

11 November 2009

Dear Shareholders

UNAUDITED RESULTS FOR THE QUARTER ENDED 30 SEPTEMBER 2009

Highlights in Q3 2009

- Net profit after tax for the quarter of US\$0.22 million
- Quarterly revenue of US\$3.47 million, 11% higher than the previous quarter due to higher transacted oil price for the quarter of US\$70 per barrel although the shareable production decreased slightly by 2% against previous quarter
- Net cash inflow for the quarter of US\$0.15 million

The Board of Directors of Interra Resources Limited (the “Company” or “Interra”) wishes to announce that for the third quarter (“Q3”) of 2009, the Group generated a net profit after tax of US\$0.22 million compared to US\$0.65 million in Q3 2008.

Q3 2009 vs Q3 2008 Review

Revenue decreased by 27% to US\$3.47 mil in Q3 2009 from US\$4.75 mil in Q3 2008 due to lower oil prices and shareable production. The weighted average oil price transacted during Q3 2009 was US\$70.42 per barrel whereas during Q3 2008 it was US\$119.34 per barrel. Shareable production for Q3 2009 decreased by 4% to 67,479 barrels (733 bopd) from 70,311 barrels (764 bopd) for Q3 2008.

In Q3 2009, the Group’s cost of production decreased by 17% (US\$0.49 million) as compared to the corresponding period in 2008. The decrease was due to lower production expenses (mainly lower equipment rental and fuel charges) at TMT by US\$0.43 mil as compared to Q3 2008.

A foreign exchange gain of US\$0.08 million was recognised which arose due to the strengthening of the Thai Baht against United States Dollar (“USD”), as compared to a foreign exchange loss of US\$0.14 mil in Q3 2008.

During Q3 2009, 3 payments were received in respect of Myanmar trade receivables and no additional allowance for impairment was charged during the period. As at the date of this report, a total of 11 payments have been received from the Myanmar Oil and Gas Enterprise (“MOGE”).



9M 2009 vs 9M 2008

Gross profit for the first 9 months ("9M") of 2009 was US\$1.75 million as compared to gross profit of US\$6.15 million for 9M 2008. The year on year decrease was a result of lower shareable production and oil price. Shareable production for 9M 2009 of 206,692 barrels was lower as compared to 227,199 barrels of oil in 9M 2008 (a decrease of 9%). The weighted average oil price for 9M 2009 of US\$60 per barrel was significantly lower than that of the corresponding period of 2008 of US\$114 per barrel. The cost of production in 9M 2009 of US\$7.23 million was lower compared to US\$7.74 million for 9M 2008.

The net loss after tax recorded in 9M 2009 of US\$0.34 million as compared to net profit after tax in 9M 2008 of US\$2.03 million was mainly due to the following:

- 1) Lower shareable production and oil price.
- 2) Reduction in interest income earned from US\$0.42 million in 9M 2008 to US\$0.08 million in 9M 2009.

Yours sincerely,

The Board of Directors
Interra Resources Limited



**INTERRA RESOURCES LIMITED
UNAUDITED RESULTS FOR THE QUARTER
ENDED 30 SEPTEMBER 2009**

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1(a)(i) PROFIT AND LOSS STATEMENT

Group	Note	Q3 2009 US\$'000	Q3 2008 US\$'000	Change %	9M 2009 US\$'000	9M 2008 US\$'000	Change %
Revenue	A1	3,467	4,745	↓ 27	8,973	13,890	↓ 35
Cost of production	A2	(2,294)	(2,780)	↓ 17	(7,228)	(7,742)	↓ 7
Gross profit		1,173	1,965	↓ 40	1,745	6,148	↓ 72
Other income	A3	242	11	↑ 2,100	1,046	631	↑ 66
Administrative expenses		(885)	(776)	↑ 14	(2,441)	(2,937)	↓ 17
Other operating expenses	A4	(53)	(57)	↓ 7	(181)	(164)	↑ 10
Finance costs	A5	-	-	NM	-	(89)	NM
Profit before income tax		477	1,143	↓ 58	169	3,589	↓ 95
Income tax expense		(262)	(498)	↓ 47	(508)	(1,555)	↓ 67
Profit / (Loss) for the period		215	645	↓ 67	(339)	2,034	↓ 117

1(a)(ii) STATEMENT OF COMPREHENSIVE INCOME

Group	Note	Q3 2009 US\$'000	Q3 2008 US\$'000	Change %	9M 2009 US\$'000	9M 2008 US\$'000	Change %
Profit / (Loss) for the period		215	645	↓ 67	(339)	2,034	↓ 117
Exchange differences on translating foreign operations		(39)	9	↓ 533	(141)	(9)	↑ 1,467
Financial assets, available-for-sale - Transfer to income statement on disposal		-	-	NM	-	(30)	NM
Total comprehensive income for the period		176	654	↓ 73	(480)	1,995	↓ 124

↑ means increase

↓ means decrease

NM = not meaningful

1(a)(iii) EXPLANATORY NOTES TO PROFIT AND LOSS STATEMENT

Group	Q3 2009 US\$'000	Q3 2008 US\$'000	9M 2009 US\$'000	9M 2008 US\$'000
Group's share of shareable production barrels	67,479	70,311	206,692	227,199
A1 Revenue				
Sales of crude oil (see 8(iii) for production profile)	<u>3,467</u>	<u>4,745</u>	<u>8,973</u>	<u>13,890</u>
A2 Cost of production				
Production expenses	1,794	2,441	5,810	6,681
Depreciation of property, plant and equipment	217	111	609	352
Amortisation of exploration, evaluation and development costs	274	226	783	703
Amortisation of computer software	9	2	26	6
	<u>2,294</u>	<u>2,780</u>	<u>7,228</u>	<u>7,742</u>
A3 Other income				
Interest income from deposits	39	104	84	415
Petroleum services fees	33	47	114	151
Gain on disposal of marketable securities	-	-	90	210
Gain from adjustment in fair value of financial assets, at fair value through profit or loss	90	-	485	-
Foreign exchange gain / (loss), net*	80	(140)	273	(145)
	<u>242</u>	<u>11</u>	<u>1,046</u>	<u>631</u>
A4 Other operating expenses				
Depreciation of property, plant and equipment	7	13	44	30
Depreciation of computer software	2	-	4	1
Amortisation of concession rights	2	2	6	6
Amortisation of participation rights	42	42	127	127
	<u>53</u>	<u>57</u>	<u>181</u>	<u>164</u>
A5 Finance costs				
Deemed interest expense on interest free loans	-	-	-	89
	<u>-</u>	<u>-</u>	<u>-</u>	<u>89</u>
* It is the Group's policy to minimise the quantum of intercompany balances, in order to reduce reported foreign exchange gains or losses.				

1(b)(i) STATEMENT OF FINANCIAL POSITION

	Note	Group		Company	
		30-Sep-09 US\$'000	31-Dec-08 US\$'000	30-Sep-09 US\$'000	31-Dec-08 US\$'000
ASSETS					
Non-Current Assets					
Property, plant and equipment		2,081	1,790	42	77
Exploration, evaluation and development costs		11,201	10,540	-	-
Intangible assets	B1	5,254	5,415	4	7
Interest in subsidiary companies		-	-	16,382	18,615
Investments	B2	-	4	-	4
		18,536	17,749	16,428	18,703
Current Assets					
Financial assets, at fair value through profit or loss	B2	440	436	-	-
Inventories		1,947	1,747	-	-
Trade receivables (net)	B3	2,991	5,700	-	-
Other receivables, deposits and prepayments		873	1,028	96	134
Cash and bank balances	B4	17,423	17,257	13,628	12,213
		23,674	26,168	13,724	12,347
Total Assets		42,210	43,917	30,152	31,050
EQUITY AND LIABILITIES					
Equity					
Share capital		40,109	40,109	40,109	40,109
Reserves		(6,581)	(6,098)	(10,389)	(9,628)
Total equity		33,528	34,011	29,720	30,481
Non-Current Liabilities					
Provision for environmental and restoration costs		651	518	-	-
Total non-current liabilities		651	518	-	-
Current Liabilities					
Trade payables		1,197	2,473	-	-
Other payables and accruals		2,401	2,657	431	529
Provision for taxation		4,433	4,258	1	40
Total current liabilities		8,031	9,388	432	569
Total equity and liabilities		42,210	43,917	30,152	31,050

Explanatory Notes to Statement of Financial Position

B1 Details on intangible assets are as follows:-

	Group	
	30-Sep-09 US\$'000	31-Dec-08 US\$'000
Computer software	65	93
Goodwill on reverse acquisition	1,489	1,489
Participating and concession rights	1,274	1,407
Participating rights in Thailand	2,426	2,426
	5,254	5,415

B2 Details on investments are as follows:-

	Group	
	30-Sep-09 US\$'000	31-Dec-08 US\$'000
(a) Other investments		
Club membership	-	4
(b) Financial assets, at fair value through profit or loss		
Quoted equity at cost		
PT Adaro Energy		
- 10,000,000 ordinary shares	538	538
Less: disposal of 7,000,000 ordinary shares	(377)	-
Fair value gain / (loss) recognised in profit and loss	279	(102)
Market value	440	436

B3 Details on trade receivables (net) are as follows:-

	Group	
	30-Sep-09 US\$'000	31-Dec-08 US\$'000
Trade receivables	5,908	8,617
Allowance for impairment of trade receivables	(2,917)	(2,917)
	2,991	5,700

Explanatory Notes to Statement of Financial Position

B4 Details on cash and cash equivalents are as follows:-

	Group	
	30-Sep-09 US\$'000	31-Dec-08 US\$'000
Cash at bank and on hand	3,533	3,079
Fixed deposits	13,890	14,178
Cash and bank balances (as per Balance Sheet)	17,423	17,257
Less: Fixed deposit held as collateral for banker's guarantees	(2,810)	(2,960)
Cash and cash equivalents (as per Cash Flow Statement)	14,613	14,297

Cash collateral represents fixed deposits of the Company pledged as security for issuance of the bank guarantees in favour of the Thailand Ministry of Energy for a period of up to 3 years with effect from 19 Apr 2007. On 31 Jul 09, a further fixed deposit of US\$0.67 mil were held as collateral for banker's guarantees in favour of Department of Custom, Thailand for importation of goods into Thailand. As at 30 Sep 09, the outstanding bank guarantees were US\$2.81 mil.

1(b)(ii) BORROWINGS AND DEBT SECURITIES

Group	30-Sep-09		31-Dec-08	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Amount repayable in one year or less, or on demand	-	-	-	-
Amount repayable after one year	-	-	-	-

Details of Collateral

Fixed deposits of US\$2.14 mil were held as collateral for banker's guarantees in favour of the Thailand Ministry of Energy for a period of up to 3 years with effect from 19 Apr 2007.

A further fixed deposit of US\$0.67 mil were held as collateral for banker's guarantee in favour of Department of Custom, Thailand for importation of goods into Thailand with effect from 1 Aug 2009.

1(c) STATEMENT OF CASH FLOW

Group	Q3 2009 US\$'000	Q3 2008 US\$'000	9M 2009 US\$'000	9M 2008 US\$'000
Cash Flows from Operating Activities				
Profit before income tax	477	1,143	169	3,589
Adjustments for non-cash items:				
Foreign currency translation	22	(104)	146	(80)
Depreciation of property, plant and equipment	224	124	653	383
Amortisation of:				
EED costs	274	226	783	703
Concession rights	2	2	6	6
Computer software	11	2	30	6
Participating rights	42	42	127	126
Interest income	(39)	(104)	(84)	(415)
Interest expense	-	-	-	89
Gain from adjustment in fair value of financial assets	(90)	-	(485)	-
Exchange (gain) / loss	(79)	140	(272)	145
Gain on disposal of marketable securities	-	-	(90)	(210)
Operating profit before working capital changes	844	1,471	983	4,342
Changes in working capital:				
Inventories	233	(591)	(201)	(1,145)
Trade and other receivables	644	(1,517)	3,303	(2,077)
Trade and other payables	(330)	660	(1,974)	(181)
Accrued operating expenses	141	(8)	(2)	10
Provision for environmental and restoration costs	38	38	133	127
Cash generated from operations	1,570	53	2,242	1,076
Tax (paid) / refund	(7)	(518)	(332)	(1,143)
Net cash provided / (used in) by operating activities	1,563	(465)	1,910	(67)
Cash Flows from Investing Activities				
Interest income received	38	103	86	448
Net proceeds from disposal of marketable securities	-	-	572	1,210
Net proceeds from disposal of club membership	5	-	5	-
Net proceeds from disposal of property, plant and equipment	1	-	1	-
Fixed deposit (pledged) / released as collateral for banker's guarantee	(670)	1,227	150	1,227
Capital expenditure:				
Purchase of property, plant and equipment	(22)	(230)	(532)	(427)
Purchase of computer software	(21)	(1)	(42)	(1)
Well drillings and improvements	(544)	(1,116)	(1,273)	(1,270)
Geological and geophysical studies (including seismic)	(194)	(141)	(561)	(683)
Net cash (used in) / provided by investing activities	(1,407)	(158)	(1,594)	504
Cash Flows from Financing Activities				
Repayment of loan from a related party	-	-	-	(4,381)
Dividend paid	-	-	-	(944)
Net cash (outflows) from financing activities	-	-	-	(5,325)
Net increase / (decrease) in cash and cash equivalents	156	(623)	316	(4,888)
Cash and cash equivalents at beginning of period	14,457	16,541	14,297	20,806
Cash and cash equivalents at end of period (see Note B4)	14,613	15,918	14,613	15,918

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

Group	Share Capital	Foreign Currency Translation Reserve	Special Reserves	Other Reserves	Retained Earnings / (Accumulated Losses)	Total Equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 Jul 2008	40,109	(1,183)	(16,545)	2	11,254	33,637
Employee share option scheme						
- value of employee services	-	-	-	2	-	2
Total comprehensive income for Q3 2008	-	9	-	-	645	654
Balance as at 30 Sep 2008	40,109	(1,174)	(16,545)	4	11,899	34,293
Balance as at 1 Jul 2009	40,109	(1,230)	(16,545)	10	11,006	33,350
Employee share option scheme						
- value of employee services	-	-	-	2	-	2
Total comprehensive income for Q3 2009	-	(39)	-	-	215	176
Balance as at 30 Sep 2009	40,109	(1,269)	(16,545)	12	11,221	33,528

Company	Share Capital	Other Reserves	Accumulated Losses	Total Equity
	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 Jul 2008	40,109	2	(9,131)	30,980
Employee share option scheme - value of employee services	-	2	-	2
Total comprehensive income for Q3 2008	-	-	(310)	(310)
Balance as at 30 Sep 2008	40,109	4	(9,441)	30,672
Balance as at 1 Jul 2009	40,109	10	(10,150)	29,969
Employee share option scheme				
- value of employee services	-	2	-	2
Total comprehensive income for Q3 2009	-	-	(251)	(251)
Balance as at 30 Sep 2009	40,109	12	(10,401)	29,720

1(d)(ii) SHARE CAPITAL

Share Options Outstanding

The number of unissued ordinary shares of the Company under option in relation to the Share Option Plan outstanding was as follows

	No. of unissued ordinary shares under option	No. of unissued ordinary shares forfeited	Exercise Price	Exercise Period
Luke Christopher Targett	350,000	350,000	S\$0.45	4 March 2010 to 2 March 2013
	350,000	350,000	S\$0.55	4 March 2010 to 2 March 2013
Frank Overall Hollinger	250,000	-	S\$0.45	4 March 2010 to 2 March 2013
	250,000	-	S\$0.55	4 March 2010 to 2 March 2013

On 3 Mar 2008, the Company granted options to subscribe for 600,000 ordinary shares at an exercise price of S\$0.45 per share and 600,000 ordinary shares at an exercise price of S\$0.55 per share ("2008 Options"). The 2008 Options are exercisable from 4 Mar 2010 and expire on 2 Mar 2013. The total fair value of the 2008 Options granted over the vesting period was estimated to be S\$49,448 (US\$35,461) using the Binomial Option Pricing Model.

On 19 Jun 2009, Chief Executive Officer and Executive Director, Luke Christopher Targett has resigned after the expiry of the term of service contract and 2008 Options granted is lapsed on the same date. Consequently, the share option expenses recognised previously will be reversed from share option reserve to profit and loss statement. As at 30 Jun 2009, the total fair value of the 2008 Options granted and still valid was estimated to be S\$20,603 (US\$14,776).

No additional share capital was issued in Q3 2009.

1(d)(iii) NUMBER OF ORDINARY SHARES (EXCLUDING TREASURY SHARES)

Group and Company	Q3 2009	Q3 2008
<u>Issued and fully paid</u>		
Opening balance and closing balance	256,920,238	256,920,238
	256,920,238	256,920,238

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

Not applicable.

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 auditor.

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 2008.

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

The Group has adopted all the new and revised Singapore Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 Jan 2009. Consequential amendments were also made to various standards as a result of these new or revised standards.

The following new or amended FRS are relevant to the Group and the Company:

FRS 1(R) - Presentation of Financial Statements
 Revised FRS 23 - Borrowing Costs
 FRS 108 - Operating Segments

The adoption of these new or revised FRS and INT FRS does not result in changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current period or prior years.

6 EARNINGS PER SHARE

Group	Q3 2009	Q3 2008	9M 2009	9M 2008
Basic earnings / (loss) per share (USD cents)	0.084	0.251	(0.132)	0.792
Weighted average number of shares for the purpose of computing basic earnings / (loss) per share	256,920,238	256,920,238	256,920,238	256,920,238
Fully diluted earnings / (loss) per share (USD cents)	0.084	0.251	(0.132)	0.792
Weighted average number of shares for the purpose of computing fully diluted earnings per share	256,920,238	256,920,238	256,920,238	256,920,238

Basic and fully diluted earnings per share for Q3 2009 are based on the weighted average number of 256,920,238 shares. There were no new shares issued.

7 NET ASSET VALUE PER SHARE

	Group		Company	
	30-Sep-09	31-Dec-08	30-Sep-09	31-Dec-08
Net asset value per ordinary share based on issued share capital (excluding treasury shares) (USD cents)	13.050	13.238	11.568	11.864
Number of ordinary shares in issue	256,920,238	256,920,238	256,920,238	256,920,238

8(i) PERFORMANCE REVIEW

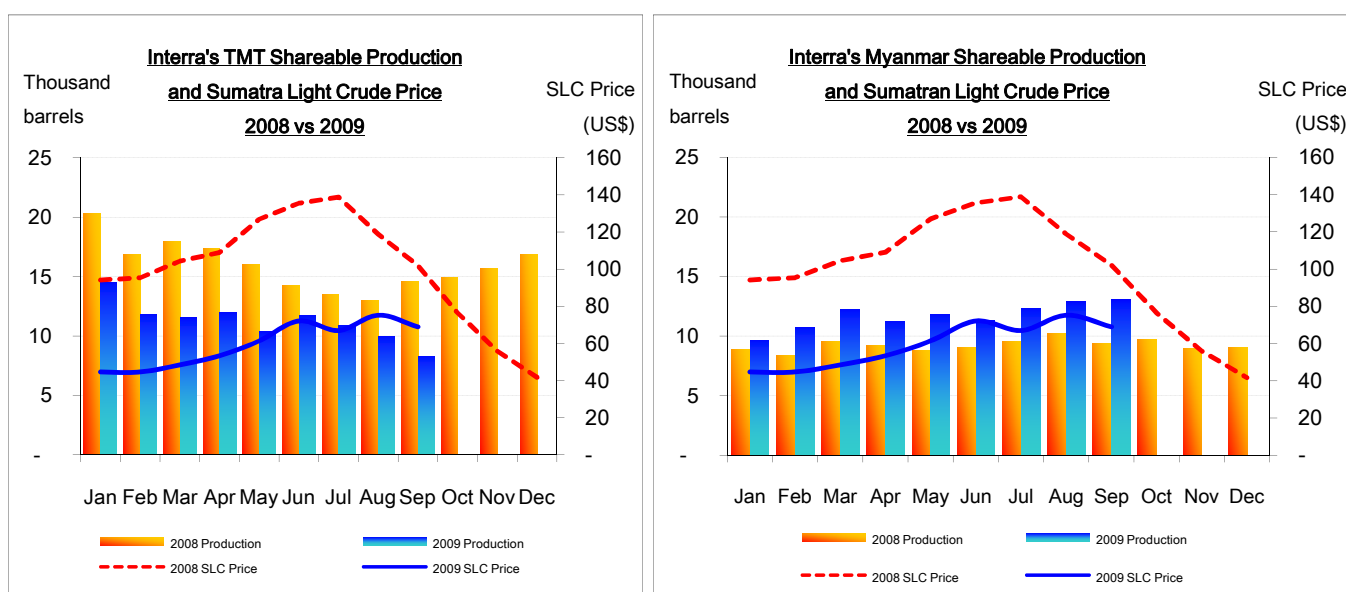
Significant factors affecting the turnover, costs and earnings of the Group

Production & Revenue

Revenue decreased by 27% to US\$3.47 mil in Q3 2009 from US\$4.75 mil in Q3 2008 due to lower oil prices and shareable production. The weighted average oil price transacted during Q3 2009 was US\$70.42 per barrel whereas during Q3 2008 it was US\$119.34 per barrel. Shareable production for Q3 2009 decreased by 4% to 67,479 barrels (733 bopd) from 70,311 barrels (764 bopd) for Q3 2008.

The shareable production contributed by TMT decreased from 41,085 barrels in Q3 2008 (9M 2008: 143,946 barrels) to 29,180 barrels in Q3 2009 (9M 2009: 101,238 barrels). The shareable production from Myanmar increased by 31% from 29,226 barrels in Q3 2008 (9M 2008: 83,253 barrels) to 38,299 barrels in Q3 2009 (9M 2009: 105,454 barrels) due to good contribution from the re-opening of an old well in Q2 2009.

On a year on year basis, the Group's share of shareable production decreased by 9% (20,507 barrels) to 206,692 barrels for 9M 2009 from 227,199 barrels during 9M 2008.



Cost of Production

The cost of production in Q3 2009 decreased by 17% (US\$0.49 mil) as compared to Q3 2008. Direct production expenses in Q3 2009 were lower than Q3 2008 and non cash costs of production including depreciation and amortisation in Q3 2009 were almost 47% higher than Q3 2008 due to amortisation of the costs of new wells (US\$2.5 million) drilled in 2008 in Myanmar and Indonesia.

On a year on year basis, cost of production in 9M 2009 decreased by US\$0.51 mil as compared to 9M 2008 due to lower operating expenses at TMT from US\$4.00 mil in 9M 2008 to US\$3.24 mil in 9M 2009. The decrease was offset by the increase of non cash costs of production including depreciation and amortisation from US\$0.55 mil to US\$0.85 mil in TMT.

Net Profit / (Loss) After Tax

The Group posted a lower net profit after tax of US\$0.22 mil in Q3 2009 compared to a higher net profit of US\$0.65 mil in Q3 2008. The decrease in net profit was due mainly to lower revenue as a result of lower shareable production and oil prices.

However, the decline in net profit was offset by:

- Gain from adjustment in fair value of financial assets of US\$0.09 mil in Q3 2009 as compared to Q3 2008.
- Foreign exchange gain in Q3 2009 of US\$0.08 mil due to the strengthening of Thai baht against US dollar as compared to a foreign exchange loss of US\$0.14 mil in Q3 2008.

8(i) PERFORMANCE REVIEW (CONT'D)

Net Profit / (Loss) After Tax

The Group posted a net loss after tax of US\$0.34 mil in 9M 2009 as compared to a net profit after tax of US\$2.03 mil in 9M 2008. The swing from net profit to net loss was due mainly to lower shareable production and oil prices and reduction in interest income earned from US\$0.42 mil in 9M 2008 to US\$0.08 mil in 9M 2009.

However, the net loss in 9M 2009 was offset by the increase of the following:

- (a) Gain from adjustment in fair value of financial assts of US\$0.49 mil.
- (b) Foreign exchange gain of US\$0.27 mil as compared to foreign exchange loss of US\$0.15 mil for the corresponding period.

Group (Q3 2009)	Profit Before Tax US\$'000	Taxation US\$'000	Net Contribution to Group US\$'000	Net Contribution to Group %
TMT	65	(85)	(20)	(3%)
Myanmar	792	(177)	615	99%
Thailand	29	-	29	5%
Profit from operations	886	(262)	624	100%
Head office expenses and income			(409)	
Income tax expense			-	
Net profit after tax			215	

Group (9M 2009)	Profit / (Loss) Before Tax US\$'000	Taxation US\$'000	Net Contribution to Group US\$'000	Net Contribution to Group US\$'000
TMT	(402)	(245)	(647)	(120%)
Myanmar	1,275	(208)	1,067	198%
Thailand	119	-	119	22%
Profit from operations	992	(453)	539	100%
Head office expenses and income			(823)	
Income tax expense			(55)	
Net loss after tax			(339)	

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

- (1) Capital expenditure of US\$0.78 mil was made during the quarter mainly in respect of drilling for the shallow well in Myanmar of US\$0.22 mil and drilling preparation in Thailand of US\$0.19 mil.
- (2) During the quarter, the Group received 4 payments in respect of outstanding trade receivables in Myanmar. The Group generated a net cash inflow from operating activities of US\$1.43 mil from Myanmar operations in Q3 2009. Net accounts receivable declined due to lower revenue as a result of lower oil prices although the number of outstanding invoices remained the same.
- (3) The Group's cash position remained stable with a net cash inflow of US\$0.15 mil in Q3 2009.

8(ii) SEGMENTED REVENUE AND RESULTS

Geographical Segment	Indonesia		Myanmar		Consolidated	
	Q3 2009 US\$'000	Q3 2008 US\$'000	Q3 2009 US\$'000	Q3 2008 US\$'000	Q3 2009 US\$'000	Q3 2008 US\$'000
Results						
EBITDA	355	571	1,175	2,569	1,530	3,140
EBIT	25	356	792	1,315	817	1,671
Sales to external customers	1,527	2,241	1,940	2,504	3,467	4,745
Segment results	47	387	792	1,315	839	1,702
Finance costs					-	-
Unallocated corporate net operating results					(362)	(559)
Profit before income tax					477	1,143
Income tax expense					(262)	(498)
Net profit after income tax					215	645

Geographical Segment	Indonesia		Myanmar		Consolidated	
	9M 2009 US\$'000	9M 2008 US\$'000	9M 2009 US\$'000	9M 2008 US\$'000	9M 2009 US\$'000	9M 2008 US\$'000
Results						
EBITDA	522	2,248	1,856	4,009	2,378	6,257
EBIT	(464)	1,566	1,276	3,495	812	5,061
Sales to external customers	4,403	7,072	4,570	6,818	8,973	13,890
Segment results	(439)	1,652	1,276	3,495	837	5,147
Finance costs					-	(89)
Unallocated corporate net operating results					(667)	(1,469)
Profit before income tax					170	3,589
Income tax expense					(508)	(1,555)
Net (loss) / profit after income tax					(338)	2,034

Notes

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

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

8(iii) PRODUCTION PROFILE

Myanmar Production		Q3 2009 barrels	Q3 2008 barrels	9M 2009 barrels	9M 2008 barrels
Average gross production per day		2,105	2,007	2,074	2,000
Gross production		193,653	184,688	566,104	548,040
Non-shareable production		(129,821)	(135,979)	(390,348)	(409,286)
Production shareable with MOGE		63,832	48,709	175,756	138,754
Group's 60% share of production		38,299	29,226	105,454	83,253
Group's average shareable production per day		416	318	386	304
Myanmar Revenue		Q3 2009	Q3 2008	9M 2009	9M 2008
Weighted average transacted oil price	US\$	70.42	119.92	60.25	114.13
Revenue shareable with MOGE	US\$'000	2,697	3,505	6,353	9,502
MOGE's share	US\$'000	(757)	(1,001)	(1,783)	(2,684)
Group's net share of revenue	US\$'000	1,940	2,504	4,570	6,818
Indonesia Production		Q3 2009 barrels	Q3 2008 barrels	9M 2009 barrels	9M 2008 barrels
Average gross production per day		480	675	559	789
Gross production		44,193	62,064	152,716	216,130
Non-shareable production		(2,508)	(3,371)	(8,090)	(10,491)
Production shareable with Pertamina		41,685	58,693	144,626	205,639
Group's 70% share of production		29,180	41,085	101,238	143,946
Group's average shareable production per day		317	447	371	525
Indonesia Revenue		Q3 2009	Q3 2008	9M 2009	9M 2008
Weighted average transacted oil price	US\$	70.35	119.34	58.46	112.31
Revenue shareable with Pertamina	US\$'000	2,053	4,903	5,919	16,167
Pertamina's share *	US\$'000	(526)	(2,662)	(1,516)	(9,095)
Group's net share of revenue	US\$'000	1,527	2,241	4,403	7,072
Group Production and Revenue		Q3 2009	Q3 2008	9M 2009	9M 2008
Group's share of shareable production	barrels	67,479	70,311	206,692	227,199
Group's average shareable production per day	barrels	733	764	757	829
Group's total revenue	US\$'000	3,467	4,745	8,973	13,890

Note: * Under the TAC production sharing regime, once the unrecovered cost pool is exhausted, the net oil entitlement and the Group's share of revenue will also reduce. As a result, Pertamina's share of revenue, which includes Domestic Market Obligation ("DMO") increased in FY2008.

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

N.A

10 COMMENTARY ON PROSPECTS

The Group will continue to be affected by the volatility of the oil prices. The Group has taken measures to reduce costs and to scale back work programs and capital commitments during 2009. At the same time, efforts have been made to increase the production level of both fields. The Company is in a sound financial position and has no debt. Interra has sufficient cash on hand to meet its operating costs for the foreseeable future.

In Thailand, there is no production or revenue generated by the 3 blocks as they are exploration in nature. The Company is expected to commence drilling of our first exploration well in Q4 this year.

Apart from the existing business operations, the Group continues to actively seek new concessions and acquisitions.

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) Date Payable

NA

d) Books closure date

NA

12 If no dividend has been declared (recommended), a statement to that effect

The Company has not declared a dividend for the period under review.

13 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 pursuant to Rule 920) Q3 2009 US\$	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) Q3 2009 US\$
Nil	Nil	Nil

14 CONFIRMATION BY THE BOARD OF DIRECTORS PURSUANT TO RULE 705(4) OF THE SGX LISTING MANUAL

The Board of Directors of the Company hereby confirms to the best of their knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the quarter ended 30 Sep 2009 to be false or misleading in any material respect.

Submitted by
Marcel Tjia
Executive Director

11 Nov 2009

15 ABBREVIATIONS

bopd	means	barrels of oil per day
EED	means	Exploration, evaluation and development
FRS	means	Financial Reporting Standards
Q3 2008	means	Third calendar quarter of year 2008
Q3 2009	means	Third calendar quarter of year 2009
9M 2008	means	For the period ended 30 September 2008
9M 2009	means	For the period ended 30 September 2009
FY 2008	means	Full year ended 31 December 2008
FY 2009	means	Full year ended 31 December 2009
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 Petroleum Recovery
IRT	means	Interra Resources (Thailand) Limited
JSXT	means	JSX Energy (Thailand) Limited
k	means	thousand
mil	means	million
MOGE	means	Myanma Oil and Gas Enterprise
DMO	means	Domestic Market Obligation
NA	means	Not applicable
NM	means	Not meaningful
PCA	means	Petroleum Concession Agreement
Pertamina	means	Perusahaan Pertambangan Minyak Dan Gas Bumi Negara
PSC	means	Production Sharing Contract
Retco	means	PT Retco Prima Energi
Salamander	means	Salamander Energy plc
TAC	means	Technical Assistance Contract
TMT	means	Tanjung Miring Timur

This release may contain forward-looking statements that are subject to risk factors associated with oil and gas businesses. 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 including but not limited to: oil and gas price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, general industry conditions, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals, 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. You are cautioned not to place undue reliance on these forward looking statements, which are based on the current view of management on future events.