INTERRA RESOURCES LIMITED
Company Registration No. 197300166Z

SGX ANNOUNCEMENT
SGX Code: Interra Res (5GI)

14 November 2014

Dear Shareholders,

UNAUDITED RESULTS FOR THE QUARTER ENDED 30 SEPTEMBER 2014

Highlights in Q3 2014

- Revenue for the quarter was US$18.34 million, 22% higher than the previous quarter. This was largely due to the contribution from PT Mitra Investindo TBK (“MITI”).
- Shareable production from oil for the quarter increased to 221,376 barrels from 201,655 barrels in the previous quarter.
- Total profit after tax for the quarter was US$0.31 million. This was largely due to higher amortisation charges on the back of accelerated drilling activity in the first half.
- Earnings before divestment gain, interest income, exchange difference, finance cost, tax, depreciation, amortisation, allowance and impairment (EBITDA) for the quarter was US$12.58 million.
- Net cash inflow for the quarter was US$0.32 million, mainly due to net cash provided by operating activities of US$2.73 million.
- Cash and cash equivalents (excluding restricted cash) were US$16.35 million as at 30 September 2014.

Yours sincerely,

The Board of Directors
Interra Resources Limited

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

UNAUDITED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

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1(a)(i) **PROFIT OR LOSS**

Group	Note	Q3 2014 US$'000	Q3 2013 US$'000	Change %	9M 2014 US$'000	9M 2013 US$'000	Change %
Revenue	A1	18,342	14,031	↑ 31	46,163	36,507	↑ 26
Cost of production	A2	(14,998)	(6,649)	↑ 126	(33,768)	(19,168)	↑ 76
Gross profit		**3,344**	**7,382**	↓ 55	**12,395**	**17,339**	↓ 29
Other income, net	A3	853	233	↑ 266	347	778	↓ 55
Administrative expenses		(2,191)	(1,415)	↑ 55	(6,709)	(4,075)	↑ 65
Finance expenses		(7)	-	NM	(7)	-	NM
Other expenses	A4	(323)	(224)	↑ 44	(717)	(678)	↑ 6
Profit before income tax		**1,676**	**5,976**	↓ 72	**5,309**	**13,364**	↓ 60
Income tax expense		(1,371)	(988)	↑ 39	(3,588)	(2,560)	↑ 40
Profit for the financial period		**305**	**4,988**	↓ 94	**1,721**	**10,804**	↓ 84
Attributable to:							
Equity holders of the company		149	4,988		1,565	10,804	
Non-controlling interests		156	-		156	-	
		305	**4,988**		**1,721**	**10,804**	
Earnings per share (US cents)							
- Basic		0.033	1.118		0.351	2.424	
- Fully diluted		0.033	1.106		0.347	2.398	

1(a)(i) **STATEMENT OF COMPREHENSIVE INCOME**

Group	Note	Q3 2014 US$'000	Q3 2013 US$'000	Change	9M 2014 US$'000	9M 2013 US$'000	Change %
Total profit for the financial period		305	4,988	↓ 94	1,721	10,804	↓ 84
Other comprehensive income, net of tax:							
Items that may be reclassified subsequently to profit or							
Currency translation differences arising from consolidation - losses		(532)	(1)	NM	(530)	(3)	NM
Total comprehensive (loss)/ income for the financial period		**(227)**	**4,987**	↓ 105	**1,191**	**10,801**	↓ 89
Attributable to:							
Equity holders of the company		(130)	4,987		1,288	10,801	
Non-controlling interests		(97)	-		(97)	-	
		(227)	**4,987**		**1,191**	**10,801**	

↑ denotes increase
↓ denotes decrease
NM denotes not meaningful

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

Group	Q3 2014 barrels	Q3 2013 barrels	9M 2014 barrels	9M 2013 barrels
Group's share of shareable production	221,376	175,165	595,302	471,560
Group's sales of shareable oil	225,244	181,611	590,716	479,161

Group		Q3 2014 US$'000	Q3 2013 US$'000	9M 2014 US$'000	9M 2013 US$'000
A1	**Revenue**				
	Sale of oil and petroleum products (see 8(iii) Production Profile)	15,761	14,031	43,582	36,507
	Sale of granite	2,581	-	2,581	-
		18,342	**14,031**	**46,163**	**36,507**
A2	**Cost of production**				
	Production expenses	8,134	4,362	18,960	13,403
	Amortisation of producing oil and gas properties	6,751	2,287	14,695	5,762
	Amortisation of intangible assets	-	-	-	3
	Amortisation of mining properties	113	-	113	-
		14,998	**6,649**	**33,768**	**19,168**
A3	**Other income, net**				
	Interest income	48	23	103	72
	Petroleum services fees	16	21	53	32
	Management fees	93	96	255	357
	Other income	42	-	42	6
	Reimbursement of unrecovered costs from a joint venture partner	-	-	-	333
	Foreign exchange gain/(loss), net	62	93	62	(22)
	Reversal of loss on measurement to fair value on disposal group	760	-	-	-
	Loss on deemed disposal of previously held non-controlling interests in subsidiary	(168)	-	(168)	-
		853	**233**	**347**	**778**
A4	**Other expenses**				
	Depreciation of property, plant and equipment	10	3	15	23
	Amortisation of concession rights and participating rights	313	221	702	655
		323	**224**	**717**	**678**

1(b)(i) STATEMENT OF FINANCIAL POSITION

	Note	Group 30-Sep-14 US$'000	Group 31-Dec-13 US$'000	Company 30-Sep-14 US$'000	Company 31-Dec-13 US$'000
Assets					
Non-current assets					
Property, plant and equipment		122	17	58	16
Producing oil and gas properties	B1	59,330	61,346	-	-
Mining properties	B2	2,705	-	-	-
Exploration and evaluation costs	B3	73	72	-	-
Intangible assets	B4	2,255	1,489	-	-
Investments in subsidiaries		-	-	44,147	44,776
Other receivables	B5	1,768	1,531	-	-
Restricted cash*		3,373	2,274	-	-
Retirement benefit obligations		119	119	-	-
Deferred tax assets		181	-	-	-
Investment properties	B6	182	-	-	-
		70,108	**66,848**	**44,205**	**44,792**
Current assets					
Inventories	B7	10,265	6,136	-	-
Trade and other receivables	B5	18,856	11,410	148	140
Other current assets		789	709	127	82
Cash and cash equivalents	B8	16,351	12,402	2,366	3,717
		46,261	**30,657**	**2,641**	**3,939**
Total assets		**116,369**	**97,505**	**46,846**	**48,731**
Equity and Liabilities					
Equity					
Share capital		62,138	62,138	62,138	62,138
Retained profits/(Accumulated losses)		33,751	33,891	(17,843)	(14,533)
Other reserves		(17,682)	(17,404)	365	365
Equity attributable to owners of the Company		**78,207**	**78,625**	**44,660**	**47,970**
Non-controlling interests		10,997	-	-	-
Total equity		**89,204**	**78,625**	**44,660**	**47,970**
Non-current liabilities					
Provision for environmental and restoration costs		4,045	2,715	-	-
		4,045	**2,715**	**-**	**-**
Current liabilities					
Trade and other payables	B9	14,094	8,596	2,186	761
Bank loan		821	-	-	-
Finance lease payable		446	-	-	-
Current income tax liabilities		7,759	7,569	-	-
Total current liabilities		**23,120**	**16,165**	**2,186**	**761**
Total equity and liabilities		**116,369**	**97,505**	**46,846**	**48,731**

* Fund intended for environmental and restoration costs.

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

Group		30-Sep-14 US$'000	31-Dec-13 US$'000
B1	**Producing oil and gas properties**		
	Development tangible assets	5,646	4,224
	Development and production assets	51,504	54,354
	Participating and concession rights	2,180	2,768
		59,330	**61,346**
B2	**Mining Properties**		
	Deferred exploration expenditures	348	-
	Development tangible assets	2,357	-
		2,705	**-**
B3	**Exploration and evaluation costs**		
	Exploration costs	**73**	**72**
B4	**Intangible assets**		
	Goodwill on reverse acquisition	1,489	1,489
	Provisional goodwill on acquisition of subsidiary	766	-
		2,255	**1,489**
B5	**Trade and other receivables**		
	Non-current		
	Other receivables - loan to a third party	1,768	1,531
	Current		
	Trade receivables - non-related parties	14,651	8,816
	Other receivables	4,205	2,594
		18,856	11,410
		20,624	**12,941**
B6	**Investment properties**		
	Land and Building in Pacet	88	-
	Shophouse at Pasar Kemis, Tangerang	58	-
	Kiosk at ITC Kuningan	36	-
		182	**-**
B7	**Inventories**		
	Consumable inventories	7,187	5,720
	Sparts parts and others - mining	1,186	-
	Granite rocks - mining	1,186	-
	Crude oil on hand#	706	416
		10,265	**6,136**
B8	**Cash and cash equivalents**		
	Cash and bank balances	12,757	7,394
	Short-term fixed deposits	3,594	5,008
	Cash and cash equivalents per statement of cash flows	**16,351**	**12,402**
B9	**Trade and other payables**		
	Trade payables	8,773	6,684
	Other payables	2,591	910
	Accruals	2,730	1,002
		14,094	**8,596**

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 30 Sep 2014.

1(b)(ii) BORROWINGS AND DEBT SECURITIES

Group	30-Sep-14 Secured US$'000	30-Sep-14 Unsecured US$'000	31-Dec-13 Secured US$'000	31-Dec-13 Unsecured US$'000
Amount repayable in one year or less, or on demand				
- Bank loan *	821	-	-	-
- Finance lease **	446	-	-	-
Amount repayable after one year	-	-	-	-

* The bank loan represents back to back facility obtained from PT Sejahtera Bank Umum (liquidated bank), backed with the finance lease receivables from PT Intinusa Abadi Manufacturing by PT Mitra Investindo TBK ("MITI"). To-date, the liquidated team had been disbanded and all parties had not come forward to request for payment.

** The finance lease is secured by the financed vehicles and machineries.

1(c) STATEMENT OF CASH FLOWS

Group	Note	Q3 2014 US$'000	Q3 2013 US$'000	9M 2014 US$'000	9M 2013 US$'000
Cash Flows from Operating Activities					
Profit before income tax		1,676	5,976	5,309	13,364
Adjustments for non-cash items:					
Share option expense		-	-	-	57
Depreciation of property, plant and equipment		10	3	15	23
Amortisation of producing oil and gas properties		7,064	2,508	15,397	6,417
Amortisation of mining properties		113	-	113	-
Amortisation of intangible assets		-	-	-	3
Interest income		(48)	(23)	(102)	(72)
Reversal of loss on measurement to fair value on disposal group		(760)	-	-	-
Unrealised currency translation (gain)/loss		(418)	(93)	(380)	22
Loss on deemed disposal of previously held non-controlling interests in subsidiary		168	-	168	-
Operating profit before working capital changes		**7,805**	**8,371**	**20,520**	**19,814**
Changes in working capital					
Inventories		(557)	599	(1,286)	(109)
Trade and other receivables and other current assets		(4,666)	493	(4,797)	(4,537)
Trade and other payables		1,405	1,107	3,714	1,176
Provision for environmental and restoration costs		108	86	255	225
Restricted cash		(10)	(5)	(20)	(15)
Cash generated from operations		4,085	10,651	18,386	16,554
Income tax paid		(1,360)	(721)	(3,106)	(2,426)
Net cash provided by operating activities		**2,725**	**9,930**	**15,280**	**14,128**
Cash Flows from Investing Activities					
Interest income received		12	9	28	29
Acquisition cost of subsidiary, net of cash acquired		(11,250)	-	(11,250)	-
Proceeds received for disposal of non-controlling interests in subsidiary		13,500	-	13,500	-
Net proceeds from marketable securities		26	-	26	-
Additions to property, plant and equipment		(46)	(2)	(54)	(2)
Additions to producing oil and gas properties		(4,552)	(5,942)	(13,381)	(16,780)
Additions to exploration and evaluation assets		-	-	-	(14)
Net cash used in investing activities		**(2,310)**	**(5,935)**	**(11,131)**	**(16,767)**
Cash Flows from Financing Activities					
Proceeds from issuance of new ordinary shares pursuant to share options		-	-	-	426
Share issue expenses		-	-	-	(3)
Repayment of finance lease		(37)	-	(37)	-
Loan to a third party		(59)	-	(163)	(174)
Net cash (used in)/provided by financing activities		**(96)**	**-**	**(200)**	**249**
Net increase/(decrease) in cash and cash equivalents		**319**	**3,995**	**3,949**	**(2,390)**
Cash and cash equivalents at beginning of period		16,032	10,351	12,402	16,736
Cash and cash equivalents at end of period	B8	**16,351**	**14,346**	**16,351**	**14,346**

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$'000	Total US$'000	Non-Controlling Interests US$'000	Total Equity US$'000
Balance as at 1 Jul 2013	**62,138**	**(1,694)**	**(16,545)**	**365**	**32,502**	**76,766**	**-**	**76,766**
Total comprehensive (loss)/income for Q3 2013	-	(1)	-	-	4,988	4,987	-	4,987
Balance as at 30 Sep 2013	**62,138**	**(1,695)**	**(16,545)**	**365**	**37,490**	**81,753**	**-**	**81,753**
Balance as at 1 Jul 2014	**62,138**	**(1,223)**	**(16,545)**	**365**	**35,306**	**80,041**	**-**	**80,041**
Effect of changes in ownership interests of the subsidiary	-	-	-	-	(1,704)	(1,704)	-	(1,704)
Total comprehensive (loss)/income for Q3 2014	-	(279)	-	-	149	(130)	(97)	(227)
Acquisition of subsidiary with non-controlling interests	-	-	-	-	-	-	11,094	11,094
Balance as at 30 Sep 2014	**62,138**	**(1,502)**	**(16,545)**	**365**	**33,751**	**78,207**	**10,997**	**89,204**

Company	Share Capital US$'000	Share Option Reserve US$'000	Accumulated Losses US$'000	Total Equity US$'000
Balance as at 1 Jul 2013	**62,138**	**365**	**(9,521)**	**52,982**
Total comprehensive loss for Q3 2013	-	-	(575)	(575)
Balance as at 30 Sep 2013	**62,138**	**365**	**(10,096)**	**52,407**
Balance as at 1 Jul 2014	**62,138**	**365**	**(16,055)**	**46,448**
Total comprehensive loss for Q3 2014	-	-	(1,788)	(1,788)
Balance as at 30 Sep 2014	**62,138**	**365**	**(17,843)**	**44,660**

1(d)(ii) SHARE CAPITAL

No new ordinary shares were issued in Q3 2014.

The number of ordinary shares comprised in the options granted and outstanding under the Interra Share Option Plan for Q3 2014 was 7,260,000 (Q3 2013: 7,260,000).

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

Group and Company	30 Sep 2014	31 Dec 2013
Issued and fully paid		
Opening balance	**446,170,357**	**443,130,357**
Issuance of new ordinary shares pursuant to share options	-	3,040,000
Closing balance	**446,170,357**	**446,170,357**

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 2013.

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 2014.

The new or amended FRS that are relevant to the Group and the Company are as follows:
- FRS 27 (revised 2011) - Separate Financial Statements
- FRS 28 (revised 2011) - Investments in Associates and Joint Ventures
- Amendments to FRS 32 - Financial Instruments: Offsetting Financial Assets and Financial Liabilities
- Amendments to FRS 36 - Recoverable Amount Disclosures for Non-Financial Assets
- Amendments to FRS 39 - Novation of Derivatives and Continuation of Hedge Accounting
- FRS 110 - Consolidated Financial Statements
- FRS 111 - Joint Arrangements
- FRS 112 - Disclosure of Interests in Other Entities
- Amendments to FRS 110, FRS 111, FRS 112, FRS 27 (2011) and FRS 28 (2011) - Mandatory Effective
- Amendments to FRS 110, FRS 111 and FRS 112 - Transition Guidance
- Amendments to FRS 110, FRS 111, FRS 112 and FRS 27 - Investment Entities

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	Q3 2014	Q3 2013	9M 2014	9M 2013
Basic earnings per ordinary share (US cents)	**0.033**	**1.118**	**0.351**	**2.424**
Weighted average number of ordinary shares for the purpose of computing basic earnings per share	446,170,357	446,170,357	446,170,357	445,611,547
Fully diluted earnings per ordinary share (US cents)	**0.033**	**1.106**	**0.347**	**2.398**
Weighted average number of ordinary shares for the purpose of computing fully diluted earnings per share	450,275,119	451,154,820	450,542,521	450,614,185

No new ordinary shares were issued in Q3 2014.

7 NET ASSET VALUE PER SHARE

	Group		Company	
	30 Sep 2014	31 Dec 2013	30 Sep 2014	31 Dec 2013
Net asset value per ordinary share based on total number of issued shares (excluding treasury shares) (US cents)	17.472	17.622	10.010	10.751
Total number of issued shares (excluding treasury shares)	446,170,357	446,170,357	446,170,357	446,170,357

8(i) PERFORMANCE REVIEW

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

Revenue & Production

Revenue increased by 31% to US$18.34 mil in Q3 2014 from US$14.03 mil in Q3 2013, as a result of increased contributions from oil and gas operations of US$1.73 mil and US$2.58 mil from granite operations after the completion of proposed subscription of PT Mitra Investindo TBK ("MITI") on 5 Aug 2014. In addition, the increase was also due to higher sales of shareable production to 225,244 barrels in Q3 2014 from 181,611 barrels in Q3 2013 although at lower weighted average transacted oil prices for Q3 2014 of US$98.86 per barrel (Q3 2013: US$105.57 per barrel).

The Group's shareable production from oil increased by 26% (46,211 barrels) to 221,376 barrels in Q3 2014 from 175,165 barrels in Q3 2013. The increase was mainly due to higher contributions from Myanmar of 128,438 barrels in Q3 2014 (Q3 2013: 74,684 barrels) as the Group successfully completed several development wells as oil producers. However, the increase was partially offset by the decrease in shareable production from Tanjung Miring Timur ("TMT TAC") to 79,818 barrels in Q3 2014 from 80,919 barrels in Q3 2013.

Cost of Production

The cost of production increased by 126% to US$15.00 mil in Q3 2014 from US$6.65 mil in Q3 2013. The increase was largely attributable to higher amortisation of oil and gas properties resulting from amortisation of new well drillings for Myanmar, LS TAC and TMT TAC of US$6.75 mil. Amortisation charges have increased by US$0.90 mil from TMT TAC, US$0.27 mil from LS TAC and from Myanmar operation of US$3.29 mil respectively for a total of US$4.46 mil. Higher production expenses from oil and gas operations of US$1.91 mil also contributed to the increase. In Q3 2014, the cost of production for granite operations of US$1.86 mil was consolidated to the group's results after the acquisition of MITI on 5 Aug 2014.

8(i) PERFORMANCE REVIEW

Net Profit After Tax

Despite the increase in revenue of US$4.31 mil in Q3 2014, the Group posted a lower net profit after tax of US$0.31 mil in Q3 2014 as compared to US$4.99 mil in Q3 2013. The decrease was mainly due after taking the following into consideration:

(1) Other income increased from US$0.23 mil to US$0.85 mil, mainly due to the reverse of loss on measurement to fair value of disposal group of US$0.76 mil and loss on deemed disposal of previously held non-controlling interests in subsidiary of US$0.17 mil resulted from the completion of proposed disposal of GWLS and proposed subscription of MITI, the Group still retained effective control of 57.21% of GWLS.

(2) Higher cost of production of US$15.00 mil (Q3 2013: US$6.65 mil).

(3) Higher administrative expenses of US$2.19 mil (Q3 2013: US$1.42 mil) mainly for costs incurred relating to on-going new projects of US$0.40 mil and administrative expenses of US$0.25 mil related to granite operations.

(4) Higher income tax expenses of US$1.37 mil due to higher taxable income (Q3 2013: US$0.99 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 decreased by US$2.02 mil to US$59.33 mil as at 30 Sep 2014 from US$61.35 mil in FY 2013. This was mainly due to higher amortisation charges of US$15.40 mil as compared to additions during the period of US$13.38 mil.

Mining properties were US$2.71 mil as at 30 Sep 2014 related to MITI which comprise of deferred exploration expenditures and development tangible assets.

Inventories increased by US$4.13 mil to US$10.27 mil as at 30 Sep 2014 from US$6.14 mil in FY 2013. This was mainly due to the acquisition of MITI with inventories of US$2.37 mil and higher crude oil inventory of 13,778 barrels as at 30 Sep 2014 (FY 2013: 6,933 barrels).

Trade and other receivables (current and non-current) increased by US$7.68 mil to US$20.62 mil as at 30 Sep 2014 from US$12.94 mil in FY 2013. This was mainly due to increase in trade receivables of US$5.84 mil, from higher invoicing and higher trade receivables outstanding from Myanmar of US$7.98 mil as at 30 Sep 2014 as compared in FY 2013 of US$4.08 mil. In addition, the acquisition of MITI increased the trade receivables by US$2.52 mil as at 30 Sep 2014.

Trade and other payables increased by US$5.49 mil to US$14.09 mil as at 30 Sep 2014 from US$8.60 mil in FY 2013. This was mainly due to increase in trade payables and other payables from Myanmar and TMT TAC operations of US$2.52 mil and the acquisition of MITI which increased payables by US$1.50 mil.

Statement of Cash Flows

Cash and cash equivalents showed a net increase of US$0.32 mil in Q3 2014 due to the following:

(1) Net cash provided by operating activities of US$2.73 mil mainly due to cash generated from Myanmar operations of US$1.00 mil.

(2) Net cash used in investing activities of US$2.31 mil mainly for capital expenditure incurred for drilling activities at the Myanmar operations of US$2.21 mil and TMT TAC of US$1.83 mil.

8(ii) SEGMENTED REVENUE AND RESULTS

Geographical Segment	Indonesia				Myanmar		Consolidated	
	Oil and Gas		Granite		Oil and Gas			
	Q3 2014	Q3 2013	Q3 2014	Q3 2013	Q3 2014	Q3 2013	Q3 2014	Q3 2013
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Results								
EBITDA	**5,675**	5,311	**579**	-	**6,327**	3,863	**12,581**	9,174
EBIT	**(156)**	3,997	**463**	-	**1,848**	2,669	**2,155**	6,666
Sales to external customers	**6,493**	8,195	**2,581**	-	**9,268**	5,836	**18,342**	14,031
Segment results	**3,084**	4,073	**553**	-	**1,848**	2,669	**5,485**	6,742
Unallocated corporate net operating results							**(3,809)**	(766)
Profit before income tax							**1,676**	5,976
Income tax expense							**(1,371)**	(988)
Net profit after income tax							**305**	4,988

Geographical Segment	Indonesia				Myanmar		Consolidated	
	Oil and Gas		Granite		Oil and Gas			
	9M 2014	9M 2013	9M 2014	9M 2013	9M 2014	9M 2013	9M 2014	9M 2013
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Results								
EBITDA	**9,535**	12,393	**579**	-	**18,395**	9,198	**28,509**	21,591
EBIT	**3,682**	8,945	**463**	-	**8,850**	6,227	**12,995**	15,172
Sales to external customers	**16,907**	21,487	**2,581**	-	**26,675**	15,020	**46,163**	36,507
Segment results	**3,675**	9,064	**553**	-	**8,850**	6,227	**13,078**	15,291
Unallocated corporate net operating results							**(7,769)**	(1,927)
Profit before income tax							**5,309**	13,364
Income tax expense							**(3,588)**	(2,560)
Profit before income tax							**1,721**	10,804

Notes

EBIT is the operating earnings before divestment gain, interest income, exchange difference, finance cost and tax. This is net of joint venture partner's share.

EBITDA is the operating earnings before divestment gain, interest income, exchange difference, finance cost, tax, depreciation, amortisation, allowance and impairment. This is net of joint venture partner's share.

8(iii) PRODUCTION PROFILE

Myanmar Production		**Q3 2014 barrels**	**Q3 2013 barrels**	**9M 2014 barrels**	**9M 2013 barrels**
Average gross production per day		3,477	2,552	3,285	2,390
Gross production		319,879	234,754	896,732	652,535
Non-shareable production		(105,816)	(110,282)	(317,233)	(330,636)
Production shareable with MOGE		214,063	124,472	579,499	321,899
Group's 60% share of shareable production		128,438	74,684	347,700	193,140
Group's average shareable production per day		1,396	812	1,274	707

Myanmar Revenue		**Q3 2014**	**Q3 2013**	**9M 2014**	**9M 2013**
Weighted average transacted oil price	US$	100.30	108.62	106.64	108.11
Revenue shareable with MOGE	US$'000	12,883	8,113	37,080	20,880
MOGE's share	US$'000	(3,615)	(2,277)	(10,406)	(5,859)
Group's net share of revenue	US$'000	9,268	5,836	26,674	15,021

Indonesia Production - TMT TAC		**Q3 2014 barrels**	**Q3 2013 barrels**	**9M 2014 barrels**	**9M 2013 barrels**
Average gross production per day		877	889	742	830
Gross production		80,642	81,828	202,469	226,638
Non-shareable production		(824)	(909)	(2,536)	(2,794)
Production shareable with Pertamina		79,818	80,919	199,933	223,844
Group's 100% share of shareable production		79,818	80,919	199,933	223,844
Group's average shareable production per day		868	880	732	820

Indonesia Revenue - TMT TAC		**Q3 2014**	**Q3 2013**	**9M 2014**	**9M 2013**
Weighted average transacted oil price	US$	96.53	103.06	100.01	100.67
Revenue shareable with Pertamina	US$'000	7,705	8,339	19,996	22,534
Pertamina's share*	US$'000	(2,691)	(2,137)	(6,540)	(5,774)
Group's net share of revenue	US$'000	5,014	6,202	13,456	16,760

Indonesia Production - LS TAC		**Q3 2014 barrels**	**Q3 2013 barrels**	**9M 2014 barrels**	**9M 2013 barrels**
Average gross production per day		199	213	194	200
Gross production		18,283	19,562	52,832	54,576
Non-shareable production		-	-	-	-
Production shareable with Pertamina		18,283	19,562	52,832	54,576
Group's 57.21% (w.e.f Aug 14)/100% share of sharable production		13,120	19,562	47,669	54,576
Group's average shareable production per day		142.61	213	174.61	200

Note: * Under the TAC production sharing regime, once the unrecovered cost pool is exhausted, the net oil entitlement and the Group's share of revenue will also reduce. As a result, Pertamina's share of revenue, which includes Domestic Market Obligation ("DMO") increased.

8(iii) PRODUCTION PROFILE (CONT'D)

Indonesia Crude Oil on Hand - LS TAC	Q3 2014 barrels	Q3 2013 barrels	9M 2014 barrels	9M 2013 barrels
Opening balance	15,387	12,996	6,933	14,151
Production	18,283	19,562	52,832	54,576
Lifting	(19,892)	(26,008)	(45,987)	(62,177)
Closing balance	13,778	6,550	13,778	6,550
Group's 57.21% (w.e.f Aug 14)/100% share of sales of sharable production	16,988	26,008	43,083	62,177

Indonesia Revenue - LS TAC		Q3 2014	Q3 2013	9M 2014	9M 2013
Weighted average transacted oil price	US$	99.99	103.04	100.89	102.22
Revenue shareable with Pertamina	US$'000	1,989	2,680	4,640	6,355
Pertamina's share	US$'000	(510)	(687)	(1,188)	(1,629)
Group's share of revenue	US$'000	1,479	1,993	3,452	4,726

Group Production and Revenue		Q3 2014	Q3 2013	9M 2014	9M 2013
Group's share of shareable production	**barrels**	**221,376**	**175,165**	**595,302**	**471,560**
Group's average shareable production per day	**barrels**	**2,406**	**1,904**	**2,181**	**1,727**
Group's sales of shareable oil	**barrels**	**225,244**	**181,611**	**590,716**	**479,161**
Group's total shareable oil revenue	**US$'000**	**15,761**	**14,031**	**43,582**	**36,507**
Group's weighted average transacted oil price	**US$**	**98.86**	**105.57**	**104.36**	**105.00**

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") gross production increased significantly, from 62,218 barrels in Q2 2014 to 80,642 barrels in Q3 2014. This was largely due to the optimization of well production in the quarter, which resulted in additional contribution of approximately 500 barrels of production per day. The first well for Y2014 was drilled in early Sep 2014, and is currently undergoing production testing. The second well was spudded in early Oct 2014, while the third well of the year was spudded in Nov 2014. The contribution from these wells are expected to contribute to next year's revenue.

Further to our announcement dated 14 Mar 2014 regarding the proposed disposal of Linda Sele TAC and the proposed subscription of PT Mitra Investindo TBK ("MITI") and subsequent announcement on 5 Aug 2014, the Group is pleased to announce that the transaction has been completed, and Interra now owns 52.46% of MITI, an Indonesian company listed on Jakarta Stock Exchange. The financial results of MITI, which includes the oil and gas operations in Linda Sele TAC and granite mining in Bintan, have been consolidated to the Group's financial results since Q3 2014.

Myanmar has spudded twenty-eight new wells since the beginning of the year and its drilling program for the year has been completed. Production has increased over the last quarter by 5%, up to 128,438 barrels of shareable production.

Further to our announcement on 9 Oct 2014 regarding acquisition by Goldwater KP Pte Ltd of PT Mentari Pambuang Internasional, the Group is pleased to announce that the transaction has been completed. The 2D seismic acquisition in Kuala Pambuang Production Sharing Contract ("KP PSC") commenced in early Oct 2014, and the acquisition process will take approximately 2 months to complete. No significant contribution is expected from this field in the near term.

Further to our announcement relating to issuing bonus warrant to shareholders on 19 Jun 2014, we are pleased to announce that at the Extraordinary Ordinary General Meeting held on 24 Oct 2014 approval was obtained from the Shareholders to issue the said bonus warrants.

Despite the recent decline in the global oil price, 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 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 30 Sep 2014 to be false or misleading in any material respect.

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

15 ABBREVIATIONS

Q3 2013	denotes	Third calendar quarter of the year 2013
Q3 2014	denotes	Third calendar quarter of the year 2014
9M 2013	denotes	Nine months ended 30 September 2013
9M 2014	denotes	Nine months ended 30September 2014
FY 2013	denotes	Full year ended 31 December 2013
FY 2014	denotes	Full year ended 31 December 2014
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
MITI	denotes	PT Mitra Investindo TBK
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.

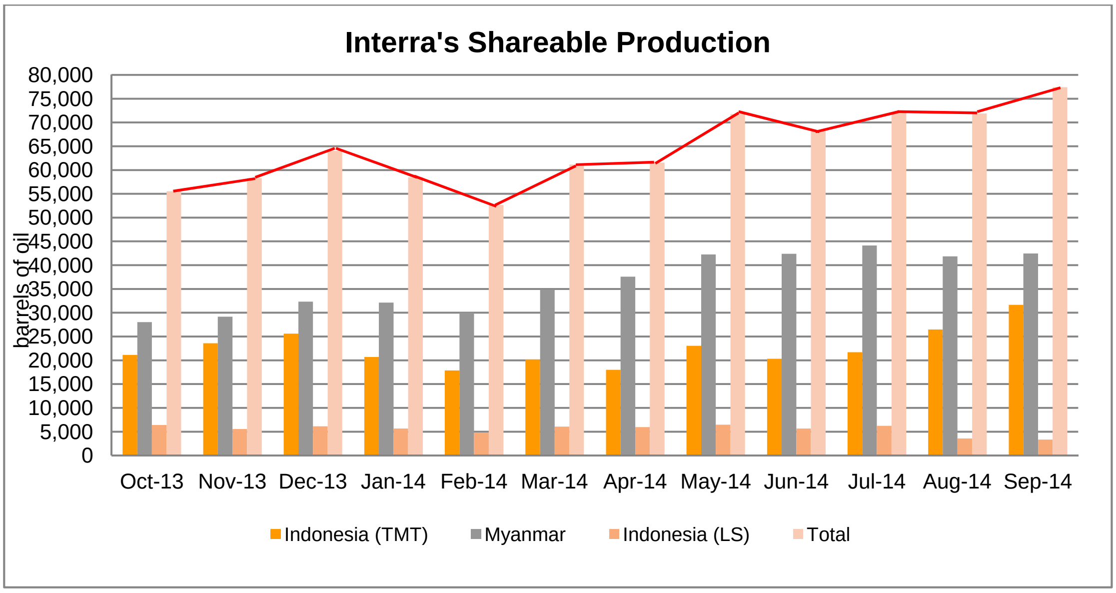
Appendix A

14 November 2014

PRODUCTION, DEVELOPMENT & EXPLORATION ACTIVITIES FOR THE QUARTER ENDED 30 SEPTEMBER 2014 ("Q3 2014")

Production Profile

(barrels)	Myanmar		Indonesia (TMT)		Indonesia (LS)	
	Q2 2014	Q3 2014	Q2 2014	Q3 2014	Q2 2014	Q3 2014
Gross production	309,450	319,879	62,218	80,642	18,061	18,283
Non-shareable production	(105,747)	(105,816)	(846)	(824)	-	-
Shareable production	203,703	214,063	61,372	79,818	18,061	18,283
Interra's share of shareable production	122,222	128,438	61,372	79,818	18,061	13,120



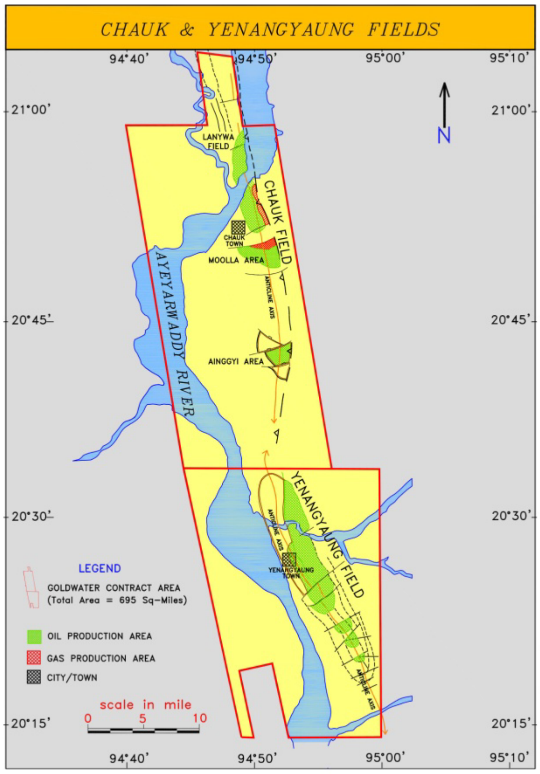
Gross production refers to the total volume of oil produced in the respective fields. Non-shareable production is the quantity of oil that is deducted from gross production and allocated directly to the respective host governments. The amount of oil remaining is the shareable production, which is then split among the contract counterparties in accordance with the respective contractual terms. The chart above represents Interra's share of the shareable production in the respective fields.

Reserves and Resources

There have been no material changes to the reserves or resources during the period.

Development and Production Activities

Myanmar: Chauk and Yenangyaung IPRCs (Interra 60%)



In Q3 2014, the combined gross production for both fields was 319,879 barrels of oil, an increase of 3% over the preceding quarter of 309,450 barrels of oil.

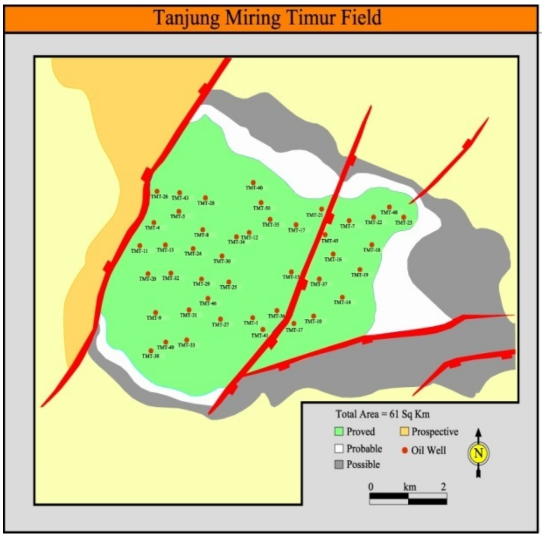
Production and development expenditure for the period were US$2,794,632 and US$2,211,481 respectively.

During Q3 the operator, Goldpetrol Joint Operating Company Inc. ("**Goldpetrol**") (Interra 60%), completed eight development wells as oil producers all of which were drilled in Chauk field.

In the ongoing aggressive drilling program, Goldpetrol continued with the full-time operation of three drilling rigs. These include two owned rigs and one higher capacity hired rig which has allowed the drilling of more challenging and deeper targets. Using the hired rig, five of the eight completions were drilled directionally under the Ayeyarwaddy River, and for the first time three were drilled from the west bank following the ferrying of the rig across the river. The two owned rigs continue to drill shallow to intermediate depth wells to develop areas in producing reservoirs that are not currently drained by existing wells.

Throughout the quarter, Goldpetrol continued to optimise production via surface and borehole enhancements combined with scheduled maintenance with the objective of maintaining (or increasing) current production levels from existing wells. Technical reservoir studies aimed at identifying additional opportunities with respect to increasing production in existing wells and new well delineation are ongoing both by Goldpetrol and an external research center.

Indonesia: Tanjung Miring Timur TAC (Interra 100%)



In Q3 2014, gross production was 80,642 barrels of oil, an increase of 30% as compared to the previous quarter of 62,218 barrels of oil. The increase was due to various production optimizations relative to arresting production declines.

Production and development expenditure for the period were US$2,916,567 and US$1,116,366 respectively.

The first of four proposed development wells of the current 2014 drilling programme commenced in Q3 2014. The wells will be drilled back-to-back using an externally contracted rig and is a continuation of the successful drilling programme which began in October 2012. This first well is a direct northern offset to the best well in the field which was completed in April 2013. Construction of surface locations for the remaining three continued.

Implementation and planning continued with respect to increasing production from existing wells primarily through additional perforations into prospective formations that have yet to be properly tested, and more aggressive formation stimulation techniques applied to current productive formations.

In addition, regular surface and borehole enhancements combined with scheduled maintenance and the installation of new lifting and other production equipment continue with the goal of optimizing production from current producing wells. Production and reservoirs studies continue both internally and employing outside specialists and detailed 3D seismic interpretation incorporating data from these studies is ongoing.

Indonesia: Linda Sele TAC (Interra 57.21%)

In Q3 2014, gross production was 18,283 barrels of oil, a slight increase as compared to the previous quarter of 18,061 barrels of oil. There were two uplifting of approximately 19,892 barrels of oil during the quarter. Following the completion on 5 August 2014, the Company still effectively holds 57.21% of Linda Sele TAC.

Production and development expenditure for the period were US$675,535 and US$ Nil respectively.

The production increase reflects continued production optimisation through surface and borehole enhancements, scheduled maintenance, and the installation of new lifting and other production equipment. The reservoir study done by an outside contractor which was completed in Q2 2014 has been incorporated into the 3D seismic data interpretation. Prospective drilling locations in both the Linda and Sele fields have been delineated based on this detailed work.

Exploration Activities

Indonesia: Kuala Pambuang PSC (Interra 49%)

Following the project "kick-off" meeting in Q3 2014, the seismic acquisition contractor began performing line surveying and clearing in preparation for the acquisition of 2D seismic survey. For various reasons technical and otherwise, the original proposed 245 line kilometres has been increased to 304 kilometres. This addition will give better sub-surface data coverage and should aid in picking a possible drilling location. Actual data acquisition is expected to commence mid-Q4 2014.

A "passive seismic" test program over the block was successfully acquired over the prospective area. This will be another "tool" to aid in the evaluation to determine possible hydrocarbon accumulation in the prospective area. This technique in tests by others seems to be capable of indicating the presence of subsurface hydrocarbon reservoirs.