

27 February 2013

Dear Shareholders,

UNAUDITED RESULTS FOR THE FINANCIAL ENDED 31 DECEMBER 2012

Highlights in Q4 2012

- Net loss after tax for the quarter was US\$0.05 million. Net profit after tax for the year was US\$3.04 million.
- Revenue for the quarter was US\$7.23 million, 8% lower than the previous quarter, mainly due to lower barrels of oil lifting from LS TAC. Revenue for the year was US\$30.41 million.
- Shareable production for the quarter increased to 93,328 barrels from 90,802 barrels in the previous quarter.
- Earnings before divestment gain, interest income, exchange difference, finance cost, tax, depreciation, amortisation, allowance and impairment ("EBITDA") for the quarter was US\$2.68 million.
- Net cash outflow for the quarter was US\$9.66 million, mainly due to new well drilling and well improvements and acquisition of property, plant and equipment.
- Cash and cash equivalents (excluding restricted cash) were US\$16.74 million as at 31 December 2012.

Yours sincerely,

The Board of Directors
Interra Resources Limited

**INTERRA RESOURCES LIMITED
UNAUDITED RESULTS FOR THE FINANCIAL YEAR
ENDED 31 DECEMBER 2012**

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1(a)(i) INCOME STATEMENT

Group	Note	Q4 2012 US\$'000	Q4 2011 US\$'000	Change %	FY 2012 US\$'000	FY 2011 US\$'000	Change %
Revenue	A1	7,232	7,150	↑ 1	30,407	24,825	↑ 22
Cost of production	A2	(5,169)	(4,344)	↑ 19	(19,932)	(14,472)	↑ 38
Gross profit		2,063	2,806	↓ 26	10,475	10,353	↑ 1
Other income	A3	578	9,390	↓ 94	1,359	9,484	↓ 86
Administrative expenses		(1,909)	(1,152)	↑ 66	(5,649)	(4,432)	↑ 27
Other operating expenses	A4	(225)	(160)	↑ 41	(889)	(525)	↑ 69
Impairment and allowances	A5	-	(3,499)	NM	42	(3,999)	NM
Profit before income tax		507	7,385	↓ 93	5,338	10,881	↓ 51
Income tax expense		(553)	(552)	-	(2,296)	(1,991)	↑ 15
(Loss)/Profit for the financial period/year		(46)	6,833	NM	3,042	8,890	↓ 66
Attributable to:							
Equity holders of the Company		(46)	6,833		3,042	8,890	
(Loss)/Earnings per share (US cents)							
- Basic		(0.010)	2.313		0.762	2.422	
- Fully diluted		(0.010)	2.313		0.751	2.422	

1(a)(ii) STATEMENT OF COMPREHENSIVE INCOME

Group	Note	Q4 2012 US\$'000	Q4 2011 US\$'000	Change %	FY 2012 US\$'000	FY 2011 US\$'000	Change %
(Loss)/Profit for the financial period/year		(46)	6,833	NM	3,042	8,890	↓ 66
Other comprehensive income, net of tax:							
Currency translation differences arising from consolidation		4	(2)	NM	6	(8)	NM
Total comprehensive (loss)/income for the financial period/year		(42)	6,831	NM	3,048	8,882	↓ 66
Attributable to:							
Equity holders of the Company		(42)	6,831		3,048	8,882	

↑ means increase

↓ means decrease

NM means not meaningful

NA means not applicable

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

Group		Q4 2012	Q4 2011	FY 2012	FY 2011
		US\$'000	US\$'000	US\$'000	US\$'000
Group's share of shareable production		93,328	81,491	369,909	299,735
Group's sales of shareable oil		90,846	87,087	363,686	300,356
A1	Revenue				
	Sales of crude oil (see 8(iv) Production Profile)	<u>7,232</u>	<u>7,150</u>	<u>30,407</u>	<u>24,825</u>
A2	Cost of production				
	Production expenses	4,109	3,521	16,151	11,555
	Depreciation of property, plant and equipment	167	124	604	577
	Amortisation of EED costs	891	693	3,171	2,309
	Amortisation of computer software	2	6	6	31
		<u>5,169</u>	<u>4,344</u>	<u>19,932</u>	<u>14,472</u>
A3	Other income				
	Interest income	27	11	84	41
	Petroleum services fees	8	13	34	58
	Write-back of impairment of EED costs	-	1,595	-	1,595
	Management fees	125	-	454	-
	Other income	354	-	680	7
	Gain on disposal of property, plant and equipment	-	-	-	3
	Foreign exchange gain, net	64	71	107	80
	Gain on revaluation of investment in fair value of the existing 70% participating in TMT TAC	-	7,700	-	7,700
		<u>578</u>	<u>9,390</u>	<u>1,359</u>	<u>9,484</u>
A4	Other operating expenses				
	Depreciation of property, plant and equipment	28	20	101	88
	Amortisation of computer software	-	-	-	2
	Amortisation of concession rights	7	4	29	10
	Amortisation of participation rights	190	136	759	425
		<u>225</u>	<u>160</u>	<u>889</u>	<u>525</u>
A5	Impairment and allowances				
	Impairment of EED costs/(write back)	-	2,347	(42)	2,847
	Impairment of concession rights/participating rights	-	1,152	-	1,152
		<u>-</u>	<u>3,499</u>	<u>(42)</u>	<u>3,999</u>

1(b)(i) STATEMENT OF FINANCIAL POSITION

	Note	Group		Company	
		31-Dec-12 US\$'000	31-Dec-11 US\$'000	31-Dec-12 US\$'000	31-Dec-11 US\$'000
Assets					
Non-Current Assets					
Property, plant and equipment		2,379	1,198	40	57
Exploration, evaluation and development costs	B1	47,641	34,359	-	-
Intangible assets	B2	5,059	5,853	-	-
Investments in subsidiaries		-	-	42,382	36,267
Other receivables	B3	1,045	-	-	-
		56,124	41,410	42,422	36,324
Current Assets					
Inventories	B4	6,732	3,127	-	-
Trade receivables and other receivables	B3	5,793	6,905	-	1
Other current assets		1,101	629	269	100
Cash and cash equivalents	B5	18,989	13,676	11,566	5,452
		32,615	24,337	11,835	5,553
Total assets		88,739	65,747	54,257	41,877
Equity and Liabilities					
Equity					
Share capital		61,567	43,869	61,567	43,869
Retained profits/(Accumulated losses)		26,680	23,638	(8,521)	(2,646)
Other reserves		(17,774)	(18,228)	463	15
Total equity		70,473	49,279	53,509	41,238
Non-Current Liabilities					
Provision for environmental and restoration costs		2,410	2,243	-	-
Current Liabilities					
Trade payables, other payables and accruals	B6	6,686	5,623	748	639
Deferred revenue	B4	1,081	647	-	-
Current income tax liabilities		8,089	7,955	-	-
Total current liabilities		15,856	14,225	748	639
Total equity and liabilities		88,739	65,747	54,257	41,877

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

Group	31-Dec-12	31-Dec-11
	US\$'000	US\$'000
B1 Exploration, evaluation and development costs		
Initial joint study cost	776	957
Contractual bonuses	294	361
Exploration, geological and geophysical costs	9,215	5,129
Assets under construction	10,179	-
Completed assets	25,471	25,773
Cost recovery	1,706	2,139
	47,641	34,359
B2 Intangible assets		
Computer software	3	9
Goodwill on reverse acquisition	1,489	1,489
Concession rights	123	152
Participating rights in Indonesia (TMT TAC)	2,175	2,719
Participating rights in Indonesia (LS TAC)	1,269	1,484
	5,059	5,853
B3 Trade receivables and other receivables		
Non-current		
Other receivables - loan to a third party	1,045	-
Current		
Trade receivables - non-related parties	4,016	6,242
Other receivables	1,777	663
	5,793	6,905
	6,838	6,905
B4 Inventories		
Consumable inventories	5,651	2,480
Crude oil on hand*	1,081	647
	6,732	3,127
B5 Cash and cash equivalents		
Cash at bank and on hand	5,419	9,308
Restricted cash	2,253	2,140
Short-term fixed deposits	11,317	2,228
Cash and cash equivalents (as per Statement of Financial Position)	18,989	13,676
Less: Restricted cash	(2,253)	(2,140)
Cash and cash equivalents (as per Statement of Cash Flows)	16,736	11,536
B6 Trade payables, other payables and accruals		
Trade payables	4,198	1,958
Other payables	1,586	2,303
Accruals	902	1,362
	6,686	5,623

* Based on the number of barrels of crude oil on hand and the Walio Mix oil price as at 31 Dec 2012, the approximate deferred revenue was US\$1.08 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	31-Dec-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	Q4 2012 US\$'000	Q4 2011 US\$'000	FY 2012 US\$'000	FY 2011 US\$'000
Cash Flows from Operating Activities					
Profit before income tax		507	7,385	5,338	10,881
Adjustments for non-cash items:					
Share option expense		268	-	448	-
Depreciation of property, plant and equipment		195	144	705	665
Amortisation of:					
EED costs		891	693	3,171	2,309
Concession rights		7	4	29	10
Computer software		2	7	6	33
Participating rights		190	136	759	425
Impairment of EED costs (TMT TAC)		-	-	-	500
Impairment of EED costs (Australia)		-	2,347	(42)	2,347
Impairment of participating rights		-	1,152	-	1,152
Interest income		(27)	(11)	(84)	(41)
Net gain on disposal of property, plant and equipment		-	-	-	(3)
Unrealised currency translation gain		(64)	(71)	(107)	(81)
Write-back of impairment of EED costs		-	(1,595)	-	(1,595)
Property, plant and equipment write-off		-	-	28	-
Gain on revaluation of investment in fair value of the existing 70% participating in TMT TAC		-	(7,700)	-	(7,700)
Operating profit before working capital changes		1,969	2,491	10,251	8,902
Changes in working capital, net of effects from acquisition of subsidiary					
Inventories		(299)	312	(3,605)	(531)
Trade and other receivables and other current assets		120	(1,454)	674	(174)
Trade and other payables and deferred revenue		(4,108)	454	1,815	618
Provision for environmental and restoration costs		55	31	167	117
Restricted cash		(99)	(646)	(113)	(655)
Cash (used in)/generated from operations		(2,362)	1,188	9,189	8,277
Income tax paid		(389)	(63)	(2,162)	(519)
Net cash (used in)/provided by operating activities		(2,751)	1,125	7,027	7,758
Cash Flows from Investing Activities					
Interest income received		20	10	47	42
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)	(5,789)
Deposit paid for acquisition of remaining 30% participating rights in TMT TAC		-	(5,549)	-	(6,139)
Additions to property, plant and equipment		(1,082)	(190)	(1,914)	(499)
Additions to well drillings and improvements		(6,395)	(240)	(11,966)	(973)
Additions to geological and geophysical studies (including seismic)		(193)	(1,668)	(4,442)	(3,889)
Net cash used in investing activities		(7,650)	(7,637)	(18,525)	(16,575)
Cash Flows from Financing Activities					
Proceeds from rights issue application-in-transit/Proceeds from issuance of shares		1,066	-	18,022	3,847
Share issue expenses		(324)	(33)	(324)	(87)
Loan to a third party		-	-	(1,000)	-
Net cash provided by/(used in) financing activities		742	(33)	16,698	3,760
Net (decrease)/increase in cash and cash equivalents		(9,659)	(6,545)	5,200	(5,057)
Cash and cash equivalents at beginning of period/year		26,395	18,081	11,536	16,594
Effects of currency translation on cash and cash equivalents		-	-	-	(1)
Cash and cash equivalents at end of period/year (see Note B5)		16,736	11,536	16,736	11,536

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

Group	FY 2012 US\$'000	FY 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 Jan 2011	40,109	(1,690)	(16,545)	15	14,748	36,637
Issue of new ordinary shares pursuant to placement	3,847	-	-	-	-	3,847
Share placement expenses	(87)	-	-	-	-	(87)
Total comprehensive (loss)/income for FY 2011	-	(8)	-	-	8,890	8,882
Balance as at 31 Dec 2011	43,869	(1,698)	(16,545)	15	23,638	49,279
Issue of new ordinary shares pursuant to rights issue	18,022	-	-	-	-	18,022
Rights issue expenses	(324)	-	-	-	-	(324)
Employee share option scheme - value of employee services	-	-	-	448	-	448
Total comprehensive income for FY 2012	-	6	-	-	3,042	3,048
Balance as at 31 Dec 2012	61,567	(1,692)	(16,545)	463	26,680	70,473

Company	Share Capital US\$'000	Share Option Reserve US\$'000	Accumulated Losses US\$'000	Total Equity US\$'000
Balance as at 1 Jan 2011	40,109	15	(8,256)	31,868
Issue of new ordinary shares pursuant to placement	3,847	-	-	3,847
Share placement expenses	(87)	-	-	(87)
Total comprehensive loss for FY 2011	-	-	5,610	5,610
Balance as at 31 Dec 2011	43,869	15	(2,646)	41,238
Issue of new ordinary shares pursuant to rights issue	18,022	-	-	18,022
Rights issue expenses	(324)	-	-	(324)
Employee share option scheme - value of employee services	-	448	-	448
Total comprehensive income for FY 2012	-	-	(5,875)	(5,875)
Balance as at 31 Dec 2012	61,567	463	(8,521)	53,509

1(d)(ii) SHARE CAPITAL

On 20 Jan 2012, the Company granted options to directors and employees under the Interra Share Option Plan ("2012 Options") to subscribe for an aggregate of 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 a rights issue of 147,710,119 new ordinary shares at S\$0.15 each, on the basis of one rights share for every two existing ordinary shares of the Company. The newly issued rights shares rank pari passu in all respects with the existing ordinary shares of the Company.

The number of outstanding share options under the Interra Share Option Plan for Q4 2012 was 10,550,000 (Q4 2011: 500,000).

On 23 Jan 2013, an aggregate of 1,865,000 ordinary shares pursuant to the 2012 options granted under the Interra Share Option Plan were exercised at S\$0.148 per share.

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

Group and Company	31 Dec 2012	31 Dec 2011
Issued and fully paid		
Opening balance	295,420,238	256,920,238
Issue of new ordinary shares pursuant to rights issue/placement	147,710,119	38,500,000
Closing balance	443,130,357	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 have also been made to the various standards as a result of these new or revised standards.

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

The adoption of the 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	Q4 2012	Q4 2011	FY 2012	FY 2011 (Restated)
	Basic (loss)/earnings per share (US cents)	(0.010)	2.313	0.762
Weighted average number of shares for the purpose of computing basic earnings per share	443,130,357	295,420,238	399,060,132	367,114,769
Fully diluted (loss)/earnings per share (US cents)	(0.010)	2.313	0.751	2.422
Weighted average number of shares for the purpose of computing fully diluted earnings per share	449,441,083	295,420,238	405,098,889	367,114,769

In Q4 2012, the Company completed a rights issue of 147,710,119 new ordinary shares at S\$0.15 each, on the basis of one rights share for every two existing ordinary shares of the Company. The newly issued rights shares rank pari passu in all respects with the existing ordinary shares of the Company.

For the purpose of computing basic and fully diluted earnings per share for Q4 2012 and FY 2012, the relevant period are from 1 Oct 2012 to 31 Dec 2012 and from 1 Jan 2012 to 31 Dec 2012 respectively. FY 2011 was restated for the effects of the above Rights Issue.

7 NET ASSET VALUE PER SHARE

	Group		Company	
	31 Dec 2012	31 Dec 2011	31 Dec 2012	31 Dec 2011
Net asset value per ordinary share based on issued share capital (excluding treasury shares) (US cents)	15.904	16.681	12.075	13.959
Number of ordinary shares in issue	443,130,357	295,420,238	443,130,357	295,420,238

8(i) PERFORMANCE REVIEW

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

FY 2012 Review

Revenue & Production

Revenue increased by 22% (US\$5.58 mil) to US\$30.41 mil in FY 2012 from US\$24.83 mil in FY 2011, largely due to higher sales of shareable production from 300,356 barrels in FY 2011 to 363,686 barrels in FY 2012 and higher SLC oil prices. The weighted average SLC oil price transacted in FY 2012 was US\$115.83 per barrel as compared to US\$113.72 per barrel in FY 2011. However, the weighted average Walio Mix oil price transacted in FY 2012 was US\$109.35 per barrel as compared to US\$111.41 per barrel in FY 2011.

The Group's shareable production increased by 23% (70,174 barrels) from 299,735 barrels in FY 2011 to 369,909 barrels in FY 2012. The increase was mainly due to higher contributions from Myanmar and LS TAC operations. The Group's sales of shareable oil from all operations also increased by 21% (63,330 barrels) to 363,686 barrels in FY 2012.

Cost of Production

The cost of production increased by 38% (US\$5.46 mil) to US\$19.93 mil in FY 2012 from US\$14.47 mil in FY 2011. The increase in cost of production was largely attributable to higher production expenses of US\$4.60 mil, with US\$1.92 mil coming from TMT TAC operations and US\$1.89 mil coming from LS TAC operations. This was a result of increased workover jobs and reopening of new wells. In addition, the total depreciation and amortisation charges were also higher by US\$0.86 mil due to additions of property, plant and equipment of US\$1.91 mil, capitalisation of well drillings for Myanmar operations of US\$1.34 mil and capitalisation of geological and geophysical studies for LS TAC operations of US\$4.23 mil in FY 2012.

Net Profit After Tax

The Group posted a lower net profit after tax of US\$3.04 mil in FY 2012 as compared to US\$8.89 mil in FY 2011. The decrease was mainly due to the following:

- (1) Lower other income of US\$1.36 mil in FY 2012 as compared to US\$9.48 mil in FY 2011, which was mainly due to an one-off recognition of the gain on revaluation of investment in fair value of the existing 70% participating rights in TMT TAC of US\$7.70 mil.
- (2) Higher administrative expenses in FY 2012 of US\$5.65 mil as compared to US\$4.43 mil in FY 2011, mainly due to increased staff costs of US\$0.98 mil (including share option expenses of US\$0.45 mil) in FY 2012.
- (3) Higher other operating expenses of US\$0.89 mil in FY 2012 as compared to US\$0.53 mil in FY 2011, largely due to the higher amortisation of TMT TAC participating rights of US\$0.33 mil.
- (4) Higher income tax expenses of US\$2.30 mil in FY 2012 as compared to US\$1.99 mil in FY 2011 due to higher taxable income.

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\$13.28 mil, from US\$34.36 mil in FY 2011 to US\$47.64 mil in FY 2012. This was mainly due to new well drillings and seismic data processing of US\$16.41 mil which was offset against amortisation charges of US\$3.17 mil.
- (2) Inventories increased by US\$3.61 mil due to the crude oil inventory at LS TAC of US\$1.08 mil (FY 2011: US\$0.65 mil), which was not uplifted and was stored at stock points. Consumable stock increased by US\$3.17 mil due to the increased inventory balance for all operations as at 31 Dec 2012, of which US\$3.15 mil were related to drilling activities that were carried forward to FY 2013.
- (3) Trade and other receivables (current and non-current) decreased by US\$0.07 mil in FY 2012, mainly due to the decrease in trade receivables as at 31 Dec 12 of US\$2.23 mil from Myanmar and LS TAC operations. Total receipt was US\$30.19 mil as compared to total invoicing of US\$27.96 mil during the financial year.
- (4) Trade payables, other payables and accruals increased by US\$1.06 mil, largely due to trade payables for drilling related costs of US\$1.83 mil in TMT TAC and LS TAC operations.

8(i) PERFORMANCE REVIEW (CONT'D)

Statement of Cash Flows

Cash and cash equivalents increased by US\$5.20 mil in FY 2012 due to the following:

- (1) Net cash provided by operating activities of US\$7.03 mil, mainly due to net cash inflow from all operations of US\$11.22 mil offset against the increased of inventories of US\$3.61 mil as at 31 Dec 2012 for drilling activities in FY 2013.
- (2) Net cash used in investing activities of US\$18.53 mil, mainly for well drilling of US\$7.78 mil for Myanmar operations, US\$2.47 mil for TMT TAC, US\$1.72 mil for LS TAC and seismic data processing in LS TAC of US\$4.23 mil. In addition, purchase of property, plant and equipment of US\$1.49 mil for Myanmar operations.
- (3) Net cash provided by financing activities of US\$16.70 mil being proceeds received for rights issue of US\$17.70 mil. The rights issue was completed on 2 Oct 2012.

8(ii) SEGMENTED REVENUE AND RESULTS

Geographical Segment	Indonesia		Myanmar		Consolidated	
	Q4 2012	Q4 2011	Q4 2012	Q4 2011	Q4 2012	Q4 2011
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Results						
EBITDA	186	469	2,495	2,641	2,681	3,110
EBIT	(356)	103	1,762	3,630	1,406	3,733
Sales to external customers	3,013	2,904	4,219	4,246	7,232	7,150
Segment results	(326)	7,854	1,762	3,630	1,436	11,484
Unallocated corporate net operating results					(929)	(4,099)
Profit before income tax					507	7,385
Income tax expense					(553)	(552)
Net (loss)/profit after income tax					(46)	6,833

Geographical Segment	Indonesia		Myanmar		Consolidated	
	FY 2012	FY 2011	FY 2012	FY 2011	FY 2012	FY 2011
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Results						
EBITDA	1,686	1,938	10,728	9,881	12,414	11,819
EBIT	(378)	136	8,160	9,384	7,782	9,520
Sales to external customers	12,810	8,918	17,597	15,907	30,407	24,825
Segment results	(341)	7,944	8,160	9,384	7,819	17,328
Unallocated corporate net operating results					(2,481)	(6,447)
Profit before income tax					5,338	10,881
Income tax expense					(2,296)	(1,991)
Net profit after income tax					3,042	8,890

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) REVENUE BREAKDOWN

Group	FY 2012	FY 2011	Increase / (Decrease) %
	US\$'000	US\$'000	
Revenue			
- First half	15,347	10,765	43
- Second half	15,060	14,060	7
	30,407	24,825	22
Operating profit after tax before deducting non-controlling interests			
- First half	2,002	780	157
- Second half	1,040	8,110	(87)
	3,042	8,890	(66)

8(iv) PRODUCTION PROFILE

Myanmar Production		Q4 2012 barrels	Q4 2011 barrels	FY 2012 barrels	FY 2011 barrels
Average gross production per day		2,205	2,236	2,220	2,197
Gross production		202,874	205,692	812,468	801,998
Non-shareable production		(113,763)	(118,600)	(459,706)	(477,958)
Production shareable with MOGE		89,111	87,092	352,762	324,040
Group's 60% share of shareable production		53,467	52,256	211,658	194,424
Group's average shareable production per day		581	568	578	533
Myanmar Revenue		Q4 2012	Q4 2011	FY 2012	FY 2011
Weighted average transacted oil price		US\$ 109.70	112.95	115.57	113.72
Revenue shareable with MOGE		US\$'000 5,865	5,902	24,462	22,110
MOGE's share		US\$'000 (1,646)	(1,656)	(6,865)	(6,203)
Group's net share of revenue		US\$'000 4,219	4,246	17,597	15,907
Indonesia Production (TMT TAC)		Q4 2012 barrels	Q4 2011 barrels	FY 2012 barrels	FY 2011 barrels
Average gross production per day		278	259	263	273
Gross production		25,555	23,799	96,304	99,620
Non-shareable production		(977)	(1,077)	(4,054)	(5,225)
Production shareable with Pertamina		24,578	22,722	92,250	94,395
Group's 100% (up to 24 Nov 2011: 70%) share of shareable production		24,578	18,673	92,250	68,844
Group's average shareable production per day		267	203	252	189
Indonesia Revenue (TMT TAC)		Q4 2012	Q4 2011	FY 2012	FY 2011
Weighted average transacted oil price		US\$ 109.82	112.91	115.83	113.51
Revenue shareable with Pertamina		US\$'000 2,699	2,108	10,685	7,815
Pertamina's share		US\$'000 (691)	(540)	(2,737)	(2,001)
Group's net share of revenue		US\$'000 2,008	1,568	7,948	5,814
Indonesia Production (LS TAC)		Q4 2012 barrels	Q4 2011 barrels	FY 2012 barrels	FY 2011 barrels
Average gross production per day		166	137	180	130
Gross production		15,283	12,607	66,001	44,490
Non-shareable production		-	(2,045)	-	(8,022)
Production shareable with Pertamina		15,283	10,562	66,001	36,468
Group's 100% share of shareable production		15,283	10,562	66,001	36,468
Group's average shareable production per day		166	115	180	107
Indonesia Crude Oil on Hand (LS TAC)		Q4 2012 barrels	Q4 2011 barrels	FY 2012 barrels	FY 2011 barrels
Opening balance		11,668	13,520	7,927	8,545
Production		15,283	10,562	66,001	36,468
Lifting		(12,801)	(16,158)	(59,778)	(37,089)
Closing balance		14,150	7,924	14,150	7,924

8(iv) PRODUCTION PROFILE (CONT'D)

Indonesia Revenue (LS)		Q4 2012	Q4 2011	FY 2012	FY 2011
Weighted average transacted oil price	US\$	105.55	110.66	109.35	111.41
Revenue shareable with Pertamina	US\$'000	1,351	1,788	6,537	4,132
Pertamina's share	US\$'000	(346)	(452)	(1,675)	(1,028)
Group's net share of revenue	US\$'000	1,005	1,336	4,862	3,104

Group Production, Crude Oil on Hand and Revenue		Q4 2012	Q4 2011	FY 2012	FY 2011
Group's share of shareable production	barrels	93,328	81,491	369,909	299,735
Group's average shareable production per day	barrels	1,014	886	1,011	828
Group's sales of shareable oil	barrels	90,846	87,087	363,686	300,356
Group's total shareable oil revenue	US\$'000	7,232	7,150	30,407	24,825

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 (TMT TAC) decreased slightly over the Q4 2012, as a result of equipment failure and heavy rain. With only 1 well spudded in 2012, the Group will focus extensively to complete the remaining 3 wells in the first quarter of 2013. With the recent announcements on the results of the wells spudded in TMT TAC, the Group is confident that TMT TAC will contribute significantly to its total production in 2013.

Production in Linda Sele TAC (LS TAC) remained relatively stable over the Q4 2012, while its total gross production increased by almost 50% over last year. With the completion of the new well expected in early Q1 2013, the Group is confident that production at LS TAC will increase. More wells are expected to be drilled in 2013 in order to improve its overall production.

With the completion of CDT 12 in end of 2012, focus will be on performing more tests in order to identify potential and promising reservoirs for future drilling. 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. This unit will continue to contribute significantly to the Group's revenue.

The Group acquired 49% of PT Mentari Pambuang Internasional in Indonesia, which owns 100% participating interest in Kuala Pambuang PSC in early 2012. However, due to administrative delays, the Group is still awaiting approval from the relevant authority for the transfer of the 49% interest.

With the completion of the rights issue in Q4 2012, the Group has sufficient cash on hand to meet its operating costs for the near future. With these additional funds, 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 A BREAKDOWN OF THE TOTAL ANNUAL DIVIDEND (IN DOLLAR VALUE) FOR THE ISSUER'S LATEST FULL YEAR AND ITS PREVIOUS FULL YEAR

NA.

14 INTERESTED PERSON TRANSACTIONS

The Company has not obtained any general mandate pursuant to Rule 920(1)(a)(ii) of the Listing Rules.

15 RULE 704(13)

None of the persons occupying managerial positions in the Company and its principal subsidiaries is a relative of a director or chief executive officer or substantial shareholder of the Company during FY 2012.

Submitted by
Marcel Tjia
Executive Director

27-Feb-13

16 ABBREVIATIONS

Q3 2011	means	Third calendar quarter of year 2011
Q3 2012	means	Third calendar quarter of year 2012
Q4 2011	means	Fourth calendar quarter of year 2011
Q4 2012	means	Fourth calendar quarter of year 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
GWKP	means	Goldwater KP Pte. Ltd.
GLS	means	Goldwater LS Pte. Ltd.
GTMT	means	Goldwater TMT 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.