



26 February 2014

Dear Shareholders,

UNAUDITED RESULTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

Highlights for FY 2013

- Net profit after tax for the year was US\$7.00 million, as compared to a net profit of US\$3.03 million in the previous year. The net profit for FY 2013 was after taking into account the impairment of exploration well – CDT 12 in Myanmar of US\$6.24 million.
- Revenue for the year was US\$50.16 million, 65% higher as compared to the preceding year.
- Shareable production for the year increased to 649,473 barrels from 369,909 barrels in the previous year.
- Earnings before divestment gain, interest income, exchange difference, finance cost, tax, depreciation, amortisation, allowance and impairment (EBITDA) for the year was US\$29.82 million.
- Net cash outflow for Q4 2013 was US\$1.94 million, mainly due to net cash used in investing activities of US\$6.90 million for new well drillings. Cash and cash equivalents (excluding restricted cash) were US\$12.40 million as at 31 December 2013.

Yours sincerely,

The Board of Directors
Interra Resources Limited

INTERRA RESOURCES LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 197300166Z)

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ENDED 31 DECEMBER 2013****TABLE OF CONTENTS**

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1(a)(i) PROFIT OR LOSS

Group	Note	Q4 2013 US\$'000	Q4 2012 US\$'000 Restated*	Change %	FY 2013 US\$'000	FY 2012 US\$'000 Restated*	Change %
Revenue	A1	13,656	7,232	↑ 89	50,163	30,407	↑ 65
Cost of production	A2	(7,671)	(5,209)	↑ 47	(26,839)	(19,972)	↑ 34
Gross profit		5,985	2,023	↑ 196	23,324	10,435	↑ 124
Other (loss)/income, net	A3	(393)	594	↓ 166	385	1,375	↓ 72
Administrative expenses		(1,921)	(1,898)	↑ 1	(5,996)	(5,638)	↑ 6
Other operating expenses	A4	(224)	(225)	↓ 0	(902)	(889)	↑ 1
Impairment and allowances	A5	(6,243)	-	NM	(6,243)	42	NM
(Loss)/Profit before income tax		(2,796)	494	↓ 666	10,568	5,325	↑ 98
Income tax expense		(1,007)	(553)	↑ 82	(3,567)	(2,296)	↑ 55
(Loss)/Profit for the financial period/year		(3,803)	(59)	↑ 6,346	7,001	3,029	↑ 131
Attributable to:							
Equity holders of the Company		(3,803)	(59)		7,001	3,029	
(Loss)/Earnings per share (US cents)							
- Basic		(0.852)	(0.013)		1.571	0.759	
- Fully diluted		(0.852)	(0.013)		1.554	0.748	

1(a)(i) STATEMENT OF COMPREHENSIVE INCOME

Group	Note	Q4 2013 US\$'000	Q4 2012 US\$'000 Restated*	Change %	FY 2013 US\$'000	FY 2012 US\$'000 Restated*	Change %
(Loss)/Profit for the financial period/year		(3,803)	(59)	↑ 6,346	7,001	3,029	↑ 131
Other comprehensive income, net of tax:							
Items that may be reclassified subsequently to profit or loss:							
Currency translation differences arising from consolidation							
- (Losses)/Gains		(6)	2	↓ 400	(9)	6	↓ 250
- Reclassification arising from liquidation of a subsidiary		477	-	NM	477	-	NM
Items that will not be reclassified subsequently to profit or loss:							
Defined benefit obligation re-measurements		163	(80)	NM	163	(80)	NM
Total comprehensive income for the financial period/year		(3,169)	(137)	↑ 2,213	7,632	2,955	↑ 158
Attributable to:							
Equity holders of the Company		(3,169)	(137)		7,632	2,955	

↑ denotes increase
 ↓ denotes decrease
 NM denotes not meaningful
 NA denotes not applicable

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

Group	Q4 2013 barrels	Q4 2012 barrels	FY 2013 barrels	FY 2012 barrels
Group's share of shareable production	177,913	93,328	649,473	369,909
Group's sales of shareable oil	177,530	90,846	656,691	363,686
Group	Q4 2013 US\$'000	Q4 2012 US\$'000 Restated*	FY 2013 US\$'000	FY 2012 US\$'000 Restated*
A1 <u>Revenue</u>				
Sales of crude oil (see 8(iii) Production Profile)	13,656	7,232	50,163	30,407
A2 <u>Cost of production</u>				
Production expenses	4,819	4,149	18,222	16,191
Amortisation of producing oil and gas properties	2,852	1,058	8,614	3,775
Amortisation of intangible assets	-	2	3	6
	7,671	5,209	26,839	19,972
A3 <u>Other (loss)/income, net</u>				
Interest income	26	27	98	84
Petroleum services fees	11	8	43	34
Management fees	108	125	465	454
Other income	-	354	339	680
Foreign exchange (loss)/gain, net	(538)	80	(560)	123
	(393)	594	385	1,375
A4 <u>Other operating expenses</u>				
Depreciation of other property, plant and equipment	3	11	26	40
Amortisation of producing oil and gas properties	221	214	876	849
	224	225	902	889
A5 <u>Impairment and allowances</u>				
Impairment/(Reversal) of exploration and evaluation assets	6,243	-	6,243	(42)

1(b)(i) STATEMENT OF FINANCIAL POSITION

	Note	Group			Company	
		31-Dec-13 US\$'000	31-Dec-12 US\$'000 Restated*	1-Jan-12 US\$'000 Restated*	31-Dec-13 US\$'000	31-Dec-12 US\$'000
Assets						
Non-current assets						
Other property, plant and equipment		17	40	57	16	40
Producing oil and gas properties**	B1	61,346	47,241	39,778	-	-
Exploration and evaluation costs**	B2	72	6,306	77	-	-
Intangible assets**	B3	1,489	1,492	1,498	-	-
Investments in subsidiaries		-	-	-	44,776	42,382
Other receivables	B4	1,531	1,045	-	-	-
Restricted cash***		2,274	2,253	2,140	-	-
Retirement benefit obligations		119	7	-	-	-
		66,848	58,384	43,550	44,792	42,422
Current assets						
Inventories	B5	6,136	6,732	3,127	-	-
Trade and other receivables	B4	11,410	5,793	6,905	140	196
Other current assets		709	1,101	629	82	73
Cash and cash equivalents	B6	12,402	16,736	11,536	3,717	11,566
		30,657	30,362	22,197	3,939	11,835
Total assets		97,505	88,746	65,747	48,731	54,257
Equity and Liabilities						
Equity						
Share capital		62,138	61,567	43,869	62,138	61,567
Retained profits/(Accumulated losses)		33,891	26,720	23,771	(14,533)	(8,521)
Other reserves		(17,404)	(17,774)	(18,228)	365	463
Total equity		78,625	70,513	49,412	47,970	53,509
Non-current liabilities						
Retirement benefit obligations		-	-	18	-	-
Provision for environmental and restoration costs		2,715	2,410	2,243	-	-
		2,715	2,410	2,261	-	-
Current liabilities						
Trade and other payables	B7	8,596	7,734	6,119	761	748
Current income tax liabilities		7,569	8,089	7,955	-	-
Total current liabilities		16,165	15,823	14,074	761	748
Total equity and liabilities		97,505	88,746	65,747	48,731	54,257

* Certain comparatives figures have been restated due to the adoption of FRS 19 (revised) - Employee Benefits. Refer to Paragraph 5 for details.

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

*** Fund intended for environmental and restoration costs.

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

Group	31-Dec-13 US\$'000	31-Dec-12 US\$'000 Restated*
B1 <u>Producing oil and gas properties</u>		
Development tangible assets	4,224	2,339
Development and production assets	54,354	41,335
Participating rights	2,768	3,567
	61,346	47,241
B2 <u>Exploration and evaluation costs</u>		
Exploration costs	72	77
Assets under construction#	-	6,229
	72	6,306
B3 <u>Intangible assets</u>		
Computer software	-	3
Goodwill on reverse acquisition	1,489	1,489
	1,489	1,492
B4 <u>Trade and other receivables</u>		
Non-current		
Other receivables - loan to a third party	1,531	1,045
Current		
Trade receivables - non-related parties	8,816	4,016
Other receivables	2,594	1,777
	11,410	5,793
	12,941	6,838
B5 <u>Inventories</u>		
Consumable inventories	5,720	5,651
Crude oil on hand##	416	1,081
	6,136	6,732
B6 <u>Cash and cash equivalents</u>		
Cash at bank and on hand	7,394	5,419
Short-term fixed deposits	5,008	11,317
	12,402	16,736
B7 <u>Trade and other payables</u>		
Trade payables	6,684	4,198
Other payables	910	2,634
Accruals	1,002	902
	8,596	7,734

Costs relating to exploration well - CDT 12.

This represents costs of crude oil inventory of Linda Sele TAC ("LS TAC") which was not uplifted and was stored at stock points as at 31 Dec 2013.

1(b)(ii) BORROWINGS AND DEBT SECURITIES

Group	31-Dec-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) STATEMENT OF CASH FLOWS

Group	Note	Q4 2013 US\$'000	Q4 2012 US\$'000 Restated*	FY 2013 US\$'000	FY 2012 US\$'000 Restated*
Cash Flows from Operating Activities					
(Loss)/Profit before income tax		(2,796)	494	10,568	5,325
Adjustments for non-cash items:					
Share option expense		-	268	57	448
Depreciation of other property, plant and equipment		3	11	26	40
Amortisation of producing oil and gas properties		3,073	1,272	9,490	4,623
Amortisation of intangible assets		-	2	3	7
Impairment/(Reversal) of exploration and evaluation assets		6,243	-	6,243	(42)
Interest income		(26)	(27)	(98)	(84)
Unrealised currency translation loss/(gain)		652	(64)	694	(107)
Producing oil and gas properties written off		30	-	30	28
Operating profit before working capital changes		7,179	1,956	27,013	10,238
Changes in working capital, net of effects from acquisition of subsidiary					
Inventories		705	(299)	596	(3,604)
Trade and other receivables and other current assets		(748)	120	(5,285)	674
Trade and other payables		(340)	(4,095)	816	1,828
Provision for environmental and restoration costs		80	55	305	166
Restricted cash		(5)	(99)	(20)	(113)
Cash generated from operations		6,871	(2,362)	23,425	9,189
Income tax paid		(1,661)	(389)	(4,087)	(2,162)
Net cash provided by/(used in) operating activities		5,210	(2,751)	19,338	7,027
Cash Flows from Investing Activities					
Interest income received		9	20	38	47
Acquisition of subsidiary, net of cash acquired		-	-	-	(250)
Additions to other property, plant and equipment		-	-	(2)	(22)
Additions to producing oil and gas properties		(6,912)	(5,636)	(23,692)	(12,116)
Additions to exploration and evaluation assets		-	(2,034)	(14)	(6,184)
Net cash used in investing activities		(6,903)	(7,650)	(23,670)	(18,525)
Cash Flows from Financing Activities					
Proceeds from issuance of shares under share options/ rights issue		-	1,066	426	18,022
Share issue expenses		-	(324)	(3)	(324)
Loan to a third party		(251)	-	(425)	(1,000)
Net cash (used in)/provided by financing activities		(251)	742	(2)	16,698
Net (decrease)/increase in cash and cash equivalents		(1,944)	(9,659)	(4,334)	5,200
Cash and cash equivalents at beginning of period		14,346	26,395	16,736	11,536
Cash and cash equivalents at end of period (see Note B6)		12,402	16,736	12,402	16,736

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, as previously reported	43,869	(1,698)	(16,545)	15	23,638	49,279
Impact of change in accounting policy - adoption of FRS 19 - Employee benefits	-	-	-	-	133	133
Balance as at 1 Jan 2012, as restated	43,869	(1,698)	(16,545)	15	23,771	49,412
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
Profit for the year, as previously reported	-	-	-	-	3,042	3,042
Defined benefit expense	-	-	-	-	(13)	(13)
Profit for the year, as restated	-	-	-	-	3,029	3,029
<u>Other comprehensive income</u>						
Defined benefit plan re-measurements	-	-	-	-	(80)	(80)
Foreign currency translation differences	-	6	-	-	-	6
Total comprehensive income for FY2012, as restated	-	6	-	-	2,949	2,955
Balance as at 31 Dec 2012, as restated	61,567	(1,692)	(16,545)	463	26,720	70,513
Issue of new ordinary shares pursuant to share options	574	-	-	(148)	-	426
Share issue expenses	(3)	-	-	-	-	(3)
Employee share option scheme - value of employee services	-	-	-	57	-	57
- share options lapsed	-	-	-	(7)	7	-
Profit for the year	-	-	-	-	7,001	7,001
<u>Other comprehensive income</u>						
Defined benefit plan re-measurements	-	-	-	-	163	163
Foreign currency translation differences	-	468	-	-	-	468
Total comprehensive income for FY 2013	-	468	-	-	7,164	7,632
Balance as at 31 Dec 2013	62,138	(1,224)	(16,545)	365	33,891	78,625

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
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
Issue of new ordinary shares pursuant to share options	574	(148)	-	426
Share issue expenses	(3)	-	-	(3)
Employee share option scheme - value of employee services	-	57	-	57
- share options lapsed	-	(7)	7	-
Total comprehensive income for FY 2013	-	-	(6,019)	(6,019)
Balance as at 31 Dec 2013	62,138	365	(14,533)	47,970

1(d)(ii) SHARE CAPITAL

On 21 Jan 2013, 1 Mar 2013, 3 Apr 2013, 15 Apr 2013 and 11 Jun 2013, an aggregate of 2,790,000 ordinary shares pursuant to the 2012 options granted under the Interra Share Option Plan were issued at the exercise price of S\$0.148 per share. These newly issued ordinary shares ranked pari passu in all respects with the existing ordinary shares.

On 1 Mar 2013, an aggregate of 250,000 ordinary shares pursuant to the 2008 options granted under the Interra Share Option Plan were issued at the exercise price of S\$0.45 per share. These newly issued ordinary shares ranked pari passu in all respects with the existing ordinary shares. The remaining 2008 options of 250,000 ordinary shares at S\$0.55 per share have lapsed on 2 Mar 2013.

No additional shares were issued in Q4 2013.

The number of ordinary shares comprised in the options granted and outstanding under the Interra Share Option Plan as at 31 Dec 2013 was 7,260,000 (31 Dec 2012: 10,550,000).

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

Group and Company	31 Dec 2013	31 Dec 2012
<u>Issued and fully paid</u>		
Opening balance	443,130,357	295,420,238
Issue of new ordinary shares pursuant to share options/rights issue	3,040,000	147,710,119
Closing balance	446,170,357	443,130,357

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 made to these new or revised standards.

The new or amended FRS that are relevant to the Group and the Company are 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, except as follows:

The adoption of the FRS 19 (Revised) - Employee Benefits and changed its accounting policy with respect to the recognition, measurement, presentation and disclosure of post-employment benefits. The adoption of FRS 19 (Revised) does not have any material impact of the Group.

6 EARNINGS PER SHARE

Group	Q4 2013	Q4 2012	FY 2013	FY 2012
		Restated*		Restated*
Basic (loss)/earnings per ordinary share (US cents)	(0.852)	(0.013)	1.571	0.759
Weighted average number of ordinary shares for the purpose of computing basic earnings per share	446,170,357	443,130,357	445,752,398	399,060,132
Fully diluted (loss)/earnings per ordinary share (US cents)	(0.852)	(0.013)	1.554	0.748
Weighted average number of ordinary shares for the purpose of computing fully diluted earnings per share	446,170,357	449,441,083	450,677,684	405,098,889

The weighted average number of ordinary shares on issue has been adjusted as if all dilutive share options were exercised as at 31 Dec 2013. For the purpose of computing basic and fully diluted (loss)/earnings per share for Q4 2013 and FY 2013, the relevant periods are from 1 Oct 2013 to 31 Dec 2013 and from 1 Jan 2013 to 31 Dec 2013 respectively. The impact to loss per share for Q4 2013 is anti-dilutive as it resulted in lower loss per share.

No additional shares were issued in Q4 2013.

7 NET ASSET VALUE PER SHARE

	Group		Company	
	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
		Restated*		
Net asset value per ordinary share based on total number of issued shares (excluding treasury shares) (US cents)	17.622	15.913	10.751	12.075
Total number of issued shares (excluding treasury shares)	446,170,357	443,130,357	446,170,357	443,130,357

8(i) PERFORMANCE REVIEW

(A) SIGNIFICANT FACTORS THAT AFFECT THE TURNOVER, COSTS AND EARNINGS OF THE GROUP

Revenue & Production

Revenue increased by 65% to US\$50.16 mil in FY 2013 from US\$30.41 mil in FY 2012. This was largely due to higher sales of shareable production, which increased to 656,691 barrels in FY 2013 from 363,686 barrels in FY 2012, although at lower transacted oil prices. The weighted average transacted oil prices for FY 2013 was US\$105.05 per barrel (FY 2012: US\$114.66 per barrel).

The Group's shareable production increased by 76% (279,563 barrels) to 649,473 barrels in FY 2013 from 369,909 barrels in FY 2012. The increase was mainly due to higher contributions from Myanmar (19%) and Tanjung Miring Timur ("TMT TAC") (55%) as the Group successfully completed several development wells as oil producers in both fields.

Cost of Production

The cost of production increased by 34% to US\$26.84 mil in FY 2013 from US\$19.97 mil in FY 2012. The increase was largely attributable to higher amortisation of oil and gas properties of US\$4.84 mil, amortisation for new well drillings for Myanmar of US\$4.92 mil, TMT TAC of US\$8.32 mil and LS TAC of US\$3.84 mil in FY 2013 as compared to FY 2012. The increase was also due to higher production expenses of US\$2.03 mil from TMT TAC operations of US\$1.89 mil and Myanmar operations of US\$1.48 mil.

Net Profit After Tax

The Group posted a higher net profit after tax of US\$7.00 mil in FY 2013 as compared to US\$3.03 mil in FY 2012. The increase was mainly due to higher revenue of US\$50.16 mil (FY 2012: US\$30.41 mil) and after taking the following in consideration:

- (1) Higher cost of production of US\$26.84 mil (FY 2012: US\$19.97 mil).
- (2) One-off impairment charge of exploration well - CDT 12 in Myanmar of US\$6.24 mil due to the suspension of well pending further work.
- (3) Lower net other income of US\$0.39 mil mainly due to foreign exchange loss of US\$0.56 mil (FY 2012: gain of US\$0.12 mil) during the financial year.
- (4) Higher income tax expenses of US\$3.57 mil due to higher taxable income (FY 2012: US\$2.30 mil).

(B) MATERIAL FACTORS THAT AFFECT THE CASH FLOW, WORKING CAPITAL, ASSETS OR LIABILITIES OF THE GROUP

Statement of Financial Position

Producing oil and gas properties increased by US\$14.11 mil to US\$61.35 mil in FY 2013 from US\$47.24 mil in FY 2012. This was mainly due to additions of new well drillings of US\$23.69 mil.

Exploration and evaluation costs decreased by US\$6.24 mil in FY 2013, due to impairment charge of exploration well - CDT 12 in Myanmar of US\$6.24 mil due to the suspension of well pending further work.

Inventories decreased by US\$0.60 mil to US\$6.14 mil in FY 2013 from US\$6.73 mil in FY 2012. This was mainly due to the lower crude oil inventory on hand of 6,933 barrels as at 31 Dec 2013 (31 Dec 2012: 14,150 barrels), which resulted in a decrease of US\$0.67 mil.

Trade and other receivables (current and non-current) increased by US\$6.10 mil to US\$12.94 mil in FY 2013 from US\$6.84 mil in FY 2012. This was mainly due to the increase in trade receivables of US\$4.80 mil, contributed by higher total invoicing of US\$47.11 mil in FY 2013 as compared to US\$37.96 mil in FY 2012.

Trade and other payables increased by US\$0.86 mil to US\$8.60 mil in FY 2013 from US\$7.73 mil in FY 2012. This was mainly due to increased of trade payables from US\$4.20 mil in FY 2012 to US\$6.68 mil in FY 2013 from Myanmar and TMT TAC operations for the preparation of well drillings in FY 2014.

Statement of Cash Flows

Cash and cash equivalents showed a net decrease of US\$4.33 mil in FY 2013 due to the following:

- (1) Net cash provided by operating activities of US\$19.34 mil, mainly due to cash generated from Myanmar and TMT TAC operations.
- (2) Net cash used in investing activities of US\$23.67 mil, mainly for capital expenditure incurred for drilling activities of the Myanmar operations of US\$7.05 mil, TMT TAC of US\$11.77 mil and LS TAC of US\$3.41 mil.

8(ii) SEGMENTED REVENUE AND RESULTS

Geographical Segment	Indonesia		Myanmar		Consolidated	
	Q4 2013	Q4 2012	Q4 2013	Q4 2012	Q4 2013	Q4 2012
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
		Restated*				Restated*
Results						
EBITDA	3,896	157	4,331	2,495	8,227	2,652
EBIT	2,374	(384)	(3,463)	1,762	(1,089)	1,378
Sales to external customers	6,735	3,013	6,921	4,219	13,656	7,232
Segment results	2,301	(339)	(3,463)	1,762	(1,162)	1,423
Unallocated corporate net operating results					(1,634)	(929)
(Loss)/Profit before income tax					(2,796)	494
Income tax expense					(1,007)	(553)
Net loss after income tax					(3,803)	(59)

Geographical Segment	Indonesia		Myanmar		Consolidated	
	FY 2013	FY 2012	FY 2013	FY 2012	FY 2013	FY 2012
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
		Restated*				Restated*
Results						
EBITDA	16,289	1,657	13,529	10,728	29,818	12,385
EBIT	11,318	(406)	2,764	8,160	14,082	7,754
Sales to external customers	28,222	12,810	21,941	17,597	50,163	30,407
Segment results	11,365	(354)	2,764	8,160	14,129	7,806
Unallocated corporate net operating results					(3,561)	(2,481)
Profit before income tax					10,568	5,325
Income tax expense					(3,567)	(2,296)
Net profit after income tax					7,001	3,029

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 2013	FY 2012	Increase / (Decrease) %
	US\$'000	US\$'000	
		Restated*	
Revenue			
- First half	22,476	15,347	46
- Second half	27,687	15,060	84
	50,163	30,407	65
Operating profit after tax before deducting non-controlling interests			
- First half	5,816	2,002	191
- Second half	1,185	1,027	15
	7,001	3,029	131

8(iv) PRODUCTION PROFILE

Myanmar Production	Q4 2013 barrels	Q4 2012 barrels	FY 2013 barrels	FY 2012 barrels
Average gross production per day	2,808	2,205	2,496	2,220
Gross production	258,340	202,874	910,875	812,468
Non-shareable production	(109,140)	(113,763)	(439,776)	(459,706)
Production shareable with MOGE	149,200	89,111	471,099	352,762
Group's 60% share of shareable production	89,520	53,467	282,660	211,658
Group's average shareable production per day	973	581	774	578

Myanmar Revenue		Q4 2013	Q4 2012	FY 2013	FY 2012
Weighted average transacted oil price	US\$	107.47	109.70	107.90	115.57
Revenue shareable with MOGE	US\$'000	9,621	5,865	30,500	24,462
MOGE's share	US\$'000	(2,700)	(1,646)	(8,559)	(6,865)
Group's net share of revenue	US\$'000	6,921	4,219	21,941	17,597

Indonesia Production - TMT TAC	Q4 2013 barrels	Q4 2012 barrels	FY 2013 barrels	FY 2012 barrels
Average gross production per day	774	278	816	263
Gross production	71,189	25,555	297,827	96,304
Non-shareable production	(887)	(977)	(3,681)	(4,054)
Production shareable with Pertamina	70,302	24,578	294,146	92,250
Group's 100% share of shareable production	70,302	24,578	294,146	92,250
Group's average shareable production per day	764	267	806	252

Indonesia Revenue - TMT TAC		Q4 2013	Q4 2012	FY 2013	FY 2012
Weighted average transacted oil price	US\$	102.94	109.83	101.21	115.83
Revenue shareable with Pertamina	US\$'000	7,237	2,699	29,771	10,685
Pertamina's share	US\$'000	(1,854)	(691)	(7,628)	(2,737)
Group's net share of revenue	US\$'000	5,383	2,008	22,143	7,948

Indonesia Production - LS TAC	Q4 2013 barrels	Q4 2012 barrels	FY 2013 barrels	FY 2012 barrels
Average gross production per day	197	166	199	180
Gross production	18,091	15,283	72,667	66,001
Non-shareable production	-	-	-	-
Production shareable with Pertamina	18,091	15,283	72,667	66,001
Group's 100% share of sharable production	18,091	15,283	72,667	66,001
Group's average shareable production per day	197	166	199	180

8(iii) PRODUCTION PROFILE (CONT'D)

Indonesia Crude Oil on Hand - LS TAC	Q4 2013 barrels	Q4 2012 barrels	FY 2013 barrels	FY 2012 barrels
Opening balance	6,550	11,668	14,151	7,927
Production	18,091	15,283	72,667	66,001
Lifting	(17,708)	(12,801)	(79,885)	(59,778)
Closing balance	6,933	14,150	6,933	14,150

Indonesia Revenue - LS TAC	Q4 2013	Q4 2012	FY 2013	FY 2012
Weighted average transacted oil price	US\$ 102.66	105.55	102.31	109.35
Revenue shareable with Pertamina	US\$'000 1,818	1,351	8,173	6,537
Pertamina's share	US\$'000 (466)	(346)	(2,094)	(1,675)
Group's net share of revenue	US\$'000 1,352	1,005	6,079	4,862

Group Production, Crude Oil on Hand and Revenue	Q4 2013	Q4 2012	FY 2013	FY 2012
Group's share of shareable production	barrels 177,913	93,328	649,473	369,909
Group's average shareable production per day	barrels 1,934	1,014	1,779	1,011
Group's sales of shareable oil	barrels 177,530	90,846	656,691	363,686
Group's total shareable oil revenue	US\$'000 13,656	7,232	50,163	30,407
Group's weighted average transacted oil price	US\$ 105.18	109.05	105.05	114.66

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

Tanjung Miring Timur TAC ("TMT TAC") will drill 3 new wells in FY 2014. Production is expected to improve from the current level and continue to contribute significantly to the bottom line of the Group. Depending on the result of the new wells, two additional new wells may be drilled by the end of the year. Production facilities have been upgraded to accommodate the increase in production.

Focus of Linda Sele TAC ("LS TAC") for the year will be to improve the production level and to keep the production cost low.

As a result of the successful drilling program in FY 2013, the Myanmar operations will continue to embark on its aggressive drilling program in FY 2014. All twenty-four wells drilled in FY 2013 have been completed as oil producers. In FY 2014, twenty-four new wells will be drilled using two internal rigs and one rental rig. Myanmar will continue to contribute significantly to the Group's bottom line in FY 2014.

Kuala Pambuang Production Sharing Contract ("KP PSC") will commence 2D seismic acquisition in 2014 once all approvals have been obtained from local authorities. No significant contribution is expected from this field in the near term.

The Group announced on 3 Sep 2013, the proposed acquisition of equity interests in PT Benakat Oil, PT Indelberg Indonesia, PT Bintang Sukses Nasional and PT Benakat Barat Petroleum which hold 100% undivided interest in the rights and obligations of exploitation, development and complementary exploration of hydrocarbons in the Benakat Barat field in South Sumatra, Indonesia at purchase consideration of US\$78.50 mil. Due diligence of the acquisition is currently ongoing.

The Group has sufficient cash on hand to meet its workplan commitments for the year 2014. The Group will evaluate and source funding 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 current financial period reported on.

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 2013.

By Order of the Board of Directors of
INTERRA RESOURCES LIMITED
Marcel Tjia
Chief Executive Officer
26-Feb-14

16 ABBREVIATIONS

Q4 2012	denotes	Fourth calendar quarter of the year 2012
Q4 2013	denotes	Fourth calendar quarter of the year 2013
FY 2012	denotes	Full year ended 31 December 2012
FY 2013	denotes	Full year ended 31 December 2013
bopd	denotes	barrels of oil per day
Company	denotes	Interra Resources Limited
DMO	denotes	Domestic Market Obligation
EED	denotes	Exploration, evaluation and development
FRS	denotes	Financial Reporting Standards
Goldpetrol	denotes	Goldpetrol Joint Operating Company Inc.
Goldwater	denotes	Goldwater Company Limited
Group	denotes	Interra Resources Limited and its subsidiary companies and joint ventures
GKP	denotes	Goldwater KP Pte. Ltd.
GLS	denotes	Goldwater LS Pte. Ltd.
GTMT	denotes	Goldwater TMT Pte. Ltd.
IBN	denotes	IBN Oil Holdico Ltd
IPRC	denotes	Improved Petroleum Recovery Contract
IRA	denotes	Interra Resources (Australia) Pte. Ltd.
IRT	denotes	Interra Resources (Thailand) Limited
k	denotes	thousand
KP	denotes	Kuala Pambuang block
LS	denotes	Linda Sele fields
mil	denotes	million
MOGE	denotes	Myanma Oil and Gas Enterprise
NA	denotes	Not applicable
NM	denotes	Not meaningful
Pertamina	denotes	Perusahaan Pertambangan Minyak Dan Gas Bumi Negara
PSC	denotes	Production Sharing Contract
TAC	denotes	Technical Assistance Contract
TMT	denotes	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.