

20 December 2016

UPDATE ON:

- (I) THE PROPOSED DISPOSAL OF A GRANITE QUARRY OWNED BY A SUBSIDIARY, PT MITRA INVESTINDO TBK; AND**
- (II) THE PROPOSED ACQUISITION OF 23.4401761% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF PT BENAKAT OIL**

The board of directors (the “**Board**”) of Interra Resources Limited (the “**Company**”) refers to: (i) the announcements dated 17 October 2016 and 17 November 2015 (the “**Granite Quarry Announcements**”); and (ii) the announcement dated 31 May 2016 (the “**Proposed Acquisition Announcement**”).

The Board of the Company wishes to announce that PT Mitra Investindo Tbk (“**MITI**”), the Company’s subsidiary incorporated in the Republic of Indonesia which is listed on the Indonesia Stock Exchange, held an Extraordinary General Meeting on 20 December 2016 (the “**EGM**”), and the resolutions put to vote at the EGM in relation to: (i) the proposed disposal of the granite quarry owned by MITI (the “**Proposed Disposal**”); and (ii) the proposed acquisition of 23.4401761% of the issued and paid-up share capital of PT Benakat Oil through MITI (the “**Proposed Acquisition**”), were duly passed.

Accordingly, the Company will:

- (i) proceed with the completion of the Proposed Disposal; and
- (ii) proceed with the Proposed Acquisition.

Shareholders and potential investors are advised to exercise caution when trading in the Shares. The Proposed Disposal and Proposed Acquisition are subject to the fulfilment of, *inter alia*, the conditions precedent set out in the Granite Quarry Announcements and the Proposed Acquisition Announcement. There is no certainty or assurance as at the date of this announcement that the Proposed Disposal or Proposed Acquisition will be completed, or that no changes will be made to the respective terms thereof. The Company will make the necessary announcements when there are further developments on the Proposed Disposal and Proposed Acquisition. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

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.