

28 November 2011

**USE OF PROCEEDS FROM THE PLACEMENT OF
38,500,000 PLACEMENT SHARES COMPLETED IN APRIL 2011**

Unless otherwise defined, all terms used or referred to in this announcement have the meanings as assigned to them in the announcements made by the Company on 8 March 2011, 31 March 2011 and 4 April 2011 in relation to the Placement (the “Announcements”).

Further to the Announcements, the Board of Directors wishes to provide an update on the utilisation of the net proceeds from the Placement amounting to S\$4,741,174 (the “**Net Proceeds**”) after deducting expenses of S\$109,826 as follows:

Purpose	Amount Utilised (S\$)
Acquisition of 30% participating interest in TAC TMT as announced on 22 June 2011 and 25 November 2011	
- Initial payment of US\$590,000 upon signing of agreement	729,399
- Final payment of US\$6,310,000 upon completion, of which US\$3,057,849 is funded by the Net Proceeds (the balance is funded by existing funds on hand)	4,011,775
Total	4,741,174

To date, the Net Proceeds have been fully utilised.

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 activities 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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This announcement 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 announcement. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

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