INTERRA RESOURCES LIMITED
Singapore Company Registration No. 197300166Z
Australian Registered Body No. 129 575 275

12 August 2009

RESULTS FOR ANNOUNCEMENT TO THE MARKET FOR THE HALF YEAR ENDED 30 JUNE 2009

Group	6M 2009 (US$'000)	6M 2008 (US$'000)	Change (%)
Revenue	5,506	9,145	(40%)
(Loss) / Profit from ordinary activities after income tax	(554)	1,389	(140%)
Net (loss) / profit attributable to shareholders	(554)	1,389	(140%)
Net tangible assets per ordinary share (cents)	12.980	13.092	(1%)

Group	Amount per security (SGD cents)	Franked amount per security (SGD cents)
Dividend per share		
- Final and interim*	Nil	Nil

Note:
* No dividend was declared for the periods ended 30 June 2009 and 30 June 2008.

Commentary

The Group generated a net profit after tax for 2nd quarter 2009 of US$0.21 million, against a net loss after tax of US$0.76 million in 1st quarter 2009, resulting in a net loss after tax of US$0.55 million for the six months ended 2009.

Important Notes:

This half year report should be read in conjunction with the audited annual report for the financial year ended 31 December 2008 and results announcements released during the six months ended 30 June 2009.

The figures presented in this announcement have been reviewed by the auditors in accordance with Singapore Standard on Review Engagements 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

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12 August 2009

Dear Shareholders

UNAUDITED RESULTS FOR THE QUARTER ENDED 30 JUNE 2009

Highlights in Q2 2009

- Net profit after tax for the quarter of US$0.21 million
- Quarterly revenue of US$3.13 million 32% higher than the previous quarter due to higher transacted oil price for the quarter of US$62 per barrel although the shareable production decreased slightly by 3% against previous quarter
- Net cash outflow for the quarter of US$0.51 million

The Board of Directors of Interra Resources Limited (the "Company" or "Interra") wishes to announce that for the second quarter ("Q2") of 2009, the Group generated a net profit after tax of US$0.21 million compared to US$0.50 million in Q2 2008.

Q2 2009 vs Q2 2008 Review

Revenue decreased by 34% to US$3.13 million in Q2 2009 from US$4.71 million in Q2 2008 due to lower oil prices and a decrease in shareable production. The weighted average oil price transacted during Q2 2009 was US$62.35 per barrel whereas during Q2 2008 it was US$123.70 per barrel. Shareable production for Q2 2009 decreased by 8% to 68,617 barrels (754 bopd) from 74,902 barrels (823 bopd) for Q2 2008.

In Q2 2009, the Group's cost of production decreased by 4% (US$0.10 million) as compared to the corresponding period in 2008.

A foreign exchange gain of US$0.21 million was recognised which arose due to the strengthening of the Thai Baht, Singapore Dollar and Australian Dollar compared to the United States Dollar ('USD"). The Group's accounts are maintained in USD except for one subsidiary, Interra Resources (Thailand) Limited, which must maintain its accounts in Thai Baht.

During Q2 2009, 3 payments were received in respect of Myanmar trade receivables, hence, no additional allowance for impairment was charged during the period. As at the date of this report, a total of 7 payments have been received from the Myanma Oil and Gas Enterprise ("MOGE").

6M 2009 vs 6M 2008

Gross profit for the first 6 months ("6M") of 2009 of US$0.57 million as compared to gross profit of US$4.18 million for 6M 2008. The year on year decrease was due to lower shareable production and oil price. Shareable production for 6M 2009 of 139,211 barrels was lower as compared to 156,888 barrels of oil in 6M 2008 (a decrease of 11%). The weighted average oil price for 6M 2009 of US$54 per barrel was significantly lower than that of the corresponding period of 2008 of US$110 per barrel. The cost of production in 6M 2009 of US$4.93 million was slightly lower compared to US$4.96 million for 6M 2008.

The net loss after tax recorded in 6M 2009 of US$0.55 million as compared to net profit after tax in 6M 2008 of US$1.39 million due to the following:

1) Lower shareable production and oil price.
2) Reduction in interest income earned from US$0.31 million in 6M 2008 to US$0.05 million in 6M 2009.
3) Lower administrative expenses for 6M 2009 due to non-recurring expenses relating to ASX listing fee of US$0.20 million incurred in 6M 2008.
4) A one-off gain of US$0.21 million on disposal of all shares held by Interra in Salamander Energy Plc in 6M 2008 as compared to a gain of US$0.20 million (include gain from adjustment in fair value of financial assets, at fair value through profit or loss) on disposal of 7 million shares held by Interra in PT Adaro Energy TBK in 6M 2009.

Yours sincerely,

The Board of Directors
Interra Resources Limited

INTERRA RESOURCES LIMITED
UNAUDITED RESULTS FOR THE QUARTER ENDED 30 JUNE 2009

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1(a)(i) PROFIT AND LOSS STATEMENT

Group	Note	Q2 2009 US$'000	Q2 2008 US$'000	Change %	6M 2009 US$'000	6M 2008 US$'000	Change %
Revenue	A1	3,129	4,712	↓ 34	5,506	9,145	↓ 40
Cost of production	A2	(2,391)	(2,488)	↓ 4	(4,933)	(4,963)	↓ 1
Gross profit		738	2,224	↓ 67	573	4,182	↓ 86
Other income	A3	411	(85)	↑ 584	804	620	↑ 30
Administrative expenses		(811)	(968)	↓ 16	(1,557)	(2,161)	↓ 28
Other operating expenses	A4	(67)	(54)	↑ 24	(128)	(106)	↑ 21
Finance costs	A5	-	(22)	NM	-	(89)	NM
Profit / (Loss) before income tax		271	1,095	NM	(308)	2,446	↓ 113
Income tax expense		(65)	(597)	↓ 89	(246)	(1,057)	↓ 77
Profit / (Loss) for the period		206	498	↓ 59	(554)	1,389	↓ 140

1(a)(ii) STATEMENT OF COMPREHENSIVE INCOME

Group	Note	Q2 2009 US$'000	Q2 2008 US$'000	Change %	6M 2009 US$'000	6M 2008 US$'000	Change %
Profit for the period		206	498	↓ 59	(554)	1,389	↓ 140
Exchange differences on translating foreign operations		(81)	159	↓ 151	(102)	(18)	↑ 467
Financial assets, available-for-sale - Transfer to income statement on disposal		-	-	NM	-	(30)	NM
Total comprehensive income for the period		125	657	↓ 81	(656)	1,341	↓ 149

↑ means increase
↓ means decrease
NM = not meaningful

1(a)(iii) EXPLANATORY NOTES TO PROFIT AND LOSS STATEMENT

Group		Q2 2009 US$'000	Q2 2008 US$'000	6M 2009 US$'000	6M 2008 US$'000
Group's share of shareable production	barrels	68,617	74,902	139,211	156,888
A1	**Revenue**				
	Sales of crude oil (see 8(iii) for production profile)	3,129	4,712	5,506	9,145
A2	**Cost of production**				
	Production expenses	1,924	2,153	4,015	4,240
	Depreciation of property, plant and equipment	203	116	392	241
	Amortisation of exploration, evaluation and development costs	255	217	509	478
	Amortisation of computer software	9	2	17	4
		2,391	2,488	4,933	4,963
A3	**Other income**				
	Interest income from deposits	19	120	45	311
	Petroleum services fees	36	53	81	104
	Gain on disposal of marketable securities	26	-	90	210
	Gain from adjustment in fair value of financial assets, at fair value through profit or loss	122	-	395	-
	Foreign exchange gain / (loss), net*	208	(258)	193	(5)
		411	(85)	804	620
A4	**Other operating expenses**				
	Depreciation of property, plant and equipment	21	10	37	18
	Depreciation of computer software	2	-	2	-
	Amortisation of concession rights	2	2	4	4
	Amortisation of participation rights	42	42	85	84
		67	54	128	106
A5	**Finance costs**				
	Deemed interest expense on interest free loans	-	22	-	89
		-	22	-	89

* It is the Group's policy to minimise the quantum of intercompany balances, in order to reduce reported foreign exchange gains or losses.

1(b)(i) STATEMENT OF FINANCIAL POSITION

	Note	Group		Company	
		30-Jun-09 US$'000	31-Dec-08 US$'000	30-Jun-09 US$'000	31-Dec-08 US$'000
ASSETS					
Non-Current Assets					
Property, plant and equipment		1,887	1,790	45	77
Exploration, evaluation and development costs		11,092	10,540	-	-
Intangible assets	B1	5,308	5,415	6	7
Interest in subsidiary companies		-	-	17,511	18,615
Investments	B2	4	4	4	4
		18,291	17,749	17,566	18,703
Current Assets					
Financial assets, at fair value through profit or loss	B2	350	436	-	-
Inventories		2,181	1,747	-	-
Trade receivables (net)	B3	3,596	5,700	-	-
Other receivables, deposits and prepayments		480	1,028	101	134
Cash and bank balances	B4	16,598	17,257	12,617	12,213
		23,205	26,168	12,718	12,347
Total Assets		41,496	43,917	30,284	31,050
EQUITY AND LIABILITIES					
Equity					
Share capital		40,109	40,109	40,109	40,109
Reserves		(6,759)	(6,098)	(10,140)	(9,628)
Total equity		33,350	34,011	29,969	30,481
Non-Current Liabilities					
Provision for environmental and restoration costs		613	518	-	-
Total non-current liabilities		613	518	-	-
Current Liabilities					
Trade payables		1,542	2,473	-	-
Other payables and accruals		1,814	2,657	308	529
Provision for taxation		4,177	4,258	7	40
Total current liabilities		7,533	9,388	315	569
Total equity and liabilities		41,496	43,917	30,284	31,050

Explanatory Notes to Statement of Financial Position

B1 Details on intangible assets are as follows:-

	Group 30-Jun-09 US$'000	Group 31-Dec-08 US$'000
Computer software	75	93
Goodwill on reverse acquisition	1,489	1,489
Participating and concession rights	1,318	1,407
Participating rights in Thailand	2,426	2,426
	5,308	5,415

B2 Details on investments are as follows:-

	Group 30-Jun-09 US$'000	Group 31-Dec-08 US$'000
(a) Other investments		
Club membership	4	4
(b) Financial assets, at fair value through profit or loss		
Quoted equity at cost		
PT Adaro Energy		
- 10,000,000 ordinary shares	538	538
Less: disposal of 7,000,000 ordinary shares	(376)	-
Fair value gain / (loss) recognised in profit and loss	188	(102)
Market value	350	436

b) During Q2 2009, the Group disposed of a further 3,000,000 PT Adaro Energy TBK shares at a cash consideration of US$0.25 mil. Gains in respect of disposal of this asset (net of mark-to-market gain already recognised in prior periods) were recognised in the profit and loss statement at the point of disposal.

B3 Details on trade receivables (net) are as follows:-

	Group 30-Jun-09 US$'000	Group 31-Dec-08 US$'000
Trade receivables	6,513	8,617
Allowance for impairment of trade receivables	(2,917)	(2,917)
	3,596	5,700

Explanatory Notes to Statement of Financial Position

B4 Details on cash and cash equivalents are as follows:-

	Group	
	30-Jun-09	31-Dec-08
	US$'000	US$'000
Cash at bank and on hand	3,662	3,079
Fixed deposits	12,936	14,178
Cash and bank balances (as per Balance Sheet)	**16,598**	**17,257**
Less: Fixed deposit held as collateral for banker's guarantees	(2,140)	(2,960)
Cash and cash equivalents (as per Cash Flow Statement)	**14,458**	**14,297**

Cash collateral represents fixed deposits of the Company pledged as security for issuance of the bank guarantees in favour of the Thailand Ministry of Energy for a period of up to 3 years with effect from 19 Apr 2007. As at 30 Jun 09, the outstanding bank guarantees were US$2.14 mil.

1(b)(ii) BORROWINGS AND DEBT SECURITIES

Group	30-Jun-09		31-Dec-08	
	Secured	Unsecured	Secured	Unsecured
	US$'000	US$'000	US$'000	US$'000
Amount repayable in one year or less, or on demand	-	-	-	-
Amount repayable after one year	-	-	-	-

Details of Collateral

Fixed deposits of US$2.14 mil were held as collateral for banker's guarantees in favour of the Thailand Ministry of Energy for a period of up to 3 years with effect from 19 Apr 2007.

A further fixed deposit of US$0.67 mil were held as collateral for banker's guarantee in favour of Department of Custom, Thailand for importation of goods into Thailand.

1(c) STATEMENT OF CASH FLOW

Group	Q2 2009 US$'000	Q2 2008 US$'000	6M 2009 US$'000	6M 2008 US$'000
Cash Flows from Operating Activities				
Profit / (Loss) before income tax	271	1,095	(308)	2,446
Adjustments for non-cash items:				
Foreign currency translation	113	(11)	125	24
Depreciation of property, plant and equipment	224	126	429	260
Amortisation of:				
EED costs	255	217	509	478
Concession rights	2	2	4	4
Computer software	11	2	19	4
Participating rights	42	42	85	84
Interest income	(19)	(120)	(45)	(312)
Interest expense	-	22	-	89
Gain from adjustment in fair value of financial assets	(122)	-	(395)	-
Exchange (gain) / loss	(208)	258	(193)	5
Gain on disposal of marketable securities	(26)	-	(90)	(210)
Operating profit before working capital changes	**543**	**1,633**	**140**	**2,872**
Changes in working capital:				
Inventories	(21)	(318)	(434)	(554)
Trade and other receivables	937	(551)	2,659	(560)
Trade and other payables	(1,574)	(200)	(1,644)	(841)
Accrued operating expenses	(188)	(29)	(143)	18
Provision for environmental and restoration costs	45	37	95	89
Cash generated from operations	(258)	572	673	1,024
Tax (paid) / refund	(109)	(425)	(325)	(625)
Net cash (used in) / provided by operating activities	**(367)**	**147**	**348**	**399**
Cash Flows from Investing Activities				
Interest income received	15	130	48	345
Net proceeds from disposal of marketable securities	253	-	572	1,210
Fixed deposit released as collateral for banker's guarantee	-	-	820	-
Capital expenditure:				
Purchase of property, plant and equipment	(22)	(186)	(510)	(197)
Purchase of computer software	(21)	-	(21)	-
Well drillings and improvements	(61)	(154)	(729)	(154)
Geological and geophysical studies (including seismic)	(310)	(77)	(367)	(542)
Net cash (used in) / provided by investing activities	**(146)**	**(287)**	**(187)**	**662**
Cash Flows from Financing Activities				
Repayment of loan from a related party	-	(4,381)	-	(4,381)
Dividend paid	-	(944)	-	(944)
Net cash (outflows) from financing activities	**-**	**(5,325)**	**-**	**(5,325)**
Net (decrease) / increase in cash and cash equivalents	**(513)**	**(5,465)**	**161**	**(4,264)**
Cash and cash equivalents at beginning of period	14,971	22,007	14,297	20,806
Cash and cash equivalents at end of period (see Note B4)	**14,458**	**16,542**	**14,458**	**16,542**

1(d)(i) STATEMENTS OF CHANGES IN EQUITY

Group	Share Capital US$'000	Foreign Currency Translation Reserve US$'000	Special Reserves US$'000	Other Reserves US$'000	Retained Earnings / (Accumulated Losses) US$'000	Total Equity US$'000
Balance as at 1 Apr 2008	40,109	(1,342)	(16,545)	-	11,700	33,922
First and final dividend of S$0.005 per share in respect of FY2008	-	-	-	-	(944)	(944)
Employee share option scheme						
- value of employee services	-		-	2	-	2
Total comprehensive income for Q2 2008	-	159	-	-	498	657
Balance as at 30 Jun 2008	40,109	(1,183)	(16,545)	2	11,254	33,637
Balance as at 1 Apr 2009	40,109	(1,149)	(16,545)	19	10,800	33,234
Employee share option scheme						
- value of employee services	-	-	-	(9)	-	(9)
Total comprehensive income for Q2 2009	-	(81)	-	-	206	125
Balance as at 30 Jun 2009	40,109	(1,230)	(16,545)	10	11,006	33,350

Company	Share Capital US$'000	Other Reserves US$'000	Accumulated Losses US$'000	Total Equity US$'000
Balance as at 1 Apr 2008	40,109	-	(7,756)	32,353
First and final dividend of S$0.005 per share in respect of FY2008	-	-	(944)	(944)
Employee share option scheme - value of employee services	-	2	-	2
Total comprehensive income for Q2 2008	-	-	(431)	(431)
Balance as at 30 Jun 2008	40,109	2	(9,131)	30,980
Balance as at 1 Apr 2009	40,109	19	(9,951)	30,177
Employee share option scheme				
- value of employee services	-	(9)	-	(9)
Total comprehensive income for Q2 2009	-	-	(199)	(199)
Balance as at 30 Jun 2009	40,109	10	(10,150)	29,969

1(d)(ii) SHARE CAPITAL

Share Options Outstanding

The number of unissued ordinary shares of the Company under option in relation to the Share Option Plan outstanding was as follows

	No. of unissued ordinary shares under option	No. of unissued ordinary shares forfeited	Exercise Price	Exercise Period
Luke Christopher Targett	350,000	350,000	S$0.45	4 March 2010 to 2 March 2013
	350,000	350,000	S$0.55	4 March 2010 to 2 March 2013
Frank Overall Hollinger	250,000	-	S$0.45	4 March 2010 to 2 March 2013
	250,000	-	S$0.55	4 March 2010 to 2 March 2013

On 3 Mar 2008, the Company granted options to subscribe for 600,000 ordinary shares at an exercise price of S$0.45 per share and 600,000 ordinary shares at an exercise price of S$0.55 per share ("2008 Options"). The 2008 Options are exercisable from 4 Mar 2010 and expire on 2 Mar 2013. The total fair value of the 2008 Options granted over the vesting period was estimated to be S$49,448 (US$35,461) using the Binomial Option Pricing Model.

On 19 Jun 2009, Chief Executive Officer and Executive Director, Luke Christopher Targett has resigned after the expiry of the term of service contract and 2008 Options granted is lapsed on the same date. Consequently, the share option expenses recognised previously will be reversed from share option reserve to profit and loss statement. As at 30 Jun 2009, the total fair value of the 2008 Options granted and still valid was estimated to be S$20,603 (US$14,776).

No additional share capital was issued in Q2 2009.

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

Group and Company	Q2 2009	Q2 2008
Issued and fully paid		
Opening balance and closing balance	256,920,238	256,920,238
	256,920,238	256,920,238

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

Not applicable.

2 WHETHER THE FIGURES HAVE BEEN AUDITED OR REVIEWED, AND IN ACCORDANCE WITH WHICH STANDARD (EG. THE STANDARD ON AUDITING 910 (ENGAGEMENTS TO REVIEW FINANCIAL STATEMENTS), OR AN EQUIVALENT STANDARD)

The figures have not been audited but have been reviewed by 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)

Not applicable.

4 WHETHER THE SAME ACCOUNTING POLICIES AND METHODS OF COMPUTATION AS IN THE ISSUER'S MOST RECENTLY AUDITED ANNUAL FINANCIAL STATEMENTS HAVE BEEN APPLIED

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 year ended 31 Dec 2008.

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") tha are relevant ot its operations and effective for annual periods beginning on or after 1 Jan 2009. Consequential amendments were also made to various standards as a result of these new or revised standards.

The following new or amended FRS are relevant to the Group and the Company:

FRS 1(R) - Presentation of Financial Statements
Revised FRS 23 - Borrowing Costs
FRS 108 - Operating Segments

The adoption of these new or revised FRS and INT FRS does not result in changes to the Group's and 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	Q2 2009	Q2 2008	6M 2009	6M 2008
Basic earnings / (loss) per share (USD cents)	0.080	0.194	(0.216)	0.541
Weighted average number of shares for the purpose of computing basic earnings / (loss) per share	256,920,238	256,920,238	256,920,238	256,920,238
Fully diluted earnings / (loss) per share (USD cents)	0.080	0.194	(0.216)	0.541
Weighted average number of shares for the purpose of computing fully diluted earnings per share	256,920,238	256,920,238	256,920,238	256,920,238

Basic and fully diluted earnings per share for Q2 2009 are based on the weighted average number of 256,920,238 shares. There were no new shares issued.

7 NET ASSET VALUE PER SHARE

	Group		Company	
	30-Jun-09	31-Dec-08	30-Jun-09	31-Dec-08
Net asset value per ordinary share based on issued share capital (excluding treasury shares) (USD cents)	12.980	13.238	11.665	11.864
Number of ordinary shares in issue	256,920,238	256,920,238	256,920,238	256,920,238

8(i) PERFORMANCE REVIEW

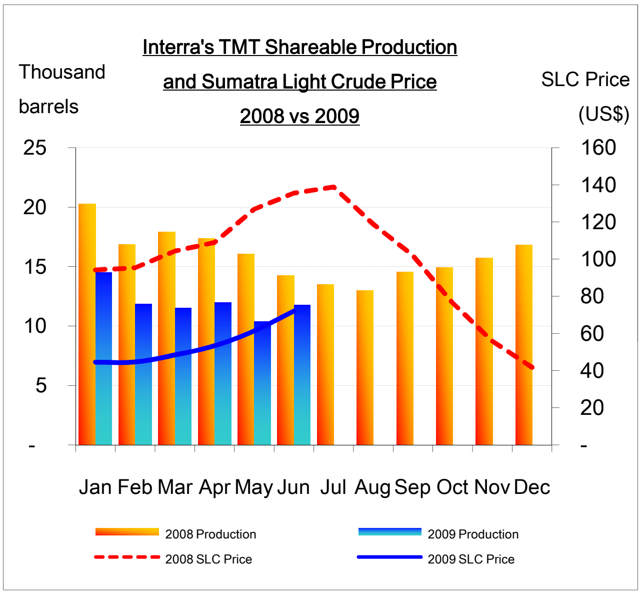
Significant factors affecting the turnover, costs and earnings of the Group

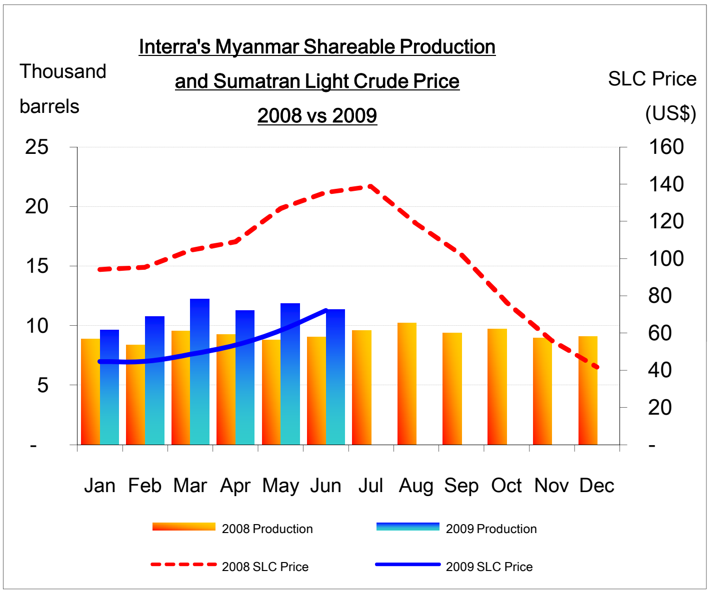
Production & Revenue

Revenue decreased by 34% to US$3.13 mil in Q2 2009 from US$4.71 mil in Q2 2008 due to lower oil prices and shareable production. The weighted average oil price transacted during Q2 2009 was US$62.35 per barrel whereas during Q2 2008 it was US$123.70 per barrel. Shareable production for Q2 2009 decreased by 8% to 68,617 barrels (754 bopd) from 74,902 barrels (823 bopd) for Q2 2008.

The shareable production contributed by TMT decreased from 47,735 barrels in Q2 2008 (6M 2008: 102,861 barrels) to 34,131 barrels in Q2 2009 (6M 2009: 72,058 barrels) due to a lower contribution from the new well drilled in 2007. Total production from well TMT-48 decreased from 14,851 barrels in Q2 2008 to 3,653 barrels in Q2 2009, a decrease by 75%. The shareable production from Myanmar increased by 27% from 27,167 barrels in Q2 2008 (6M 2008: 54,027 barrels) to 34,486 barrels in Q2 2009 (6M 2009: 67,153 barrels) due to good contribution from the re-opening of old well (#3208) in Q2 2009.

On a year on year basis, the Group's share of shareable production decreased by 11% (17,677 barrels) to 139,211 barrels for 6M 2009 from 156,888 barrels during 6M 2008.





Cost of Production

The cost of production in Q2 2009 decreased by 4% (US$0.10 mil) as compared to Q2 2008. Direct production expenses in Q2 2009 were slightly lower than Q2 2008 and non cash costs of production including depreciation and amortisation in Q2 2009 were almost 39% higher than Q2 2008 due to amortisation of the new wells costs (US$2.5 million) drilled in 2008 in Myanmar and Indonesia.

On a year on year basis, cost of production in 6M 2009 slightly decreased by US$0.03 mil as compared to Q2 2008 due to lower operating expenses at TMT from US$2.53 mil in Q2 2008 to US$2.32 mil in Q2 2009. But, the decrease was offset by the increase of non cash costs of production including depreciation and amortisation from US$0.38 mil to US$0.56 mil in TMT.

Net Profit / (Loss) After Tax

The Group posted a lower net profit after tax of US$0.21 mil in Q2 2009 compared to a higher net profit of US$0.50 mil in Q2 2008. The decrease in net profit was due mainly to the following:

a) Lower shareable production and oil prices.

b) Reduction in interest income earned from US$0.12 mil in Q2 2008 to US$0.02 mil in Q2 2009.

Net Profit / (Loss) After Tax

Neverthless, during the period the Group has a one-off gain on disposal of marketable securities of US$0.12 mil from PT Adaro Energy shares and a foreign exchange gain of US$0.21 mil as compared to corresponding period.

The Group posted a net loss after tax of US$0.55 mil in 6M 2009 as compared to a net profit after tax of US$1.39 mil in 6M 2008. The swing from net profit to net loss was due mainly to lower shareable production and oil prices and reduction in interest income earned from US$0.31 mil in 6M 2008 to US$0.05 mil in 6M 2009.

Group (Q2 2009)	Profit / (Loss) Before Tax US$'000	Taxation US$'000	Net Contribution to Group US$'000	Net Contribution to Group %
TMT	(94)	(88)	(182)	(39%)
Myanmar	493	23	516	111%
Thailand	132	-	132	28%
Profit / (Loss) from operations	**531**	**(65)**	**466**	**100%**
Head office expenses and income			(260)	
Income tax expense			-	
Net profit after tax			**206**	

Group (6M 2009)	Profit / (Loss) Before Tax US$'000	Taxation US$'000	Net Contribution to Group US$'000	Net Contribution to Group US$'000
TMT	(467)	(160)	(627)	738%
Myanmar	483	(31)	452	(532%)
Thailand	90	-	90	(106%)
Profit / (Loss) from operations	**106**	**(191)**	**(85)**	**100%**
Head office expenses and income			(414)	
Income tax expense			(55)	
Net loss after tax			**(554)**	

Material factors affecting the cash flow, working capital, assets or liabilities of the Group during the current financial period

(1) In Apr 2009, the Group received net proceeds of US$0.25 mil for the disposal of part of its investment in PT Adaro Energy TBK shares.

(2) Capital expenditure of US$0.41 mil was made during the quarter mainly in respect of drilling preparation in Thailand of US$0.31 mil.

(3) During the quarter, the Group received 3 payments in respect of outstanding trade receivables in Myanmar. The Group generated a net cash inflow from operating activities of US$1.23 mil from Myanmar operations in Q2 2009.

(4) The Group's cash position remained stable with a net cash outflow of US$0.51 mil in Q2 2009.

8(ii) SEGMENTED REVENUE AND RESULTS

Geographical Segment	Indonesia		Myanmar		Consolidated	
	Q2 2009	Q2 2008	Q2 2009	Q2 2008	Q2 2009	Q2 2008
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Results						
EBITDA	249	892	681	1,440	930	2,332
EBIT	(82)	680	493	1,273	411	1,953
Sales to external customers	1,582	2,295	1,547	2,417	3,129	4,712
Segment results	(104)	705	493	1,273	389	1,978
Finance costs					-	(22)
Unallocated corporate net operating results					(118)	(861)
Profit before income tax					271	1,095
Income tax expense					(65)	(597)
Net profit after income tax					206	498

Geographical Segment	Indonesia		Myanmar		Consolidated	
	6M 2009	6M 2008	6M 2009	6M 2008	6M 2009	6M 2008
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Results						
EBITDA	167	1,677	850	2,524	1,017	4,201
EBIT	(489)	1,209	483	2,180	(6)	3,389
Sales to external customers	2,875	4,831	2,631	4,314	5,506	9,145
Segment results	(486)	1,265	483	2,180	(3)	3,445
Finance costs					-	(89)
Unallocated corporate net operating results					(305)	(910)
(Loss) / Profit before income tax					(308)	2,446
Income tax expense					(246)	(1,057)
Net (loss) / profit after income tax					(554)	1,389

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		Q2 2009 barrels	Q2 2008 barrels	6M 2009 barrels	6M 2008 barrels
Average gross production per day		2,063	1,991	2,058	1,996
Gross production		187,771	181,206	372,451	363,352
Non-shareable production		(130,295)	(135,928)	(260,527)	(273,307)
Production shareable with MOGE		57,476	45,278	111,924	90,045
Group's 60% share of production		34,486	27,167	67,153	54,027
Group's average shareable production per day		379	299	371	297

Myanmar Revenue		Q2 2009	Q2 2008	6M 2009	6M 2008
Weighted average transacted oil price	US$	62.35	123.70	54.45	111.00
Revenue shareable with MOGE	US$'000	2,150	3,362	3,656	5,997
MOGE's share	US$'000	(603)	(943)	(1,026)	(1,683)
Group's net share of revenue	US$'000	1,547	2,419	2,630	4,314

Indonesia Production		Q2 2009 barrels	Q2 2008 barrels	6M 2009 barrels	6M 2008 barrels
Average gross production per day		564	788	600	847
Gross production		51,353	71,690	108,523	154,066
Non-shareable production		(2,593)	(3,495)	(5,581)	(7,120)
Production shareable with Pertamina		48,760	68,195	102,942	146,946
Group's 70% share of production		34,131	47,735	72,058	102,861
Group's average shareable production per day		375	525	398	565

Indonesia Revenue		Q2 2009	Q2 2008	6M 2009	6M 2008
Weighted average transacted oil price	US$	62.32	122.99	53.65	109.51
Revenue shareable with Pertamina	US$'000	2,127	5,871	3,866	11,265
Pertamina's share *	US$'000	(545)	(3,576)	(990)	(6,433)
Group's net share of revenue	US$'000	1,582	2,295	2,876	4,832

Group Production and Revenue		Q2 2009	Q2 2008	6M 2009	6M 2008
Group's share of shareable production	barrels	68,617	74,902	139,211	156,888
Group's average shareable production per day	barrels	754	823	769	862
Group's total revenue	US$'000	3,129	4,714	5,506	9,146

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 in FY2008.

9 WHERE A FORECAST, OR A PROSPECT STATEMENT, HAS BEEN PREVIOUSLY DISCLOSED TO SHAREHOLDERS, ANY VARIANCE BETWEEN IT AND THE ACTUAL RESULTS

N.A

10 COMMENTARY ON PROSPECTS

The Group will continue to be affected by the volatility of the oil prices. The Group has taken measures to reduce costs and to scale back work programs and capital commitments during 2009. The Company is in a sound financial position and has no debt. Interra has sufficient cash on hand to meet its operating costs for the forseeable future.

In Thailand, there is no production or revenue generated by the 3 blocks as they are exploration in nature. The Company is expected to commence drilling of our first exploration well in Q4 this year.

Apart from the existing business operations, the Group continues to actively seek new concessions and acquisitions.

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) Date Payable

NA

d) 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 TRANSACTION

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) Q2 2009 US$	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000) Q2 2009 US$
Nil	Nil	Nil

14 CONFIRMATION BY THE BOARD OF DIRECTORS PURSUANT TO RULE 705(4) OF THE SGX LISTING MANUAL

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 of the Company which may render the financial statements for the quarter ended 30 Jun 2009 to be false or misleading in any material respect.

Submitted by
Marcel Tjia
Executive Director

12 Aug 2009

15 ABBREVIATIONS

bopd	means	barrels of oil per day
EED	means	Exploration, evaluation and development
FRS	means	Financial Reporting Standards
Q2 2008	means	Second calendar quarter of year 2008
Q2 2009	means	Second calendar quarter of year 2009
6M 2008	means	For the period ended 30 June 2008
6M 2009	means	For the period ended 30 June 2009
FY 2008	means	Full year ended 31 December 2008
FY 2009	means	Full year ended 31 December 2009
Geopetrol	means	Geopetrol Singu Inc.
Goldpetrol	means	Goldpetrol Joint Operating Company Inc.
Goldwater	means	Goldwater Company Limited
Group	means	Interra Resources Limited, its subsidiary companies and joint ventures
GTMT	means	Goldwater TMT Pte. Ltd.
Interra	means	Interra Resources Limited
IPR	means	Improved Petroleum Recovery
IRT	means	Interra Resources (Thailand) Limited
JSXT	means	JSX Energy (Thailand) Limited
k	means	thousand
mil	means	million
MOGE	means	Myanma Oil and Gas Enterprise
DMO	means	Domestic Market Obligation
NA	means	Not applicable
NM	means	Not meaningful
PCA	means	Petroleum Concession Agreement
Pertamina	means	Perusahaan Pertambangan Minyak Dan Gas Bumi Negara
PSC	means	Production Sharing Contract
Retco	means	PT Retco Prima Energi
Salamander	means	Salamander Energy plc
TAC	means	Technical Assistance Contract
TMT	means	Tanjung Miring Timur

DIRECTORS' REPORT
For the half year ended 30 June 2009

The Directors of Interra Resources Limited (the "Company") present their report together with the consolidated financial report of the Company and its subsidiaries (the "Group") for the half year ended 30 June 2009 and the audit review report thereon.

DIRECTORS

The directors of the Company during the half year up to the date of this report are:

Edwin Soeryadjaya	(Non-Executive Chairman)
Sandiaga Salahuddin Uno	(Non-Executive Deputy Chairman)
Luke Christopher Targett – resigned on 19 June 2009	(Executive Director & Chief Executive Officer)
Marcel Han Liong Tjia – appointed on 20 June 2009	(Executive Director & Chief Executive Officer)
Subianto Arpan Sumodikoro	(Non-Executive Director)
Allan Charles Buckler	(Independent Director)
Lim Hock San	(Independent Director)
Ng Soon Kai	(Independent Director)
Crescento Hermawan	(Alternate Director to Subianto Arpan Sumodikoro)

RESULTS OF OPERATIONS

The net loss after tax of the Group for the six months to 30 June 2009 amounted to US$0.55 million (half year ended 30 June 2008 net profit after tax of US$1.39 million).

REVIEW OF OPERATIONS

6M 2009 vs 6M 2008

Gross profit for the first six months ("6M") of 2009 was US$0.57 million as compared to gross profit of US$4.18 million for 6M 2008. The year on year decrease was due to lower shareable production and oil price. Shareable production for 6M 2009 of 139,211 barrels was lower as compared to 156,888 barrels of oil in 6M 2008 (a decrease of 11%). The weighted average oil price for 6M 2009 of US$54 per barrel was significantly lower than that of the corresponding period of 2008 of US$110 per barrel. The cost of production in 6M 2009 of US$4.93 million was slightly lower compared to US$4.96 million for 6M 2008.

The net loss after tax recorded in 6M 2009 of US$0.55 million as compared to net profit after tax in 6M 2008 of US$1.39 million was due to the following:
1. Lower shareable production and oil price.
2. Reduction in interest income from US$0.31 million in 6M 2008 to US$0.05 million in 6M 2009.
3. Lower administrative expenses for 6M 2009 due to non-recurring expenses relating to ASX listing fee of US$0.20 million incurred in 6M 2008.
4. A one-off gain of US$0.21 million on the disposal of all shares held by the Company in Salamander Energy plc in 6M 2008 as compared to a gain of US$0.20 million (includes gain from adjustment in fair value of financial assets, at fair value through profit or loss) on disposal of 7 million shares held by the Company in PT Adaro Energy TBK in 6M 2009.

On behalf of the Board of Directors of
INTERRA RESOURCES LIMITED

Marcel Han Liong Tjia
Executive Director & Chief Executive Officer

Singapore
12 August 2009

Nexia TS NEXIA INTERNATIONAL

The Board of Directors
Interra Resources Limited
61 Stamford Road
#04-06 Stamford Court
Singapore 178892

Dear Sirs,

INTERRA RESOURCES LIMITED AND ITS SUBSIDIARIES
REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION AS OF AND FOR THE HALF YEAR ENDED 30 JUNE 2009

Introduction

We have reviewed the accompanying balance sheet of Interra Resource Limited (the "Company") and its subsidiaries (the "Group") as of 30 June 2009 and the related statements of income, changes in equity and cash flows for the half year period then ended selected notes and other explanatory notes ("interim financial information"). Management is responsible for the preparation and fair presentation of this interim financial information in accordance with Financial Reporting Standards 34 *Interim Financial Reporting* ("FRS 34"). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of *(or "does not present fairly, in all material respects,")* the financial position of the Company and of the Group as at 30 June 2009, and of its financial performance and its cash flows for the half year period then ended in accordance with FRS 34.

Nexia TS Public Accounting Corporation
Public Accountants and Certified Public Accountants

Singapore

3 August 2009