

14 December 2015

**INTERRA RESOURCES LIMITED ENTERS INTO MOU WITH
SANY SOUTH EAST ASIA PTE. LTD.**

Interra Resources Limited (“**Interra**”) has entered into a Memorandum of Understanding (“**MOU**”) with the wholly-owned local subsidiary of Sany Heavy Industry Co. Ltd, Sany South East Asia Pte. Ltd. (“**SANY**”), on 14 December 2015.

Sany Heavy Industry Co., Ltd is a world-leading manufacturer and distributor of engineering machinery products and accessories. It is listed on the stock exchanges of Shanghai and Hong Kong.

The agreement under the MOU is in line with the business plans and policies of Sany Heavy Industry Co., Ltd and in conjunction with the “One Belt, One Road” initiative implemented by the People’s Republic of China. The “One Belt, One Road” initiative has been planned as one of the largest and most comprehensive development projects in history directly affecting and linking a population of 4.4 billion people.

As part of its goals, the initiative will focus on securing the energy needs for China and Asia. To meet the rapidly rising demand for energy in the region, the “One Road, One Belt” initiative will address some of the major challenges in meeting the rising demand for energy by investing in energy projects ranging from upstream projects, oil and gas pipelines and liquefied natural gas terminals to power plants, energy connectivity as well as renewable energy.

Under the MOU, Interra and SANY have agreed to cooperate and use their best endeavours to look into the following areas of co-operation:

- (i) to jointly invest in and/or develop companies and assets related to the oil and gas industry in South East Asia;
- (ii) to set up a joint venture company or otherwise to co-operate together with the objective of marketing, distributing, selling and/or leasing SANY’s equipment in the oil and gas industry in South East Asia;
- (iii) to identify areas where SANY can make financial investments or provide other forms of financial support including the provision of funds to Interra in relation to Interra’s operations in South East Asia; and
- (iv) to explore the possibility of acquiring suitable targets to help achieve the stated objectives set out in the MOU.

The strategic co-operation between Interra and SANY is aimed at establishing a win-win partnership with Singapore as a strategic hub for business development between China and ASEAN.



None of Interra's directors or substantial shareholders has any interest, direct or indirect, in the above transactions save for their interests (if any) in the share capital of Interra.

By Order of the Board of Directors of
INTERRA RESOURCES LIMITED

Marcel Tjia
Chief Executive Officer

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 positioning ourselves to become a leading regional independent producer of petroleum.