



INTERRA RESOURCES LIMITED

Singapore Company Registration No. 197300166Z
Australian Business No. 37 129 575275

SGX ANNOUNCEMENT

SGX Code: Interra Res (5GI)

7 November 2012

Dear Shareholders

UNAUDITED RESULTS FOR THE QUARTER ENDED 30 SEPTEMBER 2012

Highlights in Q3 2012

- Net profit after tax for the quarter was US\$1.09 million
- Revenue for the quarter was US\$7.83 million, 10% higher than the previous quarter, mainly a result of two liftings from LS TAC. Total lifting in Q3 2012 was 22,712 barrels (Q2 2012: 9,851 barrels)
- Shareable production for the quarter decreased by 1,551 barrels to 90,802 barrels from 92,353 barrels in the previous quarter, mainly due to lower contribution from LS TAC operations
- Earnings before divestment gain, interest income, exchange difference, finance cost, tax, depreciation, amortisation, allowance and impairment ("EBITDA") for the quarter was US\$3.08 million
- Net cash inflow for the quarter was US\$13.50 million, mainly due to net cash inflow from financing activities of US\$16.96 million from the rights issue proceeds
- Cash and cash equivalents (excluding restricted cash) were US\$26.40 million as at 30 September 2012

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, Canaccord Genuity Singapore Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). Canaccord Genuity Singapore Pte. Ltd. has not independently verified the contents of this announcement. This announcement 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.

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**INTERRA RESOURCES LIMITED
UNAUDITED RESULTS FOR THE QUARTER
ENDED 30 SEPTEMBER 2012**

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1(a)(i) INCOME STATEMENT

Group	Note	Q3 2012 US\$'000	Q3 2011 US\$'000	Change %	9M 2012 US\$'000	9M 2011 US\$'000	Change %
Revenue	A1	7,828	6,909	↑ 13	23,175	17,674	↑ 31
Cost of production	A2	(5,136)	(3,808)	↑ 35	(14,763)	(10,128)	↑ 46
Gross profit		2,692	3,101	↓ 13	8,412	7,546	↑ 11
Other income	A3	486	(69)	NM	782	94	↑ 732
Administrative expenses		(1,281)	(1,094)	↑ 17	(3,740)	(3,280)	↑ 14
Other operating expenses	A4	(224)	(122)	↑ 84	(664)	(364)	↑ 82
Impairment and allowances	A5	-	-	NM	42	(500)	↓ 108
Profit before income tax		1,673	1,816	↓ 8	4,832	3,496	↑ 38
Income tax expense		(586)	(539)	↑ 9	(1,743)	(1,439)	↑ 21
Profit for the financial period		1,087	1,277	↓ 15	3,089	2,057	↑ 50
Attributable to:							
Equity holders of the Company		1,087	1,277		3,089	2,057	
Earnings per share (US cents)							
- Basic		0.368	0.432		1.045	0.729	
- Fully diluted		0.360	0.432		1.026	0.729	

1(a)(ii) STATEMENT OF COMPREHENSIVE INCOME

Group	Note	Q3 2012 US\$'000	Q3 2011 US\$'000	Change %	9M 2012 US\$'000	9M 2011 US\$'000	Change %
Profit for the financial period		1,087	1,277	↓ 15	3,089	2,057	↑ 50
Currency translation differences arising from consolidation		2	(4)	NM	3	(6)	NM
Total comprehensive income for the financial period		1,089	1,273	↓ 14	3,092	2,051	↑ 51
Attributable to:							
Equity holders of the Company		1,089	1,273		3,092	2,051	

↑ means increase

↓ means decrease

NM means not meaningful

NA means not applicable

1(a)(iii) EXPLANATORY NOTES TO INCOME STATEMENT

Group		Q3 2012	Q3 2011	9M 2012	9M 2011
		US\$'000	US\$'000	US\$'000	US\$'000
Group's share of shareable production	barrels	90,802	76,430	276,580	218,246
Group's sales of shareable oil	barrels	97,570	82,534	272,839	213,271
A1 Revenue					
Sales of crude oil (see 8(iii) Production Profile)		7,828	6,909	23,175	17,674
A2 Cost of production					
Production expenses		4,200	3,099	12,042	8,034
Depreciation of property, plant and equipment		154	117	436	453
Amortisation of EED costs		781	584	2,280	1,616
Amortisation of computer software		1	8	5	25
		5,136	3,808	14,763	10,128
A3 Other income					
Interest income		22	9	57	30
Petroleum services fees		9	14	27	45
Management fees		140	-	329	-
Other income		322	-	326	7
Gain on disposal of property, plant and equipment		-	-	-	3
Foreign exchange (loss)/gain, net		(7)	(92)	43	9
		486	(69)	782	94
A4 Other operating expenses					
Depreciation of property, plant and equipment		27	23	73	68
Amortisation of computer software		-	1	-	2
Amortisation of concession rights		7	2	22	6
Amortisation of participation rights		190	96	569	288
		224	122	664	364
A5 Impairment and allowances					
Impairment of EED costs /(write back)		-	-	(42)	500

1(b)(i) STATEMENT OF FINANCIAL POSITION

	Note	Group		Company	
		30-Sep-12 US\$'000	31-Dec-11 US\$'000	30-Sep-12 US\$'000	31-Dec-11 US\$'000
Assets					
Non-Current Assets					
Property, plant and equipment		1,492	1,198	50	57
Exploration, evaluation and development costs	B1	41,943	34,359	-	-
Intangible assets	B2	5,258	5,853	-	-
Investments in subsidiaries		-	-	35,909	36,267
Other receivables	B3	1,031	-	-	-
		49,724	41,410	35,959	36,324
Current Assets					
Inventories	B4	6,433	3,127	-	-
Trade receivables and other receivables	B3	6,210	6,905	-	1
Other current assets		740	629	492	100
Cash and cash equivalents	B5	28,549	13,676	17,089	5,452
		41,932	24,337	17,581	5,553
Total assets		91,656	65,747	53,540	41,877
Equity and Liabilities					
Equity					
Share capital		43,869	43,869	43,869	43,869
Retained profits / (Accumulated losses)		26,727	23,638	(8,218)	(2,646)
Other reserves		(18,047)	(18,228)	194	15
Total equity		52,549	49,279	35,845	41,238
Non-Current Liabilities					
Provision for environmental and restoration costs		2,355	2,243	-	-
Current Liabilities					
Trade payables, other payables and accruals	B6	27,888	5,623	17,695	639
Deferred revenue	B4	939	647	-	-
Current income tax liabilities		7,925	7,955	-	-
Total current liabilities		36,752	14,225	17,695	639
Total equity and liabilities		91,656	65,747	53,540	41,877

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

Group	30-Sep-12	31-Dec-11
	US\$'000	US\$'000
B1 Exploration, evaluation and development costs		
Initial joint study cost	824	957
Contractual bonuses	312	361
Exploration, geological and geophysical costs	9,149	5,129
Completed assets	29,834	25,773
Cost recovery	1,824	2,139
	41,943	34,359
B2 Intangible assets		
Computer software	4	9
Goodwill on reverse acquisition	1,489	1,489
Concession rights	131	152
Participating rights in Indonesia (TMT TAC)	2,311	2,719
Participating rights in Indonesia (LS TAC)	1,323	1,484
	5,258	5,853
B3 Trade receivables and other receivables		
Non-current		
Other receivables - Loan to a third party	1,031	-
Current		
Trade receivables - non-related parties	4,821	6,242
Other receivables	1,389	663
	6,210	6,905
	7,241	6,905
B4 Inventories		
Consumable inventories	5,494	2,480
Crude oil on hand*	939	647
	6,433	3,127
B5 Cash and cash equivalents		
Cash at bank and on hand	25,394	9,308
Restricted cash	2,154	2,140
Fixed deposits	1,001	2,228
Cash and cash equivalents (as per Statement of Financial Position)	28,549	13,676
Less: Restricted cash	(2,154)	(2,140)
Cash and cash equivalents (as per Statement of Cash Flows)	26,395	11,536
B6 Trade payables, other payables and accruals		
Trade payables	7,840	1,958
Rights issue application-in-transit	16,956	-
Other payables	2,150	2,303
Accruals	942	1,362
	27,888	5,623

* Based on the number of barrels of crude oil on hand and the Walio Mix oil price as at 30 Sep 2012, the approximate deferred revenue was US\$0.94 mil. This relates to crude oil inventory of LS TAC which was not uplifted and was stored at stock points.

1(b)(ii) BORROWINGS AND DEBT SECURITIES

Group	30-Sep-12		31-Dec-11	
	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	-	-	-	-

1(c)(i) STATEMENT OF CASH FLOWS

Group	Note	Q3 2012 US\$'000	Q3 2011 US\$'000	9M 2012 US\$'000	9M 2011 US\$'000
Cash Flows from Operating Activities					
Profit before income tax		1,673	1,816	4,832	3,496
Adjustments for non-cash items:					
Share option expense		179	-	179	-
Depreciation of property, plant and equipment		181	140	509	521
Amortisation of:					
EED costs		781	584	2,280	1,616
Concession rights		7	2	22	6
Intangible benefits		-	-	-	-
Computer software		1	10	5	27
Participating rights		190	96	569	288
Impairment of EED costs (TMT TAC)		-	-	-	500
Impairment of EED costs (Australia)		-	-	(42)	-
Interest income		(22)	(9)	(57)	(30)
Net gain on disposal of property, plant and equipment		-	-	-	(3)
Unrealised currency translation loss/(gain)		7	92	(43)	(10)
Property, plant and equipment write-off		-	-	28	-
		2,997	2,731	8,282	6,411
Changes in working capital, net of effects from acquisition of subsidiary					
Inventories		(830)	342	(3,305)	(843)
Trade and other receivables and other current assets		(2,408)	(910)	554	1,301
Trade and other payables and deferred revenue		5,851	(2,844)	5,923	143
Provision for environmental and restoration costs		36	30	111	85
Restricted cash		(5)	(3)	(14)	(9)
		5,641	(654)	11,551	7,088
Cash generated from operations		(406)	(124)	(1,773)	(456)
Income tax paid					
Net cash provided by/(used in) operating activities		5,235	(778)	9,778	6,632
Cash Flows from Investing Activities					
Interest income received		9	10	27	32
Net proceeds from disposal of property, plant and equipment		-	-	-	2
Fixed deposit released as collateral for banker's guarantee (net)		-	-	-	670
Acquisition of subsidiary, net of cash acquired	C1	-	(250)	(250)	(5,789)
Deposit paid for acquisition of remaining 30% participating rights in TMT TAC		-	-	-	(590)
Additions to property, plant and equipment		(478)	(216)	(832)	(309)
Additions to well drillings and improvements		(4,348)	(181)	(5,644)	(733)
Additions to geological and geophysical studies (including seismic)		(3,879)	(53)	(4,176)	(2,221)
		(8,696)	(690)	(10,875)	(8,938)
Cash Flows from Financing Activities					
Proceeds from rights issue application-in-transit/Proceeds from issuance of shares		16,956	-	16,956	3,847
Share issue expenses		-	-	-	(54)
Loan to a third party		-	-	(1,000)	-
		16,956	-	15,956	3,793
Net cash provided by financing activities					
Net increase/(decrease) in cash and cash equivalents		13,495	(1,468)	14,859	1,487
Cash and cash equivalents at beginning of period		12,900	19,549	11,536	16,594
Cash and cash equivalents at end of period (see Note B5)		26,395	18,081	26,395	18,081

1(c)(ii) **EXPLANATORY NOTES TO STATEMENT OF CASH FLOWS**

Group	9M 2012 US\$'000	9M 2011 US\$'000
C1 Net cash flow effect for acquisition of subsidiary (100% participating rights in LS TAC)		
Property, plant and equipment	-	56
Exploration, evaluation and development costs	-	6,263
Current assets	-	1,432
Current liabilities	-	(3,200)
Net assets acquired	-	4,551
Participating rights	-	1,699
Purchase consideration	-	6,250
Less: cash acquired	-	(211)
Net cash flow effect for acquisition of subsidiary (excluding cash acquired)	-	6,039
Balance of purchase consideration settled/(unpaid)	250	(250)
Cash outflow on acquisition of subsidiary	250	5,789

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

Group	Share Capital US\$'000	Foreign Currency Translation Reserve US\$'000	Special Reserve US\$'000	Share Option Reserve US\$'000	Retained Profits US\$'000	Total Equity US\$'000
Balance as at 1 July 2011	43,956	(1,692)	(16,545)	15	15,528	41,262
Total comprehensive (loss)/income for Q3 2011	-	(4)	-	-	1,277	1,273
Balance as at 30 Sep 2011	43,956	(1,696)	(16,545)	15	16,805	42,535
Balance as at 1 July 2012	43,869	(1,698)	(16,545)	15	25,640	51,281
Employee share option scheme						
- value of employee services	-	-	-	179	-	179
Total comprehensive (loss)/income for Q3 2012	-	2	-	-	1,087	1,089
Balance as at 30 Sep 2012	43,869	(1,696)	(16,545)	194	26,727	52,549

Company	Share Capital US\$'000	Share Option Reserve US\$'000	Accumulated Losses US\$'000	Total Equity US\$'000
Balance as at 1 July 2011	43,956	15	(9,316)	34,655
Total comprehensive loss of Q3 2011	-	-	(574)	(574)
Balance as at 30 Sep 2011	43,956	15	(9,890)	34,081
Balance as at 1 July 2012	43,869	15	(7,661)	36,223
Employee share option scheme - value of employee services	-	179	-	179
Total comprehensive loss of Q3 2012	-	-	(557)	(557)
Balance as at 30 Sep 2012	43,869	194	(8,218)	35,845

1(d)(ii) **SHARE CAPITAL**

No additional shares were issued in Q3 2012.

The number of outstanding share options under the Interra Share Option Plan for Q3 2012 was 10,550,000 (Q3 2011: 500,000).

On 20 Jan 2012, the Company granted options to directors and employees to subscribe for 10,050,000 ordinary shares of the Company at an exercise price of S\$0.148 per share, exercisable from 21 Jan 2013 to 19 Jan 2017 (both dates inclusive). The total fair value of the 2012 Options granted was estimated to be S\$0.64 mil (US\$0.50 mil).

On 2 Oct 2012, the Company completed its Rights Issue. The 147,710,119 Rights Shares were allotted and issued.

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

Group and Company	30 Sep 2012	31 Dec 2011
Issued and fully paid		
Number of ordinary shares (excluding treasury shares)	295,420,238	295,420,238

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

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 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 2011.

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 2012. Consequential amendments has also been made to the various standards as a result of these new or revised standards.

The new or amended FRS that are relevant to the Group and the Company is Amendments to FRS 107 Disclosures - Transfers of Financial Assets.

The adoption of these new or revised FRS and INT FRS does not result in any changes to the Group's and the 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 2012	Q3 2011	9M 2012	9M 2011
Basic earnings per share (US cents)	0.368	0.432	1.045	0.729
Weighted average number of shares for the purpose of computing basic earnings per share	295,420,238	295,420,238	295,420,238	282,256,635
Fully diluted earnings per share (US cents)	0.360	0.432	1.026	0.729
Weighted average number of shares for the purpose of computing fully diluted earnings per share	301,836,102	295,420,238	301,165,703	282,256,635

For the purpose of computing fully diluted earnings per share for Q3 2012 and 9M 2012, the relevant period is from 1 Jul 2012 to 30 Sep 2012 and 1 Jan 2012 to 30 Sep 2012 respectively.

No new shares were issued in Q3 2012.

7 NET ASSET VALUE PER SHARE

	Group		Company	
	30 Sep 2012	31 Dec 2011	30 Sep 2012	31 Dec 2011
Net asset value per ordinary share based on issued share capital (excluding treasury shares) (US cents)	17.788	16.681	12.134	13.959
Number of ordinary shares in issue	295,420,238	295,420,238	295,420,238	295,420,238

8(i) PERFORMANCE REVIEW

Significant factors that affect the turnover, costs and earnings of the Group

Q3 2012 vs Q3 2011 Review

Revenue & Production

Revenue increased by 13% (US\$0.92 mil) to US\$7.83mil in Q3 2012 from US\$6.91 mil in Q3 2011, largely due to higher sales of shareable production from 82,534 barrels in Q3 2011 to 97,570 barrels in Q3 2012. The weighted average SLC oil price transacted in Q3 2012 was US\$111.51 per barrel as compared to US\$115.44 per barrel in Q3 2011. The weighted average Walio Mix oil price transacted in Q3 2012 was US\$104.54 per barrel as compared to US\$111.55 per barrel in Q3 2011.

The Group's shareable production increased by 19% (14,372 barrels) from 76,430 barrels in Q3 2011 to 90,802 barrels in Q3 2012. The increase was mainly due to higher contribution from all operations. The Group's sales of shareable oil also increased by 18% (15,036 barrels) from all operations.

The Group's share of shareable production increased by 27% (58,334 barrels) from 218,246 barrels for 9M 2011 to 276,580 barrels for 9M 2012. The Group's revenue increased by 31% (US\$5.50 mil) to US\$23.18 mil in 9M 2012, due to higher oil prices and sales of shareable production.

Cost of Production

The cost of production increased by 35% (US\$1.33 mil) to US\$5.14 mil in Q3 2012 from US\$3.81 mil in Q3 2011. This was in tandem with the increase in shareable production. The increase in cost of production was largely attributable to higher production expenses of US\$1.10 mil (US\$0.72 mil from TMT operations and US\$0.34 mil from LS operations). This was due to increased workover jobs and reopening of new wells. In addition, the total depreciation and amortisation charges were also higher by US\$0.23 mil due to additions of property, plant and equipment of US\$0.48 mil and capitalisation of well drillings for Myanmar operations of US\$0.34 mil in Q3 2012 as compared to Q3 2011.

Cost of production increased by 46% (US\$4.64 mil) from US\$10.13 mil in 9M 2011 to US\$14.76 mil in 9M 2012, due to higher direct production expenses of US\$4.01 mil from all operations.

Net Profit After Tax

The Group posted a lower net profit after tax of US\$1.09 mil in Q3 2012 as compared to US\$1.28 mil in Q3 2011. The decrease was due mainly to the following:

- (1) Higher cost of production which was in tandem with the increase in shareable production as explained above;
- (2) Higher administrative expenses in Q3 2012 of US\$1.28 mil as compared to US\$1.09 mil in Q3 2011, mainly due to higher administrative expenses from corporate expenses of US\$0.21 mil (including US\$0.18 mil of share option expenses); and
- (3) Higher other operating expenses of US\$0.22 mil in Q3 2012 as compared to US\$0.12 mil in Q3 2011, due largely to higher amortisation of TMT TAC participating rights of US\$0.09 mil.

However, the decrease in net profit after tax was partially offset by the following:

- (1) Higher revenue largely due to higher sales of shareable production from all operations; and
- (2) Higher other income of US\$0.49 mil in Q3 2012 as compared to other loss of US\$0.07 mil in Q3 2011, mainly due to management fees received from the Indonesia operations of US\$0.14 mil and reimbursement of unrecovered costs in Yenangyaung field, in the form of cost recovery entitlement of US\$0.32 mil received from joint venture partner in Myanmar.

8(i) PERFORMANCE REVIEW (CONT'D)

Material factors that affect the cash flow, working capital, assets or liabilities of the Group

Statement of Financial Position

- (1) EED costs increased by US\$7.44 mil, from US\$34.50 mil in Q2 2012 to US\$41.94 mil in Q3 2012. This was mainly due to additions of well drillings and improvements and seismic data processing of US\$8.22 mil and offset against the amortisation charges of US\$0.78 mil.
- (2) Inventories increased by US\$0.83 mil over the previous quarter, mainly due to lower crude oil inventory of LS TAC of US\$0.94 mil (Q2 2012: US\$1.32 mil), which was not uplifted and was stored at stock points. In addition, consumable stock increased by US\$1.21 mil over the previous quarter, mainly due to an increase of US\$1.02 mil from TMT TAC in preparation of drilling program in Q4 2012.
- (3) Trade and other receivables (current and non-current) increased by US\$2.37 mil over the previous quarter, mainly due to increase of trade receivables as at 30 Sep 2012 by US\$1.87 mil. Total receipts in Q3 2012 were US\$5.37 mil as compared to total invoicing of US\$7.24 mil.
- (4) Trade payables, other payables and accruals increased by US\$23.18 mil over the previous quarter, due to increase of trade payables by US\$5.76 mil (mainly due to LS TAC for seismic acquisition of US\$3.19 mil and US\$1.14 mil due to TMT TAC for preparation of well drilling) and rights issue application-in-transit of US\$16.96 mil completed on 2 Oct 12.

Statement of Cash Flows

Cash and cash equivalents increased by US\$13.50 mil in Q3 2012 due to the following:

- (1) Net cash provided by operating activities of US\$5.24 mil, mainly due to positive working capital changes of US\$2.64 mil in Q3 2012.
- (2) Net cash used in investing activities of US\$8.70 mil, mainly for deep well drilling of US\$3.95 mil for Myanmar operations, well drilling preparation for TMT TAC of US\$0.40 mil, seismic data processing in LS TAC of US\$3.88 mil and additions of property, plant and equipment of US\$0.43 mil from Myanmar operations.
- (3) Net cash provided by financing activities of US\$16.96 mil being partial proceeds received for rights issue application-in-transit. The rights issue was completed on 2 Oct 2012.

8(ii) SEGMENTED REVENUE AND RESULTS

Geographical Segment	Indonesia		Myanmar		Consolidated	
	Q3 2012	Q3 2011	Q3 2012	Q3 2011	Q3 2012	Q3 2011
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Results						
EBITDA	503	1,000	2,580	2,442	3,083	3,442
EBIT	(20)	713	1,954	1,910	1,934	2,623
Sales to external customers	3,607	2,874	4,221	4,035	7,828	6,909
Segment results	(14)	765	1,954	1,910	1,940	2,675
Unallocated corporate net operating results					(267)	(859)
Profit before income tax					1,673	1,816
Income tax expense					(586)	(539)
Net profit after income tax					1,087	1,277

Geographical Segment	Indonesia		Myanmar		Consolidated	
	9M 2012	9M 2011	9M 2012	9M 2011	9M 2012	9M 2011
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Results						
EBITDA	1,500	1,468	8,233	7,240	9,733	8,708
EBIT	(22)	34	6,398	5,754	6,376	5,788
Sales to external customers	9,797	6,013	13,378	11,661	23,175	17,674
Segment results	(15)	91	6,398	5,754	6,383	5,845
Unallocated corporate net operating results					(1,551)	(2,349)
Profit before income tax					4,832	3,496
Income tax expense					(1,743)	(1,439)
Net profit after income tax					3,089	2,057

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 2012 barrels	Q3 2011 barrels	9M 2012 barrels	9M 2011 barrels
Average gross production per day		2,203	2,183	2,225	2,184
Gross production		202,672	200,839	609,594	596,306
Non-shareable production		(114,956)	(119,851)	(345,943)	(359,358)
Production shareable with MOGE		87,716	80,988	263,651	236,948
Group's 60% share of shareable production		52,629	48,593	158,190	142,169
Group's average shareable production per day		572	528	577	521
Myanmar Revenue		Q3 2012	Q3 2011	9M 2012	9M 2011
Weighted average transacted oil price US\$		111.51	115.44	117.56	114.00
Revenue shareable with MOGE US\$'000		5,869	5,609	18,597	16,208
MOGE's share US\$'000		(1,648)	(1,574)	(5,219)	(4,547)
Group's net share of revenue US\$'000		4,221	4,035	13,378	11,661
Indonesia Production (TMT TAC)		Q3 2012 barrels	Q3 2011 barrels	9M 2012 barrels	9M 2011 barrels
Average gross production per day		253	291	258	278
Gross production		23,230	26,762	70,749	75,821
Non-shareable production		(1,001)	(1,102)	(3,077)	(4,148)
Production shareable with Pertamina		22,229	25,660	67,672	71,673
Group's 100% (Q3 2011 & 9M 2011: 70%) share of shareable production		22,229	17,962	67,672	50,171
Group's average shareable production per day		242	195	247	184
Indonesia Revenue (TMT TAC)		Q3 2012	Q3 2011	9M 2012	9M 2011
Weighted average transacted oil price US\$		111.33	115.40	118.01	113.74
Revenue shareable with Pertamina US\$'000		2,475	2,073	7,986	5,706
Pertamina's share US\$'000		(634)	(531)	(2,046)	(1,461)
Group's net share of revenue US\$'000		1,841	1,542	5,940	4,245
Indonesia Production (LS TAC)		Q3 2012 barrels	Q3 2011 barrels	9M 2012 barrels	9M 2011 barrels
Average gross production per day		173	130	185	128
Gross production		15,944	12,004	50,718	31,883
Non-shareable production		-	(2,129)	-	(5,977)
Production shareable with Pertamina		15,944	9,875	50,718	25,906
Group's 100% share of shareable production		15,944	9,875	50,718	25,906
Group's average shareable production per day		173	107	185	104
Indonesia Crude Oil on Hand (LS TAC)		Q3 2012 barrels	Q3 2011 barrels	9M 2012 barrels	9M 2011 barrels
Opening balance		18,436	19,624	7,927	8,545
Production		15,944	9,875	50,718	25,906
Lifting		(22,712)	(15,979)	(46,977)	(20,931)
Closing balance		11,668	13,520	11,668	13,520

8(iii) PRODUCTION PROFILE (CONT'D)

Indonesia Revenue (LS)		Q3 2012	Q3 2011	9M 2012	9M 2011
Weighted average transacted oil price	US\$	104.54	111.55	110.39	111.98
Revenue shareable with Pertamina	US\$'000	2,374	1,782	5,186	2,344
Pertamina's share	US\$'000	(608)	(450)	(1,329)	(576)
Group's net share of revenue	US\$'000	1,766	1,332	3,857	1,768

Group Production, Crude Oil on Hand and Revenue		Q3 2012	Q3 2011	9M 2012	9M 2011
Group's share of shareable production	barrels	90,802	76,430	276,580	218,246
Group's average shareable production per day	barrels	987	831	1,009	809
Group's sales of shareable oil	barrels	97,570	82,534	272,839	213,271
Group's total shareable oil revenue	US\$'000	7,828	6,909	23,175	17,674

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

Production in Tanjung Miring Timur Technical Assistance Contract has increased slightly over last quarter. With the facilities upgraded and repaired over the last few quarters, production is expected to improve in the coming quarters. TMT 53, which is the first well to be drilled since the Group took over the operatorship, commenced drilling (spudded) on 10 Oct 2012, and the result of the drilling will be known in end Nov 2012. Any significant discovery will contribute substantially to the Group financial result.

Production in Linda Sele Technical Assistance Contract has, on the other hand, decreased by 10%, due to faulty equipment at the well site. The refinery at Sorong was officially re-opened in Q3. As a result of clearing of backlog due to long closure, uplifting of oil has not been regular. Nevertheless, Linda Sele Technical Assistance Contract still managed to transfer 22,712 barrels of oil during the quarter. With 2 new well locations identified and preparation in the final stage, the spudding of the 2 new wells is expected to be in last quarter of 2012.

Drilling of intermediate wells in Myanmar has been yielding positive results so far this year. The Group, together with its Joint Venture Partner, is conducting additional feasibility studies to identify more shallow wells to be drilled in 2013. The drilling of the CDT 12 well has reached total depth at the end of the quarter, and the Joint Venture is presently conducting well testing to identify the potential zones for future production.

As announced on 3 Feb 2012, the Group acquired 49% of PT Mentari Pambuang Internasional in Indonesia, which owns 100% participating interest in Kuala Pambuang Production Sharing Contract. Up to the date of this report, the Group is still awaiting the relevant authorities approval for the transfer of the 49% interest.

With the completion of the Rights Issue in early October 2012, the Group has sufficient cash on hand to meet its operating costs for the near future. With these additional fund, the Group will continue to actively seek new concessions and assets to strengthen its presence in the region as well as to achieve growth sustainability.

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 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 TRANSACTIONS

The Company has not obtained any general mandate pursuant to Rule 920 of the Catalist Rules

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 interim financial statements for the quarter ended 30 Sep 2012 to be false or misleading in any material respect.

Submitted by
Marcel Tjia
Executive Director

7-Nov-12

15 ABBREVIATIONS

Q2 2011	means	Second calendar quarter of year 2011
Q2 2012	means	Second calendar quarter of year 2012
Q3 2011	means	Third calendar quarter of year 2011
Q3 2012	means	Third calendar quarter of year 2012
9M 2011	means	Nine months ended 30 Sept 2011
9M 2012	means	Nine months ended 30 Sept 2012
FY 2011	means	Full year ended 31 December 2011
FY 2012	means	Full year ended 31 December 2012
bopd	means	barrels of oil per day
DMO	means	Domestic Market Obligation
EED	means	Exploration, evaluation and development
FRS	means	Financial Reporting Standards
Goldpetrol	means	Goldpetrol Joint Operating Company Inc.
Goldwater	means	Goldwater Company Limited
Group	means	Interra Resources Limited, its subsidiary companies and joint ventures
GLS	means	Goldwater LS Pte. Ltd.
GTMT	means	Goldwater TMT Pte. Ltd.
GWKP	means	Goldwater KP Pte. Ltd.
IBN	means	IBN Oil Holdico Ltd
Interra	means	Interra Resources Limited
IPR	means	Improved Petroleum Recovery
IRA	means	Interra Resources (Australia) Pte. Ltd.
IRT	means	Interra Resources (Thailand) Limited
k	means	thousand
LS	means	Linda Sele Field
mil	means	million
MOGE	means	Myanma Oil and Gas Enterprise
NA	means	Not applicable
NM	means	Not meaningful
Pertamina	means	Perusahaan Pertambangan Minyak Dan Gas Bumi Negara
PSC	means	Production Sharing Contract
TAC	means	Technical Assistance Contract
TMT	means	Tanjung Miring Timur Field

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.