



14 May 2013

Dear Shareholders,

UNAUDITED RESULTS FOR THE QUARTER ENDED 31 MARCH 2013

Highlights in Q1 2013

- Net profit after tax for the quarter was US\$1.36 million.
- Revenue for the quarter was US\$8.72 million, 21% higher than the preceding quarter, mainly due to higher sales of shareable production from all operations and higher weighted average transacted oil prices.
- Shareable production for the quarter increased to 104,501 barrels from 93,328 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\$3.82 million.
- Net cash outflow for the quarter was US\$5.48 million, mainly due to new well drilling and acquisition of property, plant and equipment.
- Cash and cash equivalents (excluding restricted cash) were US\$11.26 million as at 31 March 2013.

Yours sincerely,

The Board of Directors
Interra Resources Limited

**INTERRA RESOURCES LIMITED
UNAUDITED RESULTS FOR THE QUARTER
ENDED 31 MARCH 2013**

TABLE OF CONTENTS

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

1(a)(i) PROFIT OR LOSS

Group	Note	Q1 2013 US\$'000	Q1 2012 US\$'000	Change %
Revenue	A1	8,717	8,242	↑ 6
Cost of production	A2	(5,614)	(4,810)	↑ 17
Gross profit		3,103	3,432	↓ 10
Other income	A3	466	212	↑ 120
Administrative expenses		(1,338)	(1,329)	↑ 1
Other operating expenses	A4	(226)	(220)	↑ 3
Profit before income tax		2,005	2,095	↓ 4
Income tax expense		(641)	(601)	↑ 7
Profit for the financial period		1,364	1,494	↓ 9
Attributable to:				
Equity holders of the Company		1,364	1,494	
Earnings per share (US cents)				
- Basic		0.307	0.506	
- Fully diluted		0.303	0.506	

1(a)(ii) STATEMENT OF COMPREHENSIVE INCOME

Group	Note	Q1 2013 US\$'000	Q1 2012 US\$'000	Change %
Profit for the financial period		1,364	1,494	↓ 9
Other comprehensive income, net of tax:				
Currency translation differences arising from consolidation		3	2	↑ 50
Total comprehensive income for the financial period		1,367	1,496	↓ 9
Attributable to:				
Equity holders of the Company		1,367	1,496	

↑ means increase

↓ means decrease

NM means not meaningful

NA means not applicable

1(a)(iii) EXPLANATORY NOTES TO PROFIT OR LOSS

Group		Q1 2013	Q1 2012
		US\$'000	US\$'000
Group's share of shareable production	barrels	104,501	93,426
Group's sales of shareable oil	barrels	107,652	90,762
A1 Revenue			
Sales of crude oil (see 8(iv) Production Profile)		8,717	8,242
A2 Cost of production			
Production expenses		4,391	3,944
Amortisation of oil and gas properties		1,221	864
Amortisation of intangible assets		2	2
		5,614	4,810
A3 Other income			
Interest income		24	15
Petroleum services fees		2	10
Management fees		155	128
Other income		6	4
Reimbursement of unrecovered costs from a joint venture partner		332	-
Foreign exchange (loss)/gain, net		(53)	55
		466	212
A4 Other operating expenses			
Depreciation of other property, plant and equipment		10	9
Amortisation of oil and gas properties		216	211
		226	220

1(b)(i) STATEMENT OF FINANCIAL POSITION

	Note	Group		Company	
		31-Mar-13 US\$'000	31-Dec-12 US\$'000	31-Mar-13 US\$'000	31-Dec-12 US\$'000
Assets					
Non-Current Assets					
Other property, plant and equipment		30	40	29	40
Producing oil and gas properties*	B1	52,533	47,241	-	-
Exploration and evaluation costs*	B2	6,323	6,306	-	-
Intangible assets*	B3	1,490	1,492	-	-
Investments in subsidiaries		-	-	44,977	42,382
Other receivables	B4	1,058	1,045	-	-
		61,434	56,124	45,006	42,422
Current Assets					
Inventories	B5	6,389	6,732	-	-
Trade receivables and other receivables	B4	8,977	5,793	-	196
Other current assets		732	1,101	313	73
Cash and cash equivalents	B6	13,513	18,989	8,712	11,566
		29,611	32,615	9,025	11,835
Total assets		91,045	88,739	54,031	54,257
Equity and Liabilities					
Equity					
Share capital		62,035	61,567	62,035	61,567
Retained profits/(Accumulated losses)		28,051	26,680	(9,033)	(8,521)
Other reserves		(17,838)	(17,774)	396	463
Total equity		72,248	70,473	53,398	53,509
Non-Current Liabilities					
Provision for environmental and restoration costs		2,452	2,410	-	-
Current Liabilities					
Trade payables, other payables and accruals	B7	7,614	6,686	629	748
Deferred revenue	B5	845	1,081	-	-
Current income tax liabilities		7,886	8,089	4	-
Total current liabilities		16,345	15,856	633	748
Total equity and liabilities		91,045	88,739	54,031	54,257

* The comparatives figures have been reclassified to better reflect the specific nature of the balances.

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

Group	31-Mar-13 US\$'000	31-Dec-12 US\$'000
B1 Producing oil and gas properties		
Property, plant and equipment	2,234	2,339
Completed assets	30,935	25,674
Cost recovery	1,586	1,707
Initial joint study cost	725	776
Contractual bonuses	275	294
Concession rights	116	123
Participating rights	3,254	3,444
Geological and Geophysical costs	8,985	9,135
Assets under construction	4,423	3,749
	52,533	47,241
B2 Exploration and evaluation costs		
Exploration costs	80	77
Assets under construction**	6,243	6,229
	6,323	6,306
B3 Intangible assets		
Computer software	1	3
Goodwill on reverse acquisition	1,489	1,489
	1,490	1,492
B4 Trade receivables and other receivables		
Non-current		
Other receivables - loan to a third party	1,058	1,045
Current		
Trade receivables - non-related parties	6,671	4,016
Other receivables	2,306	1,777
	8,977	5,793
	10,035	6,838
B5 Inventories		
Consumable inventories	5,544	5,651
Crude oil on hand*	845	1,081
	6,389	6,732
B6 Cash and cash equivalents		
Cash at bank and on hand	3,935	5,419
Restricted cash	2,258	2,253
Short-term fixed deposits	7,320	11,317
Cash and cash equivalents (as per Statement of Financial Position)	13,513	18,989
Less: Restricted cash***	(2,258)	(2,253)
Cash and cash equivalents (as per Statement of Cash Flows)	11,255	16,736
B7 Trade payables, other payables and accruals		
Trade payables	5,289	4,198
Other payables	1,447	1,586
Accruals	878	902
	7,614	6,686

* Based on the number of barrels of crude oil on hand and the Walio Mix oil price as at 31 Mar 2013, the approximate deferred revenue was US\$0.85 mil. This relates to crude oil inventory of LS TAC which was not uplifted and was stored at stock points.

** Cost relating to exploration Well CDT 12.

*** Fund intended for environmental and restoration costs.

1(b)(ii) BORROWINGS AND DEBT SECURITIES

Group	31-Mar-13		31-Dec-12	
	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	Q1 2013 US\$'000	Q1 2012 US\$'000
Cash Flows from Operating Activities			
Profit before income tax		2,005	2,095
Adjustments for non-cash items:			
Share option expense		57	-
Depreciation of other property, plant and equipment		10	9
Amortisation of oil and gas properties		1,437	1,075
Amortisation of intangible assets		2	2
Interest income		(24)	(15)
Unrealised currency translation loss/(gain)		53	(55)
Property, plant and equipment write-off		-	28
Operating profit before working capital changes		3,540	3,139
Changes in working capital, net of effects from acquisition of subsidiary			
Inventories		343	(624)
Trade and other receivables and other current assets		(2,828)	930
Trade and other payables and deferred revenue		652	(563)
Provision for environmental and restoration costs		42	38
Restricted cash		(5)	(5)
Cash generated from operations		1,744	2,915
Income tax paid		(844)	(1,281)
Net cash provided by operating activities		900	1,634
Cash Flows from Investing Activities			
Interest income received		11	10
Acquisition of subsidiary, net of cash acquired		-	(250)
Additions to oil and gas properties		(6,729)	(618)
Additions to exploration and evaluation assets		(14)	(76)
Net cash used in investing activities		(6,732)	(934)
Cash Flows from Financing Activities			
Proceeds from issuance of shares under share options		352	-
Share issue expenses		(1)	-
Loan to a third party		-	(1,000)
Net cash provided by/(used in) financing activities		351	(1,000)
Net decrease in cash and cash equivalents		(5,481)	(300)
Cash and cash equivalents at beginning of period		16,736	11,536
Cash and cash equivalents at end of period (see Note B6)		11,255	11,236

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 2012	43,869	(1,698)	(16,545)	15	23,638	49,279
Total comprehensive income for Q1 2012	-	2	-	-	1,494	1,496
Balance as at 31 Mar 2012	43,869	(1,696)	(16,545)	15	25,132	50,775
Balance as at 1 Jan 2013	61,567	(1,692)	(16,545)	463	26,680	70,473
Issue of new ordinary shares pursuant to share options	352	-	-	-	-	352
Share issue expenses	(1)	-	-	-	-	(1)
Employee share option scheme - value of employee services	-	-	-	57	-	57
- share options exercised	117	-	-	(117)	-	-
- share options lapsed	-	-	-	(7)	7	-
Total comprehensive income for Q1 2013	-	3	-	-	1,364	1,367
Balance as at 31 Mar 2013	62,035	(1,689)	(16,545)	396	28,051	72,248

Company	Share Capital US\$'000	Share Option Reserve US\$'000	Accumulated Losses US\$'000	Total Equity US\$'000
Balance as at 1 Jan 2012	43,869	15	(2,646)	41,238
Total comprehensive income for Q1 2012	-	-	(607)	(607)
Balance as at 31 Mar 2012	43,869	15	(3,253)	40,631
Balance as at 1 Jan 2013	61,567	463	(8,521)	53,509
Issue of new ordinary shares pursuant to share options	352	-	-	352
Share issue expenses	(1)	-	-	(1)
Employee share option scheme - value of employee services	-	57	-	57
Employee share option scheme - share options exercised	117	(117)	-	-
Employee share option scheme - share options lapsed	-	(7)	7	-
Total comprehensive income for Q1 2013	-	-	(519)	(519)
Balance as at 31 Mar 2013	62,035	396	(9,033)	53,398

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

On 21 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.

On 1 Mar 2013, an aggregate of 250,000 and 305,000 ordinary shares to 2008 Options and 2012 Options under the Interra Share Option Plan were exercised at S\$0.45 per share and S\$0.148 per share respectively. The remaining 2008 Options of 250,000 ordinary shares at S\$0.55 per share have lapsed on 2 Mar 2013.

The number of outstanding share options under the Interra Share Option Plan for Q1 2013 was 7,880,000 (Q1 2012: 500,000).

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

Group and Company	31 Mar 2013	31 Mar 2012
Issued and fully paid		
Opening balance	443,130,357	295,420,238
Issue of new ordinary shares pursuant to share options	2,420,000	-
Closing balance	445,550,357	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 2012.

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 2013. 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 as follows:

- Amendments to FRS 1 - Presentation of Items of Other Comprehensive Income
- FRS 19 (Revised) - Employee Benefits
- FRS 113 (New) - Fair Value Measurements

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	Q1 2013	Q1 2012
Basic earnings per share (US cents)	0.307	0.506
Weighted average number of shares for the purpose of computing basic earnings per share	444,679,079	295,420,238
Fully diluted earnings per share (US cents)	0.303	0.506
Weighted average number of shares for the purpose of computing fully diluted earnings per share	450,111,566	295,420,238

In Q1 2013, an aggregate of 2,420,000 ordinary shares pursuant to the 2012 Options and 2008 Options under the Interra Share Option Plan were exercised at S\$0.148 per share and S\$0.45 per share respectively. 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 Q1 2013 and Q1 2012, the relevant period are from 1 Jan 2013 to 31 Mar 2013 and from 1 Jan 2012 to 31 Mar 2012 respectively.

7 NET ASSET VALUE PER SHARE

	Group		Company	
	31 Mar 2013	31 Dec 2012	31 Mar 2013	31 Dec 2012
Net asset value per ordinary share based on issued share capital (excluding treasury shares) (US cents)	16.216	15.904	11.985	12.075
Number of ordinary shares in issue	445,550,357	443,130,357	445,550,357	443,130,357

8(i) PERFORMANCE REVIEW

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

Q1 2013 vs Q1 2012 Review

Revenue & Production

Revenue increased by 6% (US\$0.48 mil) to US\$8.72 mil in Q1 2013 from US\$8.24 mil in Q1 2012, largely due to higher sales of shareable production from 90,762 barrels in Q1 2012 to 107,652 barrels in Q1 2013 although at lower oil prices. The weighted average transacted oil prices in Q1 2013 was US\$110.90 per barrel (Q1 2012: US\$124.09 per barrel). In addition, with effect from Jan 2013 (for a period of 6 months), TMT TAC crude oil sales was based on Arjuna oil price which is slightly lower than SLC oil price.

The Group's shareable production increased by 12% (11,075 barrels) from 93,426 barrels in Q1 2012 to 104,501 barrels in Q1 2013. The increase was mainly due to higher contributions from Myanmar and TMT TAC operations. The Group's sales of shareable oil from all operations also increased by 19% (16,890 barrels) to 107,652 barrels in Q1 2013.

Cost of Production

The cost of production increased by 17% (US\$0.80 mil) to US\$5.61 mil in Q1 2013 from US\$4.81 mil in Q1 2012. The increase in cost of production was largely attributable to higher production expenses of US\$0.45 mil, of which US\$0.29 mil from TMT TAC operations for rental of heavy equipment and workover costs and US\$0.28 mil from Myanmar operations for wireline works and increased of field overhead and maintenance costs. In addition, the total depreciation and amortisation charges were also higher by US\$0.36 mil due to additions of property, plant and equipment of US\$0.09 mil, and the capitalisation of well drillings for TMT TAC and LS TAC operations of US\$3.24 mil and US\$2.23 mil respectively.

Net Profit After Tax

The Group posted a lower net profit after tax of US\$1.36 mil in Q1 2013 as compared to US\$1.49 mil in Q1 2012. The decrease was mainly due to the following:

- (1) Higher cost of production from US\$4.81 mil to US\$5.61 mil in Q1 2013.
- (2) Higher income tax expenses of US\$0.64 mil in Q1 2013 as compared to US\$0.60 mil in Q1 2012 due to higher taxable income.

The lower net profit after tax was offset by the increase of other income of US\$0.25 mil, mainly due to reimbursement of unrecovered costs from the joint venture partner from Myanmar operations of US\$0.34 mil in Q1 2013.

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

- (1) Producing oil and gas properties increased by US\$5.29 mil, from US\$47.24 mil in year 2012 to US\$52.53 mil in Q1 2013. This was mainly due to net additions of new well drillings of US\$6.73 mil.
- (2) Inventories decreased by US\$0.34 mil due to lower crude oil inventory at LS TAC of US\$0.85 mil (FY 2012: US\$1.08 mil), which was not uplifted and was stored at stock points. Consumable stock decreased by US\$0.11 mil due to utilisation for drilling activities in Q1 2013.
- (3) Trade and other receivables (current and non-current) increased by US\$3.20 mil in Q1 2013, mainly due to the increase in trade receivables as at 31 Mar 2013 of US\$2.66 mil from all operations. Total receipt in Q1 2013 was US\$5.43 mil as compared to total invoicing of US\$8.09 mil.
- (4) Trade payables, other payables and accruals increased by US\$0.93 mil, largely due to trade payables for drilling related costs in TMT TAC and LS TAC operations.

8(i) PERFORMANCE REVIEW (CONT'D)

Statement of Cash Flows

Cash and cash equivalents decreased by US\$5.48 mil in Q1 2013 due to the following:

- (1) Net cash provided by operating activities of US\$0.90 mil, mainly due to increased of trade receivables of US\$2.66 mil due to higher invoicing in Q1 2013.
- (2) Net cash used in investing activities of US\$6.73 mil, mainly for well drilling of US\$0.86 mil for Myanmar operations, US\$4.29 mil for TMT TAC and US\$1.50 mil for LS TAC.
- (3) Net cash provided by financing activities of US\$0.35 mil being proceeds from issuance of shares pursuant to the exercise of share options.

8(ii) SEGMENTED REVENUE AND RESULTS

Geographical Segment	Indonesia		Myanmar		Consolidated	
	Q1 2013	Q1 2012	Q1 2013	Q1 2012	Q1 2013	Q1 2012
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Results						
EBITDA	1,275	1,028	2,547	2,950	3,822	3,978
EBIT	658	526	1,727	2,375	2,385	2,901
Sales to external customers	4,197	3,571	4,520	4,671	8,717	8,242
Segment results	673	639	1,727	2,375	2,400	3,014
Unallocated corporate net operating results					(395)	(919)
Profit before income tax					2,005	2,095
Income tax expense					(641)	(601)
Net profit after income tax					1,364	1,494

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 2013 barrels	Q1 2012 barrels
Average gross production per day		2,235	2,228
Gross production		201,185	202,789
Non-shareable production		(110,140)	(116,095)
Production shareable with MOGE		91,045	86,694
Group's 60% share of shareable production		54,627	52,017
Group's average shareable production per day		607	572
Myanmar Revenue		Q1 2013	Q1 2012
Weighted average transacted oil price	US\$	115.01	124.84
Revenue shareable with MOGE	US\$'000	6,283	6,494
MOGE's share	US\$'000	(1,763)	(1,823)
Group's net share of revenue	US\$'000	4,520	4,671
Indonesia Production (TMT TAC)		Q1 2013 barrels	Q1 2012 barrels
Average gross production per day		392	279
Gross production		35,322	25,381
Non-shareable production		(954)	(1,050)
Production shareable with Pertamina		34,368	24,331
Group's 100% share of shareable production		34,368	24,331
Group's average shareable production per day		382	267
Indonesia Revenue (TMT TAC)		Q1 2013	Q1 2012
Weighted average transacted oil price	US\$	106.59	125.11
Revenue shareable with Pertamina	US\$'000	3,663	3,044
Pertamina's share	US\$'000	(939)	(780)
Group's net share of revenue	US\$'000	2,724	2,264
Indonesia Production (LS TAC)		Q1 2013 barrels	Q1 2012 barrels
Average gross production per day		172	188
Gross production		15,506	17,078
Non-shareable production		-	-
Production shareable with Pertamina		15,506	17,078
Group's 100% share of shareable production		15,506	17,078
Group's average shareable production per day		172	188
Indonesia Crude Oil on Hand (LS TAC)		Q1 2013 barrels	Q1 2012 barrels
Opening balance		14,151	7,927
Production		15,506	17,078
Lifting		(18,657)	(14,414)
Closing balance		11,000	10,591

8(iv) PRODUCTION PROFILE (CONT'D)

Indonesia Revenue (LS)		Q1 2013	Q1 2012
Weighted average transacted oil price	US\$	106.16	121.92
Revenue shareable with Pertamina	US\$'000	1,981	1,757
Pertamina's share	US\$'000	(508)	(450)
Group's net share of revenue	US\$'000	1,473	1,307

Group Production, Crude Oil on Hand and Revenue		Q1 2013	Q1 2012
Group's share of shareable production	barrels	104,501	93,426
Group's average shareable production per day	barrels	1,161	1,027
Group's sales of shareable oil	barrels	107,652	90,762
Group's total shareable oil revenue	US\$'000	8,717	8,242
Group's weighted average transacted oil price	US\$	110.90	124.09

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) improved significantly by 38% over the last quarter, due to good production results from the new wells during Q1 2013. Further to our announcements dated 10 Apr 2013 and 24 Apr 2013, it is expected that well TMT 53 will contribute significantly to the result in the coming quarters of the year. With the success from the 4 wells drilled in the 1st quarter, TMT TAC has submitted and obtained approval to drill another 4 wells for the rest of the year.

Production in Linda Sele TAC (LS TAC) has improved slightly over last quarter. The first well drilled since Interra took over was put on production in the later part of Q1 2013, while the 2nd well drilled is still in the midst of testing. Contribution from these wells, while not significant, will contribute to the total revenue for the year. Depending on the success of the result of the wells, more wells may be drilled in the coming months.

With the completion of CDT 12 in end 2012, focus will be on performing more tests with our own rig, in order to identify potential and promising reservoirs for future drilling. Tests are expected to be conducted in the 3rd quarter, and the result of the tests will be announced as soon as available. With the results of the intermediate wells being encouraging so far, it is expected that more wells will be drilled in addition to those originally proposed and approved. The Myanmar operations will continue to contribute significantly to the Group's revenue and bottom line.

The Group acquired 49% of PT Mentari Pambuang Internasional ("MPI") in Indonesia, which owns 100% participating interest in Kuala Pambuang PSC since early 2012. However, due to administrative delays, the Group is still awaiting the relevant authority approval for the transfer of the 49% interest. Nevertheless, preparation work for seismic acquisition has already begun pending approval for the transfer.

Proceeds from the Rights Issue undertaken in 2012 have been substantially utilised to fund the aggressive drilling program undertaken by the Group during the end of 2012 and Q1 2013. Nevertheless, the Group has sufficient cash on hand to meet its operating costs for the near future. The Group will also evaluate and source funding in the near future, when the need arises. 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(1)(a)(ii) of the Listing 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 which may render the interim financial statements for the quarter ended 31 Mar 2013 to be false or misleading in any material

15 USE OF PROCEEDS

The utilisation of the net proceeds is in accordance with the intended uses of the Net Proceeds stated in the offer information statement dated 5 Sep 2012 issued by the Company in connection with the Rights Issue. The remaining balance of the Net Proceeds amounts to approximately S\$2,453,660 as announced on 16 Apr 2013.

Submitted by
Marcel Tjia
Executive Director

14-May-13

16 ABBREVIATIONS

Q1 2012	means	First calendar quarter of year 2012
Q1 2013	means	First calendar quarter of year 2013
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.