

CIRCULAR DATED 12 APRIL 2011

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about this Circular or as to the action that you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of Interra Resources Limited (the "**Company**") held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your shares represented by physical share certificate(s), you should forward this Circular immediately to the purchaser or to the transferee or to the bank, stockholder or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Collins Stewart Pte. Limited, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). Collins Stewart Pte. Limited has not independently verified the contents of this Circular. This Circular has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.

The contact person for the Sponsor is Mr Alex Tan, Managing Director, Corporate Finance, Collins Stewart Pte. Limited, at 77 Robinson Road #21-02 Singapore 068896, telephone number (65) 6854 6160.



INTERRA RESOURCES LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 197300166Z)
(Australian Business No. 37 129 575 275)

CIRCULAR TO SHAREHOLDERS

In relation to

THE PROPOSED AMENDMENTS TO THE RULES OF THE INTERRA SHARE OPTION PLAN

IMPORTANT DATES AND TIMES

- | | | |
|--|---|--|
| Last date and time for lodgement of Proxy Form | : | 26 April 2011 at 11:00 a.m. |
| Date and time of Extraordinary General Meeting | : | 28 April 2011 at 11:00 a.m. (or such time immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10:00 a.m. on the same day and at the same place) |
| Place of Extraordinary General Meeting | : | Tanglin Room 1, Level 1, RELC International Hotel
30 Orange Grove Road, Singapore 258352 |

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DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

- “Associate” : (a) In relation to any Director, chief executive officer or Controlling Shareholder (being an individual) would mean his immediate family, the trustees of any trust of which he or his immediate family is a beneficiary, or, in the case of a discretionary trust, is a discretionary object, or any company in which he and his immediate family together (directly or indirectly) have an interest of thirty (30) per cent. or more; and
- (b) In relation to a Controlling Shareholder (being a company) would mean any company which is:
- (i) its subsidiary;
- (ii) its holding company;
- (iii) a subsidiary of its holding company; or
- (iv) a company in the equity of which it and/or one more of the entities listed in subsections (i) to (iii) above taken together (directly and indirectly) have an interest of thirty (30) per cent. or more
- “Associated Company” : A company in which at least twenty (20) per cent. but not more than fifty (50) per cent. of its shares are held by the Company or the Group and over which the Company has control
- “Board” : The board of Directors of the Company
- “CDP” : The Central Depository (Pte) Limited
- “Committee” : The remuneration committee of the Company, or such other committee comprising Directors of the Company duly authorised and appointed by the Board to administer the Plan
- “Company” or “Interra” : Interra Resources Limited
- “Control” : The capacity to dominate decision making, directly or indirectly, in relation to the financial and operating policies of that company being controlled
- “Controlling Shareholder” : A person who:
- (a) holds directly or indirectly a shareholding of fifteen (15) per cent. or more of the Company’s then issued share capital; or
- (b) in fact exercises Control over the Company,
- unless rebutted, shall be presumed to be a Controlling Shareholder of the Company
- “Date of Grant” : In relation to an Option, the date on which the Option is granted to a Participant
- “Directors” : The directors for the time being of the Group and “Director” means each or any one of them

“EGM”	:	The extraordinary general meeting of the Company to be convened and held at Tanglin Room 1, Level 1, RELC International Hotel, 30 Orange Grove Road, Singapore 258352 on 28 April 2011 at 11:00 a.m. (or such time immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10:00 a.m. on the same day and at the same place), notice of which is set out on page 14 of this Circular (the “ Notice of EGM ”)
“Employee”	:	A full-time confirmed employee who is not an Executive Director of the Group
“Exercise Price”	:	The price at which a Participant shall subscribe for each Share upon the exercise of an Option which shall be the price as determined in accordance with Rules 8 and 11 of the Plan
“Group”	:	The Company, its subsidiaries and its Associated Companies
“Latest Practicable Date”	:	The latest practicable date prior to the printing of this Circular, being 4 April 2011
“Listing Manual”	:	The SGX-ST Listing Manual Section B: Rules of Catalist, as may be amended, varied or supplemented from time to time
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“Market Price”	:	The average of the last dealt prices for the Shares on the Official List of the SGX-ST for the five (5) consecutive Market Days immediately preceding the relevant Date of Grant for which there was trading in the Shares
“Option”	:	The right to subscribe for Shares granted or to be granted pursuant to the Plan
“Participant”	:	Any eligible person selected by the Committee to participate in the Plan in accordance with the Rules thereof and to whom an offer of Option has been made
“Plan”	:	The Interra Share Option Plan
“Rules”	:	Rules of the Plan
“SGX-ST”	:	The Singapore Exchange Securities Trading Limited.
“Shareholders”	:	Persons (not being Depositors) who are registered as holders of Shares in the Register of Members of the Company and Depositors, who have Shares entered against their names in the Depository Register except where the registered holder is CDP, the term “Shareholder” shall in relation to such Shares mean the Depositors whose Securities Accounts are credited with the Shares
“Shares”	:	Ordinary shares in the capital of the Company
“The Memorandum and Articles of Association”	:	The Memorandum and Articles of Association of the Company

“S\$” and “cents” : Singapore dollars and cents, respectively

“%” or “per cent.” : Percentage or per centum

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Any reference in the Plan to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or any statutory modification thereof and used in the Plan shall, where applicable, have the same meaning assigned to it under the Companies Act or such modification, as the case may be, unless the context otherwise requires.

Any reference in the Plan to a time of the day and date shall be a reference to Singapore time and date respectively, unless otherwise stated.

Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof are due to rounding.

INTERRA RESOURCES LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 197300166Z)
(Australian Business No. 37 129 575 275)

Directors:

Mr. Edwin Soeryadjaya (*Non-Executive Chairman*)
Mr. Sandiaga Salahuddin Uno (*Non-Executive Deputy Chairman*)
Mr. Marcel Han Liong Tjia
(*Chief Executive Officer and Executive Director*)
Mr. Subianto Arpan Sumodikoro (*Non-Executive Director*)
Mr. Allan Charles Buckler (*Independent Director*)
Mr. Low Siew Sie Bob (*Independent Director*)
Mr. Ng Soon Kai (*Independent Director*)
Mr. Pepen Handianto Danuatmadja
(*Alternate Director to Mr. Subianto Arpan Sumodikoro*)

Registered Office:

1 Grange Road
#05-04 Orchard Building
Singapore 239693

12 April 2011

To: The Shareholders of INTERRA RESOURCES LIMITED

Dear Sir/Madam,

THE PROPOSED AMENDMENTS TO THE RULES OF THE INTERRA SHARE OPTION PLAN

1. INTRODUCTION

1.1 Extraordinary General Meeting

The Board is proposing to convene an extraordinary general meeting to seek Shareholders' approval in respect of the proposed amendments to the existing Rules to:

- (i) include non-executive Directors and all Employees including those who are not holding a managerial position with the Group as eligible Participants;
- (ii) to empower the Committee to grant Options with the Exercise Price set at a discount to Market Price; and
- (iii) to empower the Committee to grant Options with the Exercise Price set to Market Price or at a premium to Market Price to be exercisable after one year from the Date of Grant.

1.2 Purpose of this Circular

The purpose of this Circular is to provide Shareholders with information relating to, and the reasons for the proposed amendments to the existing Rules and to seek Shareholders' approval for the same at the EGM. The Notice of EGM is set out on page 14 of this Circular.

2. THE PROPOSED AMENDMENTS TO THE EXISTING RULES

2.1 Introduction

The existing Rules were set out in the Circular to the Shareholders dated 5 April 2007 and were approved by Shareholders at the extraordinary general meeting of the Company held on 30 April 2007 and amended and approved by the SGX-ST on 26 December 2007.

2.2 Proposed Amendments to the Rules

The proposed amendments to the existing Rules have been set out in Appendix 1 hereto and are subject to Shareholders' approval at the EGM.

In essence, the Company proposes to amend the Rules to widen the scope of eligible Participants and to give wider powers and discretion to the Committee in the administration of the Plan. The Rules are proposed to be amended as follows:

(i) Eligibility of Participants

Rule 4.1 of the Plan currently restricts participation in the Plan to the following persons (provided that such persons are not undischarged bankrupts at the relevant time):

- (a) Executive Directors;
- (b) Key executives; and
- (c) Other Employees.

The existing Rules currently do not permit non-executive Directors or Employees who hold the rank below a managerial position from participating in the Plan. The Company recognizes the value of contributions by all of its Directors and Employees, including its non-executive Directors and those Employees holding the rank below a managerial position and wishes to extend the Plan to them in order to provide incentive, benefits and motivation to all its Directors and Employees through the grant of Options to them under the Plan.

Non-executive Directors have different professional backgrounds and they provide invaluable experience and different perspectives in relation to the development and expansion of the Group.

The Group's business requires dedicated and honest contribution from all its staff, including field staff who are involved in the operations and administration of the Group's oil and gas assets. While not holding a managerial position, the Company recognizes that these Employees and their contributions are vital to the Group's success.

Accordingly, the Company is proposing that Rule 4.1 of the Plan be modified to remove all references to "Executive Directors" or "Key Executives" and to replace them with new definitions of "Directors" and "Employees" to include all Directors and all full-time Employees. These two groups, which are currently excluded from the Plan, will, after the amendments, be eligible to participate in the Plan.

Consequential amendments will have to be made to Rule 13.1 of the Plan to make it consistent with the amended Rule 4.1 of the Plan so that when it is proposed to grant Options to any Director (and not just Executive Directors as currently provided), all members of the Board (and not just all the non-executive Directors as currently provided), save for the Director to whom the Options are proposed to be granted, will have to decide on the proposal. These consequential amendments are set out in Appendix 1.

(ii) Exclusion of Controlling Shareholders and/or their Associates from participating in the Plan

Rule 4.2 of the Plan currently excludes persons who are Controlling Shareholders and/or their Associates from participating in the Plan. The Company sees no reason to impose this exclusion if the Controlling Shareholders and/or their Associates have contributed significantly to the success and development of the Group.

The Company also notes that the relevant rules under the Listing Manual do not disallow Controlling Shareholders and/or their Associates from participating in such share option scheme.

Accordingly, the Company is proposing to delete Rule 4.2 of the Plan to allow Controlling Shareholders and/or their Associates to participate in the Plan.

(iii) Exercise Price

Rule 8.1 of the Plan currently restricts the Committee when determining the Exercise Price for each Share in respect of which an Option is exercisable to be either:

- (a) a price which is equal to the Market Price, being the average of the last dealt prices for the Shares on the Official List of the SGX-ST for the five (5) consecutive Market Days immediately preceding the relevant Date of Grant for which there was trading in the Shares; or
- (b) a price which is set at a premium to the Market Price, the quantum of such premium to be determined by the Committee in its absolute discretion.

The Company would like to give a wider discretion to the Committee to determine whether the Exercise Price should be granted at a discount or premium to the Market Price if it deems it appropriate.

Accordingly, the Company is proposing to amend Rule 8.1 of the Plan to allow the Committee to grant Option at a discount of up to 20% of the Market Price.

(iv) Exercise of Options, Allotment and Listing of Shares

Rule 9.1 of the Plan currently provides that an Option granted under the Plan can only be exercised two (2) years after the Date of Grant even if the Options were granted without any discount.

Accordingly, the Company is proposing to amend Rule 9.1 of the Plan to make it consistent with the relevant rules under the Listing Manual and while there is no change to the exercise period where the Options are granted at a discount or at Market Price, the exercise period for Options that are granted without a discount will be shortened to one (1) year from the Date of Grant as is currently permitted under the relevant rules under the Listing Manual.

3. DIRECTORS' RECOMMENDATIONS

Ordinary Resolution 1 – The Proposed Amendments to the Existing Rules

As all the Directors will be eligible to participate in the Plan, they are therefore interested in the proposed amendments to the existing Rules, and will not be in a position to make any recommendations in respect of Ordinary Resolution 1.

4. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page 14 of this Circular, will be held at Tanglin Room 1, Level 1, RELC International Hotel, 30 Orange Grove Road, Singapore 258352 on 28 April 2011 at 11:00 a.m. (or such time immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10:00 a.m. on the same day and at the same place), for the purpose of considering and, if thought fit, passing (with or without) modification the ordinary resolution set out in the Notice of EGM.

5. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote on their behalf, should complete, sign and return the attached Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the Company's registered office at 1 Grange Road, #05-04 Orchard Building, Singapore 239693, not less than 48 hours before the time fixed for the EGM. Appointment of a proxy by a Shareholder does not preclude him from attending and voting in person at the EGM if he so wishes. A proxy need not be a Shareholder.

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless Shares are entered against his name on the Depository Register at least 48 hours before the time fixed for the EGM.

6. ABSTENTION FROM VOTING

Shareholders who are entitled to participate in the Plan, including eligible Directors and Employees who are also Shareholders and their Associates should abstain from voting at the EGM on the resolution relating to the proposed amendments to the existing Rules and should decline appointment as proxies for voting at the EGM in respect of the aforesaid resolution, unless specific instructions have been given in the proxy form on how the votes are to be cast for each of the aforesaid resolution.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected by Shareholders at the registered office of the Company at 1 Grange Road, #05-04 Orchard Building, Singapore 239693, during normal business hours from date of this Circular up to and including the date of the EGM:

- (a) the Memorandum and Articles of Association;
- (b) the annual report of the Company for the financial year ended 2010; and
- (c) the Rules of the existing Plan.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of the preparation of this Circular) have individually and collectively reviewed and approved the issue of this Circular and accept full responsibility for the accuracy of the information contained in this Circular. The Directors also confirm that, having made all reasonable enquiries and to the best of their knowledge and belief, the facts stated and opinions expressed in this Circular are fair and accurate in all material aspects as at the Latest Practicable Date and that there are no other material facts the omission of which would make any statement in this Circular misleading.

Where information has been extracted from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from these sources.

Yours faithfully,

For and on behalf of the Board of
INTERRA RESOURCES LIMITED

Marcel Han Liong Tjia

Chief Executive Officer and Executive Director

THE PROPOSED AMENDMENTS TO THE RULES OF THE PLAN

The amendments that are proposed to be made to the Rules of the Plan are set out below.

Existing Rule 2.1

The existing definitions of “Executive Directors”, “Key Executives” and “Other Employees” under Rule 2.1 are as follows:

- “Executive Directors” : A Director who performs an executive function
- “Key Executives” : Any full-time confirmed employee of the Group who performs a key executive function
- “Other Employees” : A full-time confirmed employee who is not an Executive Director or a Key Executive and who holds a managerial position in the Group

Proposed Alteration to Existing Rule 2.1

By deleting the above definitions of “Executive Directors”, “Key Executives” and “Other Employees” and replacing them with the following:

- “Director” : A Director of the Group
- “Employee” : A full-time confirmed employee of the Group

Existing Rule 4.1

Rule 4.1 The following persons (provided that such persons are not undischarged bankrupts at the relevant time) shall be eligible to participate in the Plan at the absolute discretion of the Committee:

- (a) Executive Directors;
- (b) Key Executives; and
- (c) Other Employees.

Proposed Alteration to Existing Rule 4.1

By deleting Rules 4.1(a), 4.1(b) and 4.1 (c) and substituting in their place the following:

Rule 4.1 The following persons (provided that such persons are not undischarged bankrupts at the relevant time) shall be eligible to participate in the Plan at the absolute discretion of the Committee:

- (a) Directors; and
- (b) Employees.

Existing Rule 4.2

Rule 4.2 Persons who are Controlling Shareholders and/or their Associates shall not be eligible to participate in the Plan.

Proposed Alteration to Existing Rule 4.2

By deleting Rule 4.2.

Existing Rule 8.1

Rule 8.1 Subject to Rule 11, the Exercise Price for each Share in respect of which an Option is exercisable shall be determined by the Committee in its absolute discretion, to be either:

- (a) a price which is equal to the Market Price, being the average of the last dealt prices for the Shares on the Official List of the SGX-ST for the five (5) consecutive Market Days immediately preceding the relevant Date of Grant for which there was trading in the Shares; or
- (b) a price which is set at a premium to the Market Price, the quantum of such premium to be determined by the Committee in its absolute discretion.

Proposed Alteration to Existing Rule 8.1

By inserting a new Rule 8.1 (c) as follows:

Rule 8.1 Subject to Rule 11, the Exercise Price for each Share in respect of which an Option is exercisable shall be determined by the Committee in its absolute discretion, to be either:

- (a) a price which is equal to the Market Price, being the average of the last dealt prices for the Shares on the Official List of the SGX-ST for the five (5) consecutive Market Days immediately preceding the relevant Date of Grant for which there was trading in the Shares; or
- (b) a price which is set at a premium to the Market Price, the quantum of such premium to be determined by the Committee in its absolute discretion; or
- (c) a price which is set at a discount to the Market Price, the quantum of such premium to be determined by the Committee in its absolute discretion, provided that the maximum discount which may be given in respect of any Option shall not exceed twenty (20) per cent. of the Market Price.

Existing Rule 9.1

Rule 9.1 Subject to Rules 10 and 15, an Option may be exercised, in whole or in part (provided that an Option may be exercised in part only in respect of 1,000 Shares or any multiple thereof), at any time after the second (2nd) anniversary of the Date of Grant but before the fifth (5th) anniversary of the Date of Grant (the “**Option Period**”) by a Participant giving notice in writing to the Company in or substantially in the form set out in Schedule C (the “**Exercise Notice**”), subject to such modification as the Committee may from time to time determine. Such Exercise Notice must be accompanied by payment in cash for the full amount of the aggregate Exercise Price in respect of the Shares for which that Option is exercised and any other documentation the Committee may require. An Option shall be deemed to be exercised upon receipt by the Company of the Exercise Notice, duly completed, and the full amount of the aggregate Exercise Price in respect of the Shares for which that Option is

exercised. All payments made shall be by cheque, cashiers' order, banker's draft or postal order made out in favour of the Company or such other mode of payment as may be acceptable to the Company.

Notwithstanding the above, the Committee shall have the power, from time to time at its absolute discretion, to vary the validity period of any Option as it deems fit, provided that such variation shall be subject to the prevailing legislation applicable on the Date of Grant.

Proposed Alteration to Existing Rule 9.1

By deleting Rule 9.1 and replacing it with the following:

Rule 9.1 Subject to Rules 10 and 15,

- (a) Options granted with the Exercise Price set at Market Price or at a premium may be exercised, in whole or in part (provided that an Option may be exercised in part only in respect of 1,000 Shares or any multiple thereof), at any time after the first (1st) anniversary but before the fifth (5th) anniversary of the Date of Grant (the "**Option Period**"); and
- (b) Options granted with the Exercise Price set at a discount to the Market Price may be exercised, in whole or in part (provided that an Option may be exercised in part only in respect of 1,000 Shares or any multiple thereof), at any time after the second (2nd) anniversary but before the fifth (5th) anniversary of the Date of Grant (the "**Option Period**")

by a Participant giving notice in writing to the Company in or substantially in the form set out in Schedule C (the "**Exercise Notice**"), subject to such modification as the Committee may from time to time determine. Such Exercise Notice must be accompanied by payment in cash for the full amount of the aggregate Exercise Price in respect of the Shares for which that Option is exercised and any other documentation the Committee may require. An Option shall be deemed to be exercised upon receipt by the Company of the Exercise Notice, duly completed, and the full amount of the aggregate Exercise Price in respect of the Shares for which that Option is exercised. All payments made shall be by cheque, cashiers' order, banker's draft or postal order made out in favour of the Company or such other mode of payment as may be acceptable to the Company.

Notwithstanding the above, the Committee shall have the power, from time to time at its absolute discretion, to vary the validity period of any Option as it deems fit, provided that such variation shall be subject to the prevailing legislation applicable on the Date of Grant.

Existing Rule 13.1

Rule 13.1 The Plan shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board, provided that no member of the Committee shall participate in any deliberation or decision in respect of Options to be granted to him or held by him. As a safeguard against abuse, where Options are proposed to be granted to or held by Executive Directors, all members of the Board (and not just members of the Committee) who are non-executive Directors, will be involved in deliberations on the same.

Proposed Consequential Alteration to Existing Rule 13.1

By deleting “Executive” and “who are non-executive Directors,” in the second sentence as follows:

Rule 13.1 The Plan shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board, provided that no member of the Committee shall participate in any deliberation or decision in respect of Options to be granted to him or held by him. Where Options are proposed to be granted to or held by ~~Executive~~ Directors, all members of the Board (and not just members of the Committee) ~~who are non-executive Directors,~~ will be involved in deliberations on the same, save for the Director to whom the Options are proposed to be granted.

INTERRA RESOURCES LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 197300166Z)
(Australian Business No. 37 129 575 275)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of Interra Resources Limited (the “**Company**”) will be held at Tanglin Room 1, Level 1, RELC International Hotel, 30 Orange Grove Road, Singapore 258352 on 28 April 2011 at 11:00 a.m. (or such time immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10:00 a.m. on the same day and at the same place) for the purposes of considering and, if though fit, passing (with or without modifications) the following ordinary resolution:

ORDINARY RESOLUTION 1:

PROPOSED AMENDMENTS TO THE RULES OF THE INTERRA SHARE OPTION PLAN (THE “PLAN”)

THAT the proposed amendments to the existing Rules of the Plan in accordance with the proposed amendments as set out in Appendix 1 to the Circular dated 12 April 2011 are hereby approved and adopted, and any of the Directors be and is hereby authorised to do all such acts as may be necessary or expedient in order to give full effect to this resolution.

For the purposes of this resolution, “**Market Price**” means in relation to a Share, a price equal to the average of the last dealt prices for a Share, as determined by reference to the daily official list or other publication published by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) for five (5) consecutive days on which the SGX-ST is open for trading of securities immediately preceding the date of offer to grant an Option, rounded up to the nearest whole cent in the event of fractional prices.

BY ORDER OF THE BOARD

Adrian Chan Pengee
Company Secretary

Singapore
12 April 2011

NOTE:

A member of the Company entitled to attend and vote at the EGM may appoint not more than two (2) proxies to attend and vote in his stead. A proxy need not be a member of the Company. The instrument of proxy must be lodged at the registered office of the Company at 1 Grange Road, #05-04 Orchard Building, Singapore 239693 not less than forty-eight (48) hours before the time appointed for holding the EGM.

This notice has been prepared by the Company and its contents have been reviewed by the Company's sponsor (“Sponsor”), Collins Stewart Pte. Limited, for compliance with the relevant rules of the SGX-ST. Collins Stewart Pte. Limited has not independently verified the contents of this notice. This notice has not been examined or reviewed by the SGX-ST and the Singapore Exchange Securities Trading Limited (“SGX-ST”) assumes no responsibility for the contents of this notice including the correctness of any of the statements or opinions made or reports contained in this notice.

The contact person for the Sponsor is Mr Alex Tan, Managing Director, Corporate Finance, Collins Stewart Pte. Limited, at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854 6160.

PROXY FORM
Extraordinary General Meeting

INTERRA RESOURCES LIMITED

(Incorporated in the Republic of Singapore)
 (Company Registration No. 197300166Z)
 (Australian Business No. 37 129 575 275)

IMPORTANT:

1. For investors who have used their CPF monies to buy shares of Interra Resources Limited, this Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We, _____ (Name) _____ (NRIC/Passport No.)
 of _____ (Address)
 being a Shareholder/Shareholders of Interra Resources Limited (the “**Company**”), hereby appoint:

Name	Address	NRIC / Passport No.	Proportion of Shareholdings to be Represented by Proxy
and/or (delete as appropriate)			

or failing him/them, the Chairman of the Extraordinary General Meeting (“**EGM**”) as my/our proxy/proxies to attend and to vote on my/our behalf and, if necessary, to demand a poll, at the EGM of the Company to be held at Tanglin Room 1, Level 1, RELC International Hotel, 30 Orange Grove Road, Singapore 258352 on 28 April 2011 at 11:00 a.m. (or such time immediately following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10:00 a.m. on the same day and at the same place).

I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, my/our proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the EGM and at any adjournment thereof.

Ordinary Resolution 1	For	Against
Proposed amendments to the Rules of the Interra Share Option Plan		

(Please indicate the number of votes as appropriate in the space provided.)

Dated this ____ day of April 2011

Total Number Of Shares Held

 Signature(s) or Common Seal of Shareholder(s)

IMPORTANT: Please read notes overleaf

Please glue and seal along this edge

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NOTES

1. A Shareholder of the Company entitled to attend and vote at the EGM is entitled to appoint not more than two (2) proxies to attend and vote in his stead. Where a Shareholder appoints two (2) proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.
2. A Shareholder should insert the total number of shares held by him. If he has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50), he should insert that number of shares. If he has shares registered in his name in the Register of Members, he should insert that number of shares. If he has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members, he should insert the aggregate number of shares entered against his name in the Depository Register and registered in his name in the Register of Members. If no number is inserted, the instrument of proxy shall be deemed to relate to all the shares held by him.
3. The instrument of proxy must be under the hand of the Shareholder or his attorney duly authorised in writing. Where the Shareholder is a corporation, the instrument of proxy must be executed under its common seal or under the hand of its attorney duly authorised in writing.
4. The instrument of proxy (together with the power of attorney, if any, under which it is signed or a duly certified copy thereof) must be lodged at the registered office of the Company at 1 Grange Road, #05-04 Orchard Building, Singapore 239693 not less than forty-eight (48) hours before the time appointed for holding the EGM.
5. A corporation which is a Shareholder may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.
6. The Company shall be entitled to reject the instrument of proxy if it is incomplete, improperly completed or illegible or where the true intentions of the Shareholder are not ascertainable from the instructions specified in the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument of proxy lodged if the Shareholder, being the appointor, is not shown to have shares entered against his name in the Depository Register forty-eight (48) hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

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stamp*

INTERRA RESOURCES LIMITED

1 Grange Road
#05-04 Orchard Building
Singapore 239693

PROXY FORM

Extraordinary General Meeting

INTERRA RESOURCES LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 197300166Z)

(Australian Business No. 37 129 575 275)

IMPORTANT:

Holders of CHESS Depository Interests (“CDIs”) relating to shares in Interra Resources Limited (the “Company”) do not have an automatic right to attend and vote at this Extraordinary General Meeting (“EGM”) of the Company. If a CDI holder wishes to personally attend and vote at the EGM, the CDI holder MUST sign/execute Part VI and lodge this Proxy Form in accordance with the instructions in the Notes to this Proxy Form. If the CDI holder wishes to appoint a proxy/proxies to attend and vote at the EGM on his/its behalf, the CDI holder MUST complete Part III and Part IV (in each case where relevant), sign/execute Part VI, and lodge this Proxy Form in accordance with the instructions in the Notes to this Proxy Form. One CDI represents one ordinary share in the capital of the Company.

I CHESS Depository Nominees Pty Ltd (“CDN”) of 20 Bridge Street, Sydney NSW 2000, Australia, a holder of shares in Interra Resources Limited, hereby appoints:

II

Name of CDI Holder	Address	Securityholder Reference Number (SRN)

Total Number of CDIs Held	
----------------------------------	--

OR failing him/it, the person whose details are given in Part III below provided that such details have been verified in Part VI below by the signature of or on behalf of the person named in Part II and on the basis that such person is authorised to vote in respect of the proportion or number of the CDIs shown in Part III below or if no proportion or number is so shown, in respect of the whole of the said CDIs:

III

Name	Proportion of CDIs (%) OR Number of CDIs to be Represented by Proxy		
	%	OR	

OR failing the person referred to in this Part III OR if no person is appointed in this Part III, the Chairman of the EGM in respect of the relevant CDIs specified in this Part III or if no proportion or number is so shown, in respect of the whole of the CDIs referred to in Part II above, as our proxy/proxies to attend and vote on our behalf and, if necessary, to demand poll, at the EGM of the Company to be held at Tanglin Room 1, Level 1, RELC International Hotel, 30 Orange Grove Road, Singapore 258352 on 28 April 2011 at 11:00 a.m. (or as soon as thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 10:00 a.m. on the same day and at the same place), and at any adjournment thereof. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the EGM and at any adjournment thereof.

IF A CDI HOLDER IS APPOINTING A SECOND PROXY, PLEASE MARK AN ‘X’ IN THIS BOX.

The appointment of a second proxy **must** be effected in accordance with the instructions in Part III of the Notes attached. A CDI holder must only mark this box on the first Proxy Form and must leave this box blank on the second Proxy Form.

IV IF A CDI HOLDER DOES NOT WISH TO DIRECT THE PROXY/PROXIES APPOINTED BY HIM/THEM HOW TO VOTE, PLEASE MARK AN 'X' IN THIS BOX.

The Chairman of the EGM intends to vote undirected proxies held by him in favour of all the resolutions.

VOTING DIRECTIONS TO PROXY – A CDI HOLDER SHOULD MARK AN 'X' IN THE APPROPRIATE BOX TO INDICATE HOW THE CDI HOLDER WISHES THE PROXY/PROXIES TO VOTE ON EACH RESOLUTION (PLEASE SEE ALSO THE INSTRUCTIONS IN PART IV OF THE NOTES ATTACHED)

Ordinary Resolution 1	For	Against	Abstain
Approval of proposed amendments to Interra Share Option Plan			

V CHESS DEPOSITARY NOMINEES PTY LTD

Adrian Chan Pengee
Company Secretary
Interra Resources Limited
For CHESS Depositary Nominees Pty Ltd

(Please also see Part V of the Notes attached)

VI TO BE COMPLETED BY A CDI HOLDER IF HE/IT WISHES TO PERSONALLY ATTEND AND VOTE AT THE EGM, OR WISHES TO APPOINT A PROXY/PROXIES TO DO SO ON HIS/ITS BEHALF UNDER PART III ABOVE. THIS PART MUST BE SIGNED IN ACCORDANCE WITH THE INSTRUCTIONS IN PART VI OF THE NOTES ATTACHED.

Individual 1

**Signature of CDI Holder/
Sole Director & Sole Secretary**

Individual 2

Signature of Director

Individual 3

**Signature of Director/
Secretary**

Dated this ____ day of April 2011

Daytime contact number

NOTES – How to Complete the Proxy Form

- III** 1. A CDI holder may appoint not more than two (2) proxies (including the Chairman of the EGM) to attend and vote at the EGM in his/its place as proxy for CDN in respect of his/its CDIs. A proxy need not be a member of the Company.
2. If a CDI holder leaves Part III of the Proxy Form blank or the proxy/proxies appointed by the CDI holder in Part III does/do not attend the EGM, the Chairman of the EGM will be the CDI holder's proxy by default and will vote as proxy for CDN in respect of the CDI holder's CDIs if the CDI holder does not attend the EGM in person.
3. If a CDI holder wishes to appoint second proxy, an additional Proxy Form may be obtained by telephoning the Company's Australian registry, Computershare Investor Services Pty Limited, at 1300 850 505 (within Australia) or 61 3 9415 4000 (outside Australia), or the CDI holder may copy this form.

To appoint a second proxy a CDI holder must:

- (a) indicate that he/it wishes to appoint a second proxy by marking an 'X' in the box at the end of Part III on the first Proxy Form. A CDI holder must leave the box at the end of Part III blank on the second Proxy Form;
- (b) on the first Proxy Form state the proportion or number of CDIs applicable to the first proxy;
- (c) on the second Proxy Form state the proportion or number of CDIs applicable to the second proxy; and
- (d) lodge both Proxy Forms together in the same envelope.

A CDI holder who wishes to appoint more than one proxy to attend the EGM must specify the proportion or number of CDIs to be represented by each proxy. If no proportion or number of CDIs is specified, the proxy named in the first Proxy Form shall be deemed to be entitled to vote in respect of 100% of the CDIs of his appointor and the proxy named in the second Proxy Form shall be deemed to be appointed as the alternate.

- IV** A CDI holder who wishes to appoint a proxy/proxies to attend and vote at the EGM should mark an 'X' in the appropriate box to indicate how he/it wishes the proxy/proxies to vote on each resolution. If the Proxy Form is lodged without any indication as to how the proxy/proxies must vote, subject as otherwise provided in Part IV of the Proxy Form, the proxy/proxies may vote as he thinks/they think fit. If a CDI holder marks more than one box on a resolution, his/its vote on that resolution will be invalid.

- V** **CDI HOLDERS DO NOT HAVE AN AUTOMATIC RIGHT TO ATTEND AND VOTE AT THE EGM. A CDI HOLDER WHO WISHES TO ATTEND AND VOTE AT THE EGM IN PERSON OR BY PROXY MUST COMPLETE (WHERE RELEVANT), SIGN/EXECUTE AND LODGE THE PROXY FORM IN ACCORDANCE WITH THE INSTRUCTIONS IN THESE NOTES.**

The Proxy Form, duly executed, must be lodged by the CDI holder not later than forty-eight (48) hours before the time appointed for the EGM at the office of the Company's Australian registry, Computershare Investor Services Pty Limited, at Yarra Falls, 452 Johnston Street, Abbotsford VIC 3067, Australia or GPO Box 242, Melbourne VIC 3001, Australia or facsimile number 1800 783 447 (within Australia) or 61 3 9473 2555 (outside Australia).

Any Proxy Form received after that time will not be valid for the scheduled EGM.

- VI** If a CDI holder wishes to attend and vote at the EGM, or wishes to appoint a proxy/proxies, this Proxy Form must be signed by the CDI holder or his attorney duly authorised in writing or, if the CDI holder is a corporation, executed under its common seal or by a duly authorised officer of the corporation or under the hand of its attorney duly authorised in writing. In the case of joint CDI holders, all joint CDI holders must sign the Proxy Form.

If the Proxy Form is being signed on behalf of a CDI holder by an attorney duly authorised in writing, then the CDI holder must have already lodged the power of attorney or a duly certified copy of the power of attorney with the Company or, alternatively, must attach the power of attorney or a certified copy of the power of attorney to the Proxy Form to be lodged with the Company.

GENERAL

The Company shall be entitled to reject the Proxy Form if it is incomplete, improperly completed or illegible or where the true intentions of the CDI holder are not ascertainable from the CDI holder's instructions specified in the Proxy Form. In addition, the Company shall be entitled to reject the Proxy Form if the person first named in the Proxy Form, being the CDI holder, is not shown to have any CDIs credited to a CDN account in the records of CDN forty-eight (48) hours before the time appointed for the EGM, as supplied by CDN to the Company.

Documents may be lodged by posting, delivery or facsimile to:

Interra Resources Limited

c/o Computershare Investor Services Pty Limited

Posting: GPO Box 242, Melbourne VIC 3001, Australia

Delivery: Yarra Falls, 452 Johnston Street, Abbotsford VIC 3067, Australia

Facsimile: 1800 783 447 (within Australia) or 61 3 9473 2555 (outside Australia)

COLLECTION AND DISCLOSURE STATEMENT

Your Personal Information and the Role of the Securities Registrar

Computershare Investor Services Pty Limited (ABN 48 078 279 277) ("**CIS**") understands that your privacy is important to you.

In its capacity as registrar for securities issuers ("**our clients**"), CIS collects personal information. Such information may include your name, address, securityholding balance, tax file number and bank account details. The primary purpose of collection of personal information is for the maintenance of our clients' registers of securityholders, facilitating distribution payments and other corporate actions and communications. If you do not provide complete and accurate information, we may not be able to effectively maintain your securityholding.

The Corporations Act 2001, Privacy Act 1988 and rules such as the ASTC Settlement Rules govern the collection, use and disclosure of your personal information.

Your personal information may be disclosed to the securities issuer, persons inspecting securities registers, bidders for your securities in the context of take-overs, regulatory bodies, including the Australian Tax Office, and authorised securities brokers. Your personal information may also be disclosed to contracted external service providers for the purpose of paying distributions and mailing corporation communication such as notice of meetings, proxy forms, annual reports and other information that our clients may wish to communicate to their securityholders. These disclosures are either required or permitted by the Corporations Act 2001, the ASTC Settlement Rules or other legislation.

Under the National Privacy Principles, you can access personal information that we hold about you although there are some exceptions to this. You also have the right to request that we correct information about you which is inaccurate, incomplete or out of date. If you wish to do so, please contact the relevant CIS office at the address set out on the documentation sent to you in relation to your securityholding. If your securityholding is broker sponsored, you need to contact that broker to update your registered name or address.

To ensure the integrity and safety of securityholders' personal information, CIS will only disclose to securityholders such information if our internal procedures are satisfied. In certain cases we may charge you a fee for access to information but we will inform you at that time.

In accordance with the Corporations Act 2001 and subject to compliance with the requirements of the Privacy Act 1988, you may be sent material (including marketing material) approved by the securities issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS at 1300 850 505 (within Australia) or 61 3 9415 4000 (outside Australia).