



INTERRA RESOURCES LIMITED

Singapore Company Registration No. 197300166Z
Australian Registered Body No. 129 575 275

SGX & ASX ANNOUNCEMENT

SGX Code: *Interra Res (5GI)*, ASX Code: *ITR*

10 May 2010

Dear Shareholders

UNAUDITED RESULTS FOR THE QUARTER ENDED 31 MARCH 2010

Highlights in Q1 2010

- Net profit after tax for the quarter of US\$0.33 million
- Quarterly revenue of US\$3.77 million was 4% higher than the previous quarter due to higher shareable production
- Higher foreign exchange gain of US\$0.12 million than the previous quarter due to weakening of US dollar against Thai Baht

The Board of Directors of Interra Resources Limited (the "Company" or "Interra") wishes to announce that for the first quarter ("Q1") of 2010, the Group generated a net profit after tax of US\$0.33 million.

Q1 2010 vs Q4 2009 Review

Revenue increased by 4% to US\$3.77 million during Q1 2010 compared to the preceding quarter. The increase was mainly due to higher production for the quarter of 3% as compared to the previous quarter.

Direct production expenses of US\$1.80 million for the quarter were higher compared to the previous quarter of US\$1.49 million. Amortisation and depreciation charges increased by 44% due to higher EED costs and shareable production.

Net cash inflow in Q1 2010 was US\$0.18 million with cash and cash equivalents (including cash pledged as security for the Thailand bank guarantees) as at 31 March 2010 being US\$14.71 million. During the quarter, the outstanding banker's guarantees supporting the Thailand exploration activities reduced by US\$2.06 million to US\$0.75 million while US\$1.11 million was used to finance Australia operations.

As at the date of this report, 5 payments were received in respect of Myanmar trade receivables and no additional impairment provision was charged during the period.

Other Matters

On 22 Jan 2010, the Company has transited to the Catalist sponsor-supervised regime in respect of its listing on the Singapore Exchange and Collins Stewart Pte. Limited has been appointed as the Sponsor of the Company.

Yours sincerely,

The Board of Directors
Interra Resources Limited

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("Sponsor"), Collins Stewart Pte. Limited, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). It has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Alex Tan, CEO of Collins Stewart Pte. Limited, address 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854 6160.



**INTERRA RESOURCES LIMITED
UNAUDITED RESULTS FOR THE QUARTER
ENDED 31 MARCH 2010**

TABLE OF CONTENTS

Item No.	Description	Page No.
1(a)(i)	Profit and Loss Statement	2
1(a)(ii)	Statement of Comprehensive Income	2
1(a)(iii)	Explanatory Notes to Profit and Loss Statement	3
1(b)(i)	Statement of Financial Position & Explanatory Notes to Statement of Financial Position	4 - 6
1(b)(ii)	Borrowings and Debt Securities	6
1(c)	Statement of Cash Flow	7
1(d)(i)	Statements of Changes in Equity	8
1(d)(ii) to (iv)	Share Capital & Number of Ordinary Shares	8 - 9
2 & 3	Audit Statement	9
4 & 5	Accounting Policies and Method of Computation	9
6	Earnings Per Share	10
7	Net Asset Value Per Share	10
8(i)	Performance Review	11 - 12
8(ii)	Segmented Revenue and Results	13
8(iii)	Production Profile	14
9 & 10	Prospects	15
11	Dividend	15
12	Dividend Statement	15
13	Interested Person Transaction	15
14	Confirmation by Board of Directors	15
15	Abbreviations	16

1(a)(i) PROFIT AND LOSS STATEMENT

Group	Note	Q1 2010 US\$'000	Q1 2009 US\$'000	Change %
Revenue	A1	3,772	2,377	↑ 59
Cost of production	A2	(2,457)	(2,543)	↓ 3
Gross profit		1,315	(166)	NM
Other income	A3	264	393	↓ 33
Administrative expenses		(743)	(745)	-
Other operating expenses	A4	(64)	(61)	↑ 5
Impairment and allowances	A5	(142)	-	NM
Profit / (Loss) before income tax		630	(579)	NM
Income tax expense		(298)	(181)	↑ 65
Profit / (Loss) for the period		332	(760)	NM

1(a)(ii) STATEMENT OF COMPREHENSIVE INCOME

Group	Note	Q1 2010 US\$'000	Q1 2009 US\$'000	Change %
Profit / (Loss) for the period		332	(760)	NM
Exchange differences on translating foreign operations		(151)	(21)	↑ 619
Total comprehensive income for the period		181	(781)	NM

↑ means increase
 ↓ means decrease
 NM = not meaningful

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

Group		Q1 2010 US\$'000	Q1 2009 US\$'000
Group's share of shareable production		66,063	70,596
barrels			
A1	Revenue		
	Sales of crude oil (see 8(iii) for production profile)	<u>3,772</u>	<u>2,377</u>
A2	Cost of production		
	Production expenses	1,796	2,091
	Depreciation of property, plant and equipment	216	189
	Amortisation of exploration, evaluation and development costs	436	254
	Amortisation of computer software	9	9
		<u>2,457</u>	<u>2,543</u>
A3	Other income		
	Interest income from deposits	6	26
	Petroleum services fees	28	45
	Gain on disposal of financial assets, available-for-sale	-	64
	Gain / (loss) from adjustment in fair value of financial assets, at fair value through profit or loss	95	273
	Other income	16	-
	Foreign exchange gain / (loss), net*	119	(15)
		<u>264</u>	<u>393</u>
A4	Other operating expenses		
	Depreciation of property, plant and equipment	19	16
	Depreciation of computer software	1	1
	Amortisation of concession rights	2	2
	Amortisation of participation rights	42	42
		<u>64</u>	<u>61</u>
A5	Impairment and allowances		
	Impairment of EED costs	142	-
		<u>142</u>	<u>-</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	
		31-Mar-10 US\$'000	31-Dec-09 US\$'000	31-Mar-10 US\$'000	31-Dec-09 US\$'000
ASSETS					
Non-Current Assets					
Property, plant and equipment		1,479	1,701	31	39
Exploration, evaluation and development costs		13,199	12,651	-	-
Intangible assets	B1	6,071	6,124	4	4
Interest in subsidiary companies		-	-	21,888	20,240
		20,749	20,476	21,923	20,283
Current Assets					
Financial assets, at fair value through profit or loss	B2	646	551	-	-
Inventories		2,011	1,976	-	-
Trade receivables (net)	B3	5,475	4,457	-	-
Other receivables, deposits and prepayments		857	449	99	77
Cash and bank balances	B4	15,462	17,341	10,186	12,143
		24,451	24,774	10,285	12,220
Total Assets		45,200	45,250	32,208	32,503
EQUITY AND LIABILITIES					
Equity					
Share capital		40,109	40,109	40,109	40,109
Reserves		(4,614)	(4,796)	(8,438)	(8,128)
Total equity		35,495	35,313	31,671	31,981
Non-Current Liabilities					
Provision for environmental and restoration costs		721	684	-	-
Total non-current liabilities		721	684	-	-
Current Liabilities					
Trade payables		842	1,393	-	-
Other payables and accruals		3,129	3,157	536	533
Provision for taxation		5,013	4,703	1	(11)
Total current liabilities		8,984	9,253	537	522
Total equity and liabilities		45,200	45,250	32,208	32,503

Explanatory Notes to Statement of Financial Position

B1 Details on intangible assets are as follows:-

	Group	
	31-Mar-10 US\$'000	31-Dec-09 US\$'000
Computer software	70	79
Goodwill on reverse acquisition	1,489	1,489
Participating and concession rights	1,185	1,230
Participating rights in Thailand	2,175	2,182
Participating rights in Australia	1,152	1,144
	6,071	6,124

B2 Details on investments are as follows:-

	Group	
	31-Mar-10 US\$'000	31-Dec-09 US\$'000
Financial assets, at fair value through profit or loss		
Opening balance	551	436
Addition	-	-
Fair value gain recognised in profit and loss	95	597
Proceeds from disposal	-	(572)
Net gain recognised in the statement of comprehensive income upon disposal	-	90
Closing balance	646	551

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

	Group	
	31-Mar-10 US\$'000	31-Dec-09 US\$'000
Trade receivables	7,473	6,455
Allowance for impairment of trade receivables	(1,998)	(1,998)
	5,475	4,457

Explanatory Notes to Statement of Financial Position

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

	Group	
	31-Mar-10 US\$'000	31-Dec-09 US\$'000
Cash at bank and on hand	4,933	3,613
Fixed deposits	10,529	13,728
Cash and bank balances (as per Balance Sheet)	15,462	17,341
Less: Fixed deposit held as collateral for banker's guarantees	(750)	(2,810)
Cash and cash equivalents (as per Cash Flow Statement)	14,712	14,531

On 19 Mar 2010, the banker's guarantees of US\$2.06 mil were discharged and the resulting outstanding banker's guarantees were reduced to US\$0.75 mil, of which US\$0.67 mil was held as collateral for banker's guarantees in favour of Department of Custom, Thailand and US\$0.08 mil in favour of the Thailand Ministry of Energy for Block L9 and L3.

1(b)(ii) BORROWINGS AND DEBT SECURITIES

Group	31-Mar-10		31-Dec-09	
	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

On 19 Mar 2010, the banker's guarantees of US\$2.06 mil were discharged and the resulting outstanding banker's guarantees were reduced to US\$0.75 mil, of which US\$0.67 mil was held as collateral for banker's guarantees in favour of Department of Custom, Thailand and US\$0.08 mil in favour of the Thailand Ministry of Energy for Block L9 and L3.

1(c) STATEMENT OF CASH FLOW

Group	Q1 2010 US\$'000	Q1 2009 US\$'000
Cash Flows from Operating Activities		
Profit / (loss) before income tax	630	(579)
Adjustments for non-cash items:		
Depreciation of property, plant and equipment	235	206
Amortisation of:		
EED costs	436	254
Concession rights	2	2
Computer software	10	10
Participating rights	42	42
Impairment of EED costs (Thailand)	142	-
Interest income	(6)	(26)
Financial assets, at fair value through profit or loss - fair value loss	(95)	(273)
Net gain on disposal of financial assets, at fair value through profit or loss	-	(64)
Exchange (gain) / loss	(215)	28
Operating profit before working capital changes	1,181	(400)
Changes in working capital:		
Inventories	(35)	(413)
Trade and other receivables	(1,058)	1,722
Trade and other payables	(1,325)	(70)
Accrued operating expenses	384	45
Provision for environmental and restoration costs	37	50
Cash generated from operations	(816)	934
Income tax refund / (paid)	12	(216)
Net cash (used in) / provided by operating activities	(804)	718
Cash Flows from Investing Activities		
Interest income received	8	33
Net proceeds from disposal of financial assets, at fair value through profit or loss	-	319
Fixed deposit released as collateral for banker's guarantee (net)	2,060	820
Acquisition cost for exploration concession in Australia	(8)	-
Capital expenditure:		
Purchase of property, plant and equipment	(13)	(488)
Well drillings and improvements	(146)	(668)
Geological and geophysical studies (including seismic)	(932)	(57)
Net cash provided by / (used in) investing activities	969	(41)
Net increase in cash and cash equivalents	165	677
Cash and cash equivalents at beginning of period	14,531	14,297
Effects of currency translation on cash and cash equivalents	16	(3)
Cash and cash equivalents at end of period (see Note B4)	14,712	14,971

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

Group	Share Capital	Foreign Currency Translation Reserve	Special Reserves	Other Reserves	Retained Earnings	Total Equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 Jan 2009	40,109	(1,128)	(16,545)	15	11,560	34,011
Employee share option scheme - value of employee services	-	-	-	4	-	4
Total comprehensive income for Q1 2009	-	(21)	-	-	(760)	(781)
Balance as at 31 Mar 2009	40,109	(1,149)	(16,545)	19	10,800	33,234
Balance as at 1 Jan 2010	40,109	(1,303)	(16,545)	14	13,038	35,313
Employee share option scheme - value of employee services	-	-	-	1	-	1
Total comprehensive income for Q1 2010	-	(151)	-	-	332	181
Balance as at 31 Mar 2010	40,109	(1,454)	(16,545)	15	13,370	35,495

Company	Share Capital	Other Reserves	Accumulated Losses	Total Equity
	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 Jan 2009	40,109	15	(9,643)	30,481
Employee share option scheme - value of employee services	-	4	-	4
Total comprehensive income for Q1 2009	-	-	(308)	(308)
Balance as at 31 Mar 2009	40,109	19	(9,951)	30,177
Balance as at 1 Jan 2010	40,109	14	(8,142)	31,981
Employee share option scheme - value of employee services	-	1	-	1
Total comprehensive income for Q1 2010	-	-	(311)	(311)
Balance as at 31 Mar 2010	40,109	15	(8,453)	31,671

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	Exercise Price	Exercise Period
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

The number of unissued ordinary shares under option was 250,000 ordinary shares at an exercise price of S\$0.45 per share and 250,000 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 and still valid was estimated to be S\$20,603 (US\$14,776).

No additional share capital was issued in Q1 2010.

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

Group and Company	Q1 2010	Q1 2009
<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 2009.

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 2010. 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 27 (revised) - Consolidated and Separate Financial Statements
FRS 103 (revised) - Business Combinations

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	Q1 2010	Q1 2009
Basic earnings / (loss) per share (USD cents)	0.129	(0.296)
Weighted average number of shares for the purpose of computing basic earnings / (loss) per share	256,920,238	256,920,238
Fully diluted earnings / (loss) per share (USD cents)	0.129	(0.296)
Weighted average number of shares for the purpose of computing fully diluted earnings per share	256,920,238	256,920,238

Basic and fully diluted earnings per share for Q1 2010 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	
	31-Mar-10	31-Dec-09	31-Mar-10	31-Dec-09
Net asset value per ordinary share based on issued share capital (excluding treasury shares) (USD cents)	13.816	13.744	12.327	12.448
Number of ordinary shares in issue	256,920,238	256,920,238	256,920,238	256,920,238

8(i) PERFORMANCE REVIEW

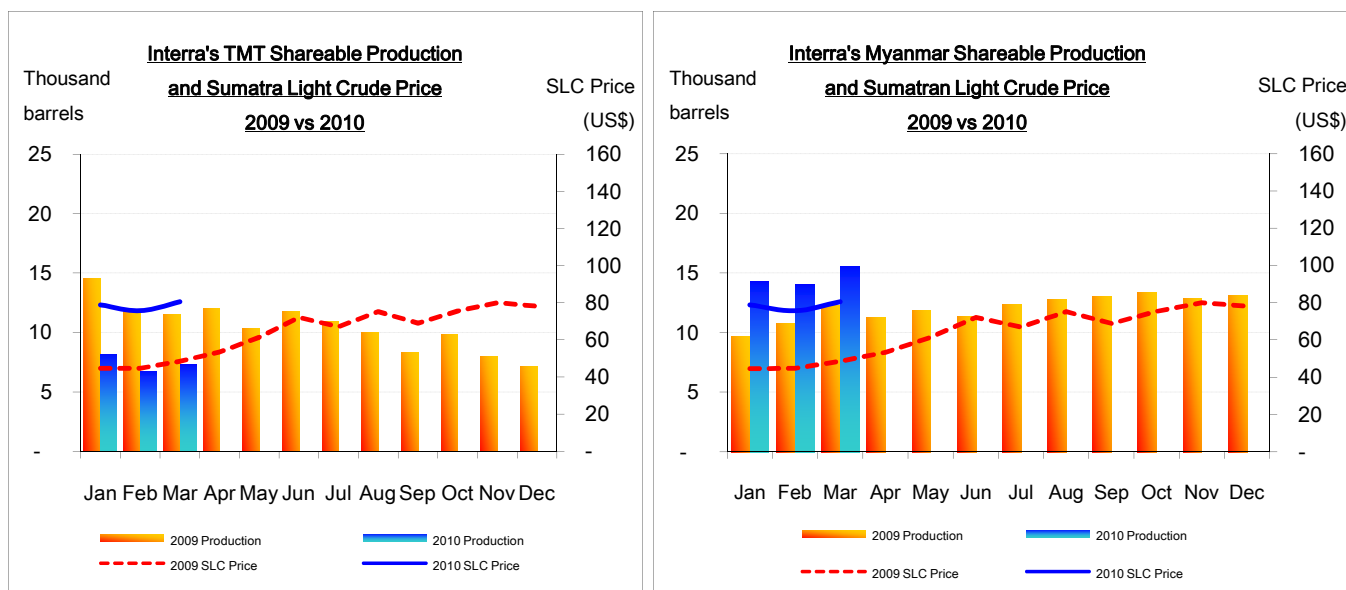
Significant factors affecting the turnover, costs and earnings of the Group

Q1 2010 vs Q1 2009 Review

Production & Revenue

Revenue increased by 59% to US\$3.77 mil in Q1 2010 from US\$2.38 mil in Q1 2009 due to higher oil prices although shareable production was lower. The weighted average oil price transacted in Q1 2010 was US\$78.48 per barrel as compared to US\$46.12 per barrel in Q1 2009. The Group's share of shareable production decreased by 6% (4,533 barrels) from 70,596 barrels in Q1 2009 to 66,063 barrels in Q1 2010.

The shareable production contributed by TMT decreased by 42% from 37,927 barrels in Q1 2009 to 22,177 barrels in Q1 2010. However, the shareable production from Myanmar increased by 34% from 32,669 barrels in Q1 2009 to 43,886 barrels in Q1 2010 due to good contribution from the completion of development well (YNG-3234) in Jan 2010.



Cost of Production

Cost of production in Q1 2010 decreased by US\$0.09 mil as compared to Q1 2009. This was largely due to lower direct operating cost, as a result of cost control measures and scale back on work programs.

Net Profit / (Loss) After Tax

The Group posted a net profit after tax of US\$0.33 mil in Q1 2010 as compared to a net loss after tax of US\$0.76 mil in Q1 2009. The increase in net profit was due to the following:

- higher weighted average oil price transacted in Q1 2010 as compared to Q1 2009, resulting in higher revenue of US\$3.77 mil.
- Foreign exchange gain in Q1 2010 of US\$0.12 mil as compared to foreign exchange loss of US\$0.02 mil in Q1 2009, due to weakening of US dollar against Thai Baht.

However, the net profit in Q1 2010 was offset by an increase of the following:

- Additional provision made for the write off of the exploration well (MS-1) of US\$0.14 mil that was plugged and abandoned in Dec 2009.
- Gain from adjustment in fair value of financial assts of US\$0.10 mil in Q1 2010 as compared to US\$0.27 mil in Q1 2009.
- Increased of depreciation and amortisation charges in Q1 2010 to US\$0.65 mil from US\$0.44 mil in Q1 2009, mainly due to higher EED costs and shareable production.

8(i) PERFORMANCE REVIEW (CONT'D)

Group (Q1 2010)	Profit / (Loss) Before Tax US\$'000	Taxation US\$'000	Net Contribution to Group US\$'000	Net Contribution to Group %
TMT	3	(72)	(69)	-9%
Myanmar	1,056	(226)	830	105%
Thailand	54	-	54	7%
Australia	(21)	-	(21)	-3%
Profit from operations	1,092	(298)	794	100%
Head office expenses and income			(462)	
Income tax expense			-	
Net profit after tax			332	

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

Balance Sheet

- (1) Trade receivables balances increased during the current period due to higher amount invoiced in Q1 2010 as compared to amount received for the invoice, although the total number of invoices outstanding remained unchanged. This resulted in higher outstanding of US\$1.02 mil as compared to last quarter.
- (2) Cash and bank balances reduced by US\$1.88 mil, due largely to the incurring of exploration, evaluation and development costs.
- (3) Trade Payables reduced by US\$1.33 mil, due to payment of invoices which was accrued and outstanding as at 31 Dec 2009.
- (4) Other receivables increased by US\$0.41 mil during the quarter due to payment to joint operation in Thailand on behalf of our partner as a result of default cashcall on their part.

Cash Flow Statement

Cash and cash equivalents increased by US\$0.18 mil for the quarter due to the following:

- (1) Net cash outflow for operating activities for the quarter amounted to US\$0.80 mil mainly due to payment of trade payables of US\$0.94 mil which was accrued and outstanding at the end of last year, and increased in trade receivables of US\$1.02 mil, although the net cashflow generated from the operation was US\$1.18 mil.
- (2) Capital expenditure incurred during the quarter amounted to US\$1.08 mil, mainly for 3D seismic in Australia and well and drilling improvement in Myanmar.
- (3) Release of fixed deposits held for banker's guarantee of US\$2.06 mil upon fulfillment of commitment for the exploration block L17/48 in Thailand.

8(ii) SEGMENTED REVENUE AND RESULTS

Geographical Segment	Indonesia		Myanmar		Consolidated	
	Q1 2010 US\$'000	Q1 2009 US\$'000	Q1 2010 US\$'000	Q1 2009 US\$'000	Q1 2010 US\$'000	Q1 2009 US\$'000
Results						
EBITDA	<u>1,295</u>	<u>(82)</u>	<u>1,434</u>	<u>169</u>	<u>2,729</u>	<u>87</u>
EBIT	<u>353</u>	<u>(407)</u>	<u>1,055</u>	<u>(10)</u>	<u>1,408</u>	<u>(417)</u>
Sales to external customers	<u>1,295</u>	<u>1,293</u>	<u>2,477</u>	<u>1,084</u>	<u>3,772</u>	<u>2,377</u>
Segment results	<u>(12)</u>	<u>(382)</u>	<u>1,055</u>	<u>(10)</u>	<u>1,043</u>	<u>(392)</u>
Unallocated corporate net operating results					<u>(413)</u>	<u>(187)</u>
Profit / (loss) before income tax					<u>630</u>	<u>(579)</u>
Income tax expense					<u>(298)</u>	<u>(181)</u>
Net profit / (loss) after income tax					<u>332</u>	<u>(760)</u>

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		Q1 2010	Q1 2009
		barrels	barrels
Average gross production per day		2,200	2,052
Gross production		197,995	184,680
Non-shareable production		(124,852)	(130,232)
Production shareable with MOGE		73,143	54,448
Group's 60% share of production		43,886	32,669
Group's average shareable production per day		488	363
Myanmar Revenue		Q1 2010	Q1 2009
Weighted average transacted oil price		US\$ 78.47	46.12
Revenue shareable with MOGE		US\$'000 3,444	1,507
MOGE's share		US\$'000 (966)	(423)
Group's net share of revenue		US\$'000 2,478	1,084
Indonesia Production		Q1 2010	Q1 2009
		barrels	barrels
Average gross production per day		378	635
Gross production		34,033	57,170
Non-shareable production		(2,351)	(2,988)
Production shareable with Pertamina		31,682	54,182
Group's 70% share of production		22,177	37,927
Group's average shareable production per day		246	421
Indonesia Revenue		Q1 2010	Q1 2009
Weighted average transacted oil price		US\$ 78.48	45.84
Revenue shareable with Pertamina		US\$'000 1,740	1,738
Pertamina's share *		US\$'000 (446)	(445)
Group's net share of revenue		US\$'000 1,294	1,293
Group Production and Revenue		Q1 2010	Q1 2009
Group's share of shareable production		barrels 66,063	70,596
Group's average shareable production per day		barrels 734	784
Group's total revenue		US\$'000 3,772	2,377

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.

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 ON PROSPECTS

Oil prices increased slightly in Q1 2010 as compared to Q4 2009 and the profitability of the Group for FY2010 will be dependent on the volatility of the oil price for the rest of the year. The Group will continue to focus on improving the productivity of the fields that are under the operatorship of the Group.

As per our announcement on 20 Apr 2010, the Group will be taking steps to enforce its rights and remedies under the Joint Operating Agreement for Block L17/48 in Thailand as a result of the default in payment obligation by our partner. In Australia, the 3D seismic program was completed in Apr 2010. The Group does not foresee any significant contribution from these assets in 2010.

The Group is in a sound financial position with no debts, and has sufficient cash on hand to meet its operating costs for the foreseeable future. The Group will continue to actively seek new concessions and assets, in order to strengthen our presence in the region.

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(1)(a) Q1 2010 US\$	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920(1)(a) (excluding transactions less than \$100,000) Q1 2010 US\$
Nil	Nil	Nil

14 CONFIRMATION BY THE BOARD OF DIRECTORS PURSUANT TO RULE 705(5)

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 31 Mar 2010 to be false or misleading in any material respect.

Submitted by
Marcel Tjia
Executive Director

10 May 2010

15 ABBREVIATIONS

bopd	means	barrels of oil per day
EED	means	Exploration, evaluation and development
FRS	means	Financial Reporting Standards
Q1 2010	means	First calendar quarter of year 2010
Q1 2009	means	First calendar quarter of year 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
IRA	means	Interra Resources (Australia) Pte. Ltd.
JSXT	means	JSX Energy (Thailand) Limited
BAS	means	Bass Strait Oil Company Ltd
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.