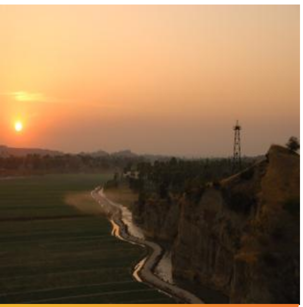


INTERRA RESOURCES LIMITED
Singapore Company Registration No. 197300166Z
Australian Business No. 37 129 575 275

SGX Code: Interra Res (5GI), ASX Code: ITR

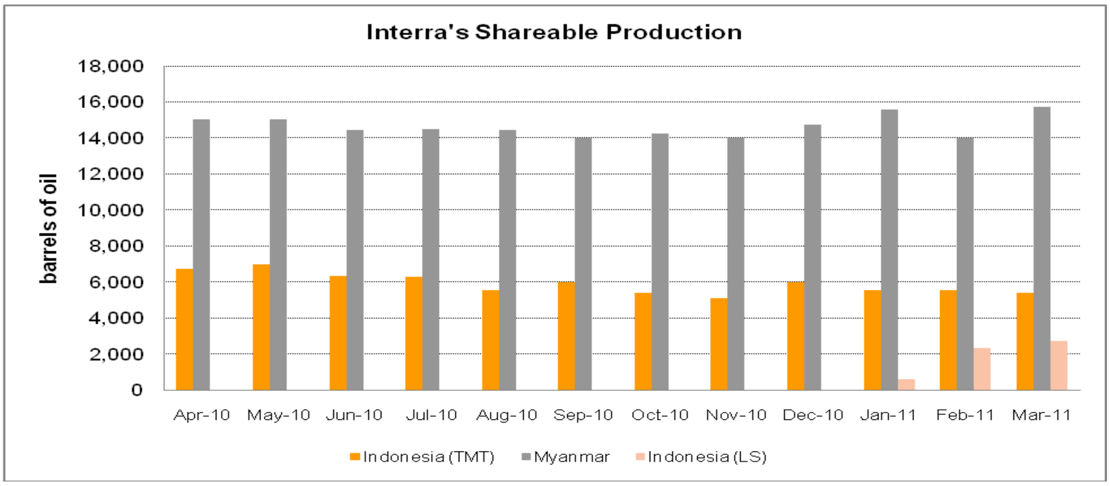
28 April 2011

PRODUCTION, DEVELOPMENT & EXPLORATION ACTIVITIES FOR THE QUARTER ENDED 31 MARCH 2011

Highlights in Q1 2011
• Total shareable production increased by 4% as compared to previous quarter, with Myanmar's contribution increased by 5%
• Linda Sele ("LS") TAC, which was acquired on 24 Jan 2011, contributed 7,298 barrels of oil to gross production, i.e. 3% of total production
• Higher weighted average transacted oil price in Q1 2011 of US$106 per barrel as compared to previous quarter of US$88 per barrel

Production Profile	Myanmar		Indonesia (TMT)		Indonesia (LS)
	Q4 2010 (barrels)	**Q1 2011 (barrels)**	**Q4 2010 (barrels)**	**Q1 2011 (barrels)**	**Q1 2011 (barrels)**
Gross production	195,193	195,182	25,758	25,440	7,298*
Non-shareable production	(123,511)	(119,719)	(2,133)	(1,917)	(1,652)
Shareable production	71,682	75,463	23,625	23,523	5,646
Interra's share of shareable production	43,009	45,278	16,538	16,466	5,646
Weighted average transacted oil price (US$ per barrel)	87.56	106.33	87.74	106.20	-

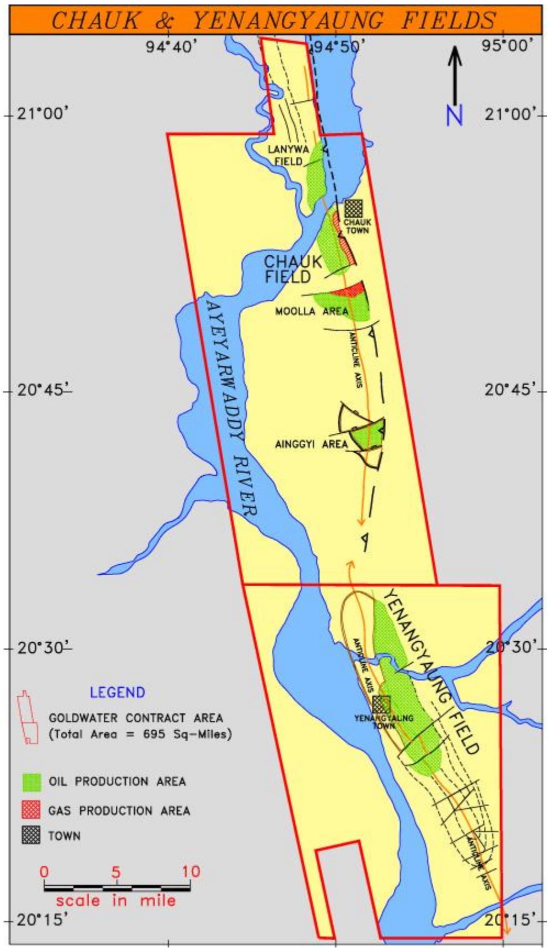
** No uplifting during the quarter*



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.

Development and Production Activities

Myanmar: Chauk and Yenangyaung IPRCs (Interra 60%)



In Q1 2011, the combined gross production for both fields was 195,182 barrels of oil, a slight decrease over the preceding quarter of 195,193 barrels of oil. However, shareable production increased by 5%. Production and development costs for the period were US$1,234,234 and US$204,436 respectively.

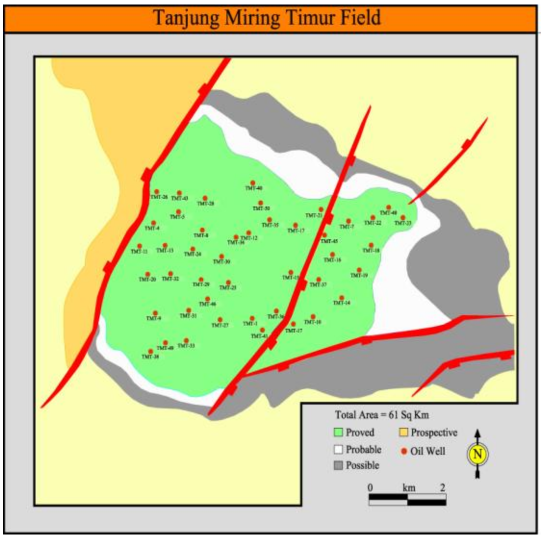
During the quarter, at the Chauk field, infill development well CHK 1161 was completed as an oil producer after drilling to a total depth of approximately 2,350 feet. CHK 1161 is an offset to CHK 950 which was re-entered and completed as an oil producer in Q4 2010. CHK 1161 is a continuation of the emphasis on drilling shallow to intermediate depth wells using in-house rig to develop producing reservoirs that are not currently drained by existing wells. The interpretation of the approximately 278 kilometres of 2D seismic data acquired in 2010 is ongoing with completion expected in Q2 2011. This will be incorporated into the existing subsurface interpretation with respect to evaluating further field development opportunities and possibly the south flank deeper potential of the field.

At the Yenangyaung field, site construction has commenced for the first of several shallow to intermediate development wells to be drilled in 2011 with drilling commencement scheduled for Q2 2011. Again, the well is a continuation of the emphasis on drilling shallow to intermediate depth development wells using in-house rig.

In both fields, the operator continued with the optimised reactivation of old wells that have been identified from geologic and reservoir engineering studies. Ongoing production enhancements and scheduled maintenance also continued with the objective of maintaining (or increasing) current production levels.

Indonesia: Tanjung Miring Timur TAC (Interra 70%)

The approximately 40 square kilometres of 3D seismic survey over the field was successfully completed in Q1 2011 without any health, safety, or environmental issues. The processing of the data will begin soon, after which the data will be interpreted with respect to yielding a better understanding of the subsurface structural geometry and reservoir characteristics. As previously reported, new drillings have been postponed until after the completion of the 3D seismic data interpretation. The decline in oil production continues to be under technical review by both Interra and the operator.



In Q1 2011, gross production was 25,440 barrels of oil, a slight decrease of 1% as compared to the previous quarter. Production costs and development costs (include 3D seismic costs) for the period were US$685,059 and US$1,312,225 respectively.

Indonesia: Linda Sele TAC (Interra 100%)

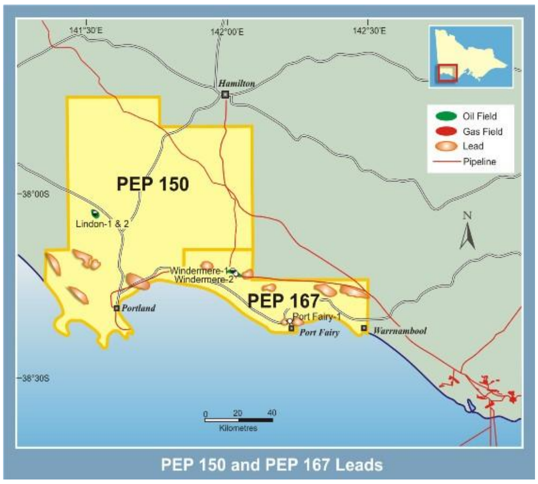
Planning is underway for replacement or repair of surface and down-hole equipment at Linda and Sele fields with the near-term goal of increasing oil production from existing wells. Reservoir engineering and petrophysical studies are also ongoing.

In Q1 2011, gross production was 7,298 barrels of oil from 24 Jan 2011 (date of acquisition) to 31 Mar 2011. There was no uplifting during that period.

Production costs for the period amounted to US$191,427.

Exploration Activities

Australia: PEP 167 (Interra 50%)

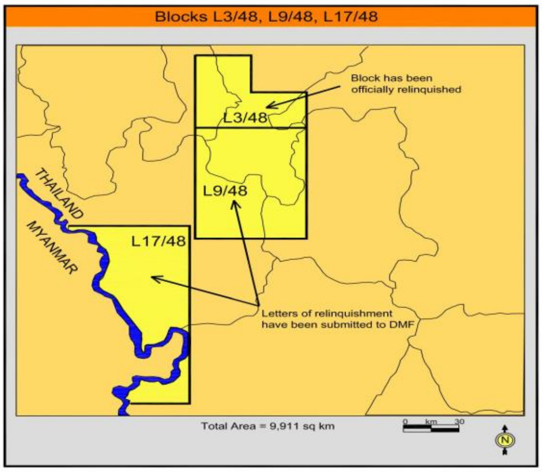


PEP 150 and PEP 167 Leads

The interpretation of the Windermere 3D seismic data was completed and a firm drill site location for exploration well Windermere-3 was chosen. The original announced plans were to drill the well in Q2 2011. However, in view of the wet conditions attributable to unseasonable weather around the well location and to avoid the adverse weather during winter in the area of Otway Basin, the PEP 167 joint venture is now planning to drill Windermere-3 in Q4 2011. Well design and planning with respect to materials and services have been either completed or are at an advanced stage, and hence a smooth transition into drilling operations is anticipated.

The exploration costs for the quarter amounted to US$95,484.

Thailand: Blocks L9/48 and L17/48 PCAs



Through its wholly owned subsidiary, Interra Resources (Thailand) Limited, notice has been given to the relevant Thai government agency of the relinquishment of concession rights in both exploration blocks for reasons as previously announced.

Other Matters

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

By Order of the Board of Directors of
INTERRA RESOURCES LIMITED

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 petroleum exploration and production ("E&P"). Our E&P operations include petroleum production, field development and exploration through strategic alliances and partnerships. We are positioning ourselves to becoming a leading regional independent producer of oil and gas.

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