

17 December 2024

ENTRY INTO CO-OPERATION AGREEMENT WITH PT BLORA PATRA ENERGI

1. INTRODUCTION

- 1.1 The board of directors (the “**Board**”) of Interra Resources Limited (the “**Company**”) is pleased to announce that its wholly-owned subsidiary, Goldwater TMT Pte. Ltd. (“**GTMT**”), has on 17 December 2024 entered into a co-operation agreement (the “**Co-Operation Agreement**”) with PT Blora Patra Energi (“**BPE**”) to record the parties’ intentions and understanding with respect to their proposed cooperation on the various activities described in Section 2.1 below.


2. CO-OPERATION AGREEMENT AND INCORPORATION OF JOINT VENTURE COMPANY

- 2.1. Under the Co-Operation Agreement, GTMT and BPE have agreed to incorporate a new joint venture company in Indonesia (hereinafter referred to as the “**JV Company**”) which will be used as the joint venture vehicle to engage in the following activities (“**Joint Venture**”):

- 2.1.1. to negotiate with PT Pertamina EP (“**Pertamina EP**”) on a proposed operation cooperation agreement (KSO) (the “**Pertamina EP KSO**”) in relation to the operation of three (3) oilfields, namely Ledok, Nglobo, and Semanggi, located in Blora Regency, Java Island, Indonesia (“**LNS Operation Area**”). If the negotiations with Pertamina EP are successful, the JV Company will execute the Pertamina EP KSO;
- 2.1.2. to re-activate and improve the production of approximately 50 old idle wells in relation to an agreement entered into between BPE and Pertamina EP on 25 June 2020 titled “*Agreement to Produce Petroleum at Old Wells in Ledok Field, Sambong District and Semanggi Field, Jepon District, Blora Regency, Central Java Province No. 0730/EP000/2020-S*”, to produce petroleum at these old wells; and
- 2.1.3. to endeavour to obtain the right to (i) operate oil and gas operations in the mining operation area located at Randu Gunting, Central Java Province, Indonesia (“**Randu Gunting Operation Area**”); or (ii) operate old wells at the Plantungan field, located in Randu Gunting Operation Area based on a proposed operation cooperation agreement with PT Pertamina Hulu Energi (“**Pertamina HE**”),

(collectively, the “**Proposed JV Activities**”).

- 2.2. BPE will subscribe for 51% of the issued share capital in the JV Company and the Company, through GTMT, will subscribe for the remaining 49% of the issued share capital in the JV Company (“**Subscription Shares**”). The issued and paid-up capital of the JV Company will be Rp. 10,000,000,000 and the Company will be paying Rp. 4,900,000,000 for its 49% stake in the JV Company. Based on an



exchange rate of Rp. 16,009 for US\$1 as at 16 December 2024, the Company's initial investment for the Subscription Shares representing 49% shareholding in the JV Company is therefore approximately US\$306,078.

- 2.3. Subject to the prevailing laws and regulations of the Republic of Indonesia on capital investment, the JV Company shall engage in the business of petroleum mining.
- 2.4. In respect of the Pertamina EP KSO described in Section 2.1.1, subject to the parties successfully negotiating and the JV Company executing the Pertamina EP KSO, GTMT and BPE have agreed that the economic interest under the Pertamina EP KSO after cost recovery to GTMT shall be divided in the proportion of 90% to GTMT and 10% to BPE, notwithstanding the respective parties' shareholding proportion in the JV Company.
- 2.5. For the avoidance of doubt, the Co-Operation Agreement is intended to set forth the parties' intentions and understanding with respect to their proposed cooperation on the various activities, and the parties shall only be subject to legally binding obligations upon the execution and entry into of definitive agreements.

3. INFORMATION ON BPE, THE JV COMPANY, AND OTHER PARTIES THE JV COMPANY IS INTENDED TO COOPERATE WITH

- 3.1. **BPE.** BPE is a regional company engaged in the energy and mineral resources sector in Blora Regency. BPE focuses on the management of old oil and gas wells, trading of oil and gas products, oil and gas support services, and the development of new and renewable energy.
- 3.2. **Pertamina EP.** Pertamina EP is a company incorporated in Indonesia which is responsible for the management of oil and gas operations at three (3) oilfields, namely Ledok, Nglobo, and Semanggi, located in the LNS Operation Area.
- 3.3. **Pertamina HE.** Pertamina HE is a company incorporated in Indonesia which is responsible for the management of oil and gas operations at the Plantungan field located in the Randu Gunting Operation Area.
- 3.4. **The JV Company.** The JV Company to be incorporated shall be a foreign investment limited liability company incorporated in Indonesia, which will be used as the joint venture vehicle to engage in the Proposed JV Activities.

4. RATIONALE FOR ENTRY INTO THE CO-OPERATION AGREEMENT AND THE JOINT VENTURE

The Board believes that the entry into the Co-Operation Agreement and the Joint Venture is in the best interests of the Company and is in line with the group's strategy to grow and expand its existing petroleum exploration and production business. The Joint Venture taps into the synergies between BPE and the Company, as well as the business and commercial networks and capabilities of

BPE and the other parties that the JV Company intends to co-operate with, which will potentially benefit the group.

5. FURTHER INFORMATION

5.1. Interests Of Directors and Substantial Shareholders. None of the Company's directors or substantial shareholders has any interest, direct or indirect, in the Co-Operation Agreement and/or the Joint Venture save for their interests (if any) in the share capital of the Company.

5.2. Further Announcements. The Company will make further announcements via SGXNet in relation to the Co-Operation Agreement and/or the Joint Venture as appropriate or when there are material developments in respect of the same, including when any definitive agreement has been entered into by the JV Company in respect of the Joint Venture.

6. TRADING CAUTION

6.1. Shareholders and potential investors should note that the Joint Venture and the Proposed JV Activities are subject to, amongst others, the incorporation of the JV Company and the execution of relevant definitive agreement(s) by the relevant parties. There is no certainty or assurance that any definitive agreements will be entered into, or that the Joint Venture will come to fruition.

6.2. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisors.

By Order of the Board of Directors of
INTERRA RESOURCES LIMITED

Ng Soon Kai
Executive Chairman

About Interra

Interra Resources Limited, a Singapore-incorporated company listed on SGX Mainboard, is engaged in the business of petroleum exploration and production (E&P). Our E&P activities include petroleum production, field development and exploration. We are venturing into renewable energy and we have recently announced an agreement to jointly develop a wood pellet manufacturing plant in Indonesia where we will hold a 40% interest and another agreement to jointly develop a 2-MW solar farm in Sabah. We have also been included by PT PLN Nusantara Power in their Long List for Strategic Partner for partnership in developing power plant projects in Indonesia from 18 March 2024 to 18 March 2026.



For corporate enquiries, please contact:

Non-E&P

Ng Soon Kai, Executive Chairman
Email: nsk@interraresources.com

E&P

Marcel Tjia, Executive Director
Email: mtjia@interraresources.com