	US\$'000	2,438	1,630	6,286	1,522
Pertamina's share	US\$'000	(536)	(357)	(1,380)	(646)
Group's net share of revenue in US\$	US\$'000	1,902	1,273	4,906	876
Group's net share of revenue in S\$	S\$'000	3,194	2,176	8,147	3,928
Group Production and Revenue		3Q 2005	3Q 2004	9M 2005	9M 2004
Group's shareable production	barrels	70,889	67,959	199,845	116,799
Group's average shareable production per day	barrels	771	739	732	426
Group's total revenue in S\$	S\$'000	5,269	3,561	13,274	7,468

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

No forecast was made in our last unaudited results announcement for the quarter ended 30 Jun 2005.

**10 COMMENTARY ON PROSPECTS**

Barring any unforeseen circumstances, the Group expects positive contributions from all its concession interests at the current oil price level. While the Group expects oil prices to continue to be strong, there is no certainty that this will occur.

**11 DIVIDEND**

No dividend for the period ended 30 Sep 2005 is recommended.

**12 INTERESTED PERSON TRANSACTION**

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate 9M 2005 S\$	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) 9M 2005 S\$
Nil	Nil	Nil

## 13 ABBREVIATIONS

3Q 2005	means	Third calendar quarter of year 2005
3Q 2004	means	Third calendar quarter of year 2004
9M 2005	means	First nine months of year 2005
9M 2004	means	First nine months of year 2004
BOE	means	Barrels of oil and oil equivalent
BOPD	means	Barrels of Oil Per Day
FRS	means	Financial Reporting Standards
FY 2005	means	Full year ended 31 December 2005
FY 2004	means	Full year ended 31 December 2004
Geopetrol	means	Geopetrol Singu Inc.
Goldpetrol	means	Goldpetrol Joint Operating Company Inc.
Goldwater	means	Goldwater Company Limited
Group	means	Interra Resources Limited, its subsidiary companies and joint ventures
GTMT	means	Goldwater TMT Pte. Ltd.
Interra	means	Interra Resources Limited
IPR	means	Improved Petroluem Recovery
k	means	thousand
mil	means	million
MOGE	means	Myanma Oil and Gas Enterprise
NA	means	Not applicable
NM	means	Not meaningful
ONWJ	means	Offshore North West Java
Orchard	means	Orchard Energy Holding Java & Sumatra B.V.
Pertamina	means	Perusahaan Pertambangan Minyak Dan Gas Bumi Negara
PSC	means	Production Sharing Contract
Retco	means	PT Retco Prima Energi
SES	means	South East Sumatra
TAC	means	Technical Assistance Contract
TMT	means	Tanjung Miring Timur

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, oil price, foreign exchange rates, availability of real estate properties, competition from other companies and venues for the sale/ distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.