

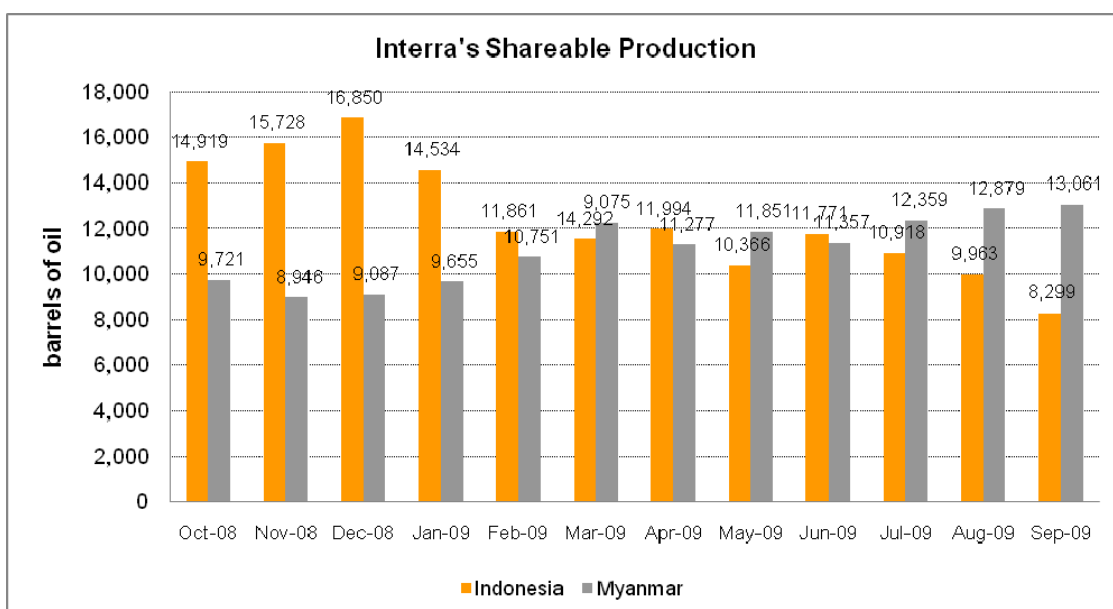
27 October 2009

PRODUCTION, DEVELOPMENT & EXPLORATION ACTIVITIES FOR THE QUARTER ENDED 30 SEPTEMBER 2009

Highlights in Q3 2009

- Shareable production in Myanmar increased by 11% compared to previous quarter
- Shareable production in Indonesia decreased by 15% compared to previous quarter due to faulty equipment resulting in significant down time
- Transacted oil price increased to US\$70 per barrel from US\$62 per barrel

Production Profile	Myanmar		Indonesia	
	Q2 2009 (barrels)	Q3 2009 (barrels)	Q2 2009 (barrels)	Q3 2009 (barrels)
Gross production	187,771	193,653	51,353	44,193
Non-shareable production	(130,295)	(129,821)	(2,593)	(2,508)
Shareable production	57,476	63,832	48,760	41,685
Interra's share of shareable production	34,486	38,299	34,132	29,180
Weighted average transacted oil price (US\$ per barrel)	62.35	70.42	62.32	70.35



Gross production refers to the total volume of oil produced in a specific field. "Non-shareable production" is the quantity of oil or gas which is deducted from gross production and allocated directly to the contract counterparty or host government. The amount of oil or gas remaining is "shareable production" which is then split between the contract counterparty or host government in accordance with the relevant contractual terms. The chart above represent Interra's share of shareable production prior to application of the contractual terms.



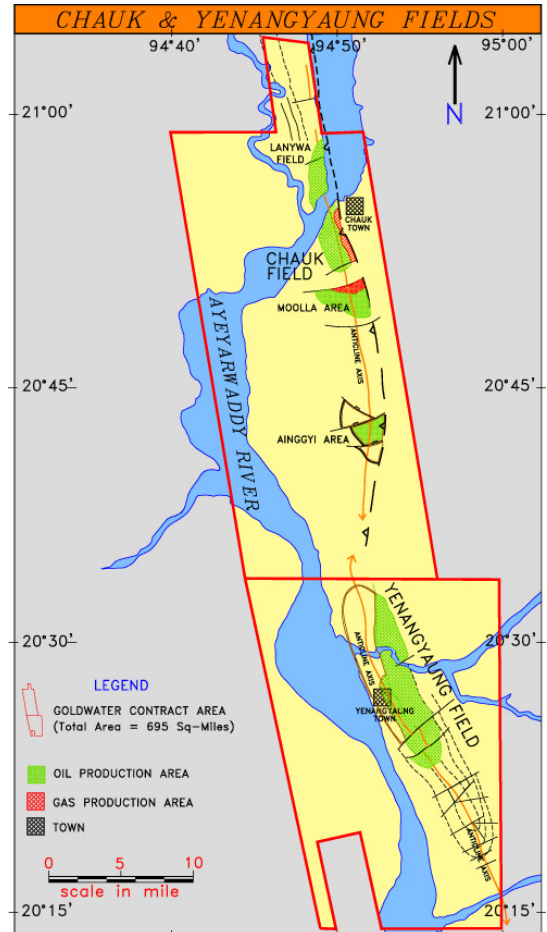
Production Activities

Myanmar: Chauk and Yenangyaung IPRCs (Interra 60%)

During Q3 2009, the combined gross production for both fields was 193,653 barrels of oil, an increase of 3% over the preceding quarter. Production and development costs for the period were US\$871,017 and US\$223,910 respectively.

Ongoing production enhancements by pump upgrades and replacements, reopenings and reactivations continued during the quarter. Due to the overall success of reopenings in the last year, an aggressive reopening / reactivation plan is ongoing. Detailed reservoir engineering studies are underway over prospective development areas to delineate new infill well locations as well as potential re-opening candidates. Yenangyaung field production continues to be marginally higher in comparison to the previous quarter.

Development well Chauk 1160 in the Chauk oil field in Myanmar was completed as an oil producer by Goldpetrol, the JOC in which Interra owns a 60% interest. The well was drilled using Goldpetrol's Cooper LTO 350 rig and as such drilling costs were minimized. Interra's share of the drilling costs was funded by internal resources. The well averaged over 50 barrels of oil per day over ten days of production testing by pump with very low water cut and high borehole fluid levels. Chauk 1160 is a continuation of Goldpetrol's focus on drilling shallow to intermediate depth development wells and optimized reactivations of old wells that have been identified from geologic and reservoir engineering studies. Production enhancement continued via hardware up-upgrades and replacements, and continued improvement of production practices. Daily production generally remained consistent with the previous quarter's production.

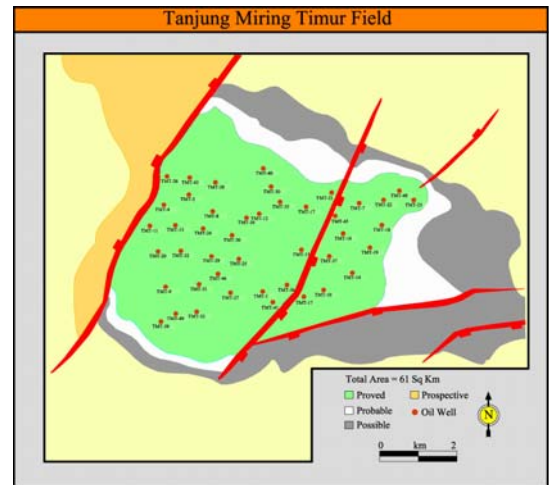




Indonesia: Tanjung Miring Timur TAC (Interra 70%)

During Q3 2009, gross production was 44,193 barrels of oil, a decrease of 14% compared to the previous quarter. Mechanical difficulties in the lifting equipment resulted in significant down time. Oil movement and transportation equipment problems were experienced by the operator during the quarter. Production and development costs for the period were US\$922,897 and US\$320,998 respectively.

A reassessment of the current production activities and plans, and an evaluation of the scope of future development strategy are underway by both the operator and Interra internally.

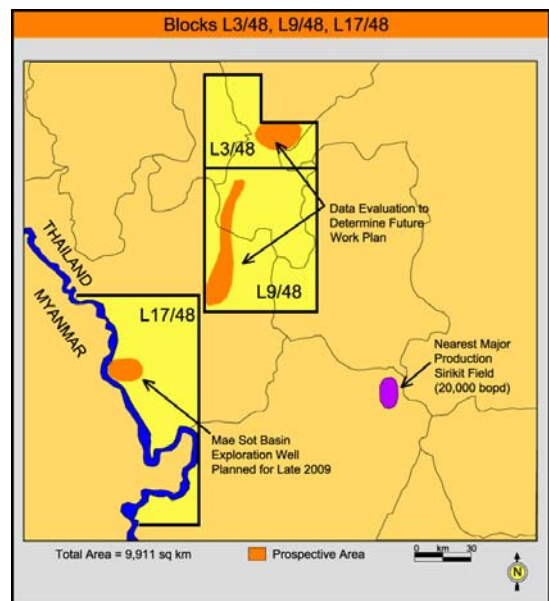


Exploration Activities

Thailand: Blocks L3/48, L9/48 and L17/48 PCAs (Interra 50%)

Work continued towards a projected commencement date of mid-November for the drilling of exploration well MS-1 in the Mae Sot Basin portion of Block L17/48 of western Thailand. The contract was signed for the drilling rig and by the end of the quarter the drilling pad and associated construction, and access road work was nearing completion.

Coordination with service providers to establish timing and logistics necessary for the safe and efficient drilling of the well continued during the quarter. The banker's guarantee in favour of the Customs Department to facilitate the importation of materials and equipment, including the drilling rig, was put in place.



A letter confirming Interra's continuance into the "Second Obligation Period" (3 years from 8 December 2009) for L17/48 was submitted to the Department of Mineral Fuels. Studies continued on L3/48 and L9/48 to determine future work plans and if continuance into the "Second Obligation Period" for either or both will be submitted.

Exploration costs for the quarter totalled US\$193,747.



Other Matters

Interra continues to evaluate acreage opportunities both throughout the South East Asia region and Australia.

By Order of the Board

Submitted by
Marcel Tjia
Chief Executive Officer

About Interra

Interra Resources Limited, listed on the SGX Catalist and the ASX, is a Singapore-incorporated company engaged in the business of upstream petroleum exploration and production (“E&P”). Our E&P activities include petroleum production, field development. We are positioning ourselves to becoming a leading regional independent producer of oil and gas.

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