

20 January 2012

**GRANT OF OPTIONS PURSUANT TO
 THE INTERRA SHARE OPTION PLAN**

Unless otherwise defined, all terms not defined herein shall be as defined in the rules of the Interra Share Option Plan (as amended on 28 April 2011).

The Board of Directors of Interra Resources Limited (the “**Company**”) wishes to announce that the Company has on 20 January 2012 made offers on grant of Options pursuant to the Interra Share Option Plan. Details on the grants of Options, in accordance with Rule 704(32) of the SGX-ST Listing Manual Section B: Rules of Catalyst, are as follows:-

- (a) Date of Grants : 20 January 2012
- (b) Exercise Price of Options granted : S\$0.148 per share
 The Exercise Price of the Options granted is the average of the last dealt prices for the Shares on the Official List of the SGX-ST for the five (5) consecutive Market Days immediately preceding the relevant Date of Grant for which there was trading in the Shares, i.e. from 13 January 2012 to 19 January 2012 (both dates inclusive).
- (c) Number of Options granted : 10,050,000
- (d) Market price (last done price) of Shares on Date of Grant : S\$0.146
- (e) Number of Options granted to Controlling Shareholders (and their Associates) and Directors : A total of 8,050,000 Options were granted to Directors of the Company as set out below.

Directors	Number of Options granted
Allan Charles Buckler	1,350,000
Low Siew Sie Bob	1,350,000
Ng Soon Kai	1,350,000
Tjia Marcel Han Liong	4,000,000

The remaining 2,000,000 Options were granted to Employees who are not Directors, Controlling Shareholders or their Associates.

- (f) Validity period of Options : After the first (1st) anniversary of the Date of Grant, before the fifth (5th) anniversary of the Date of Grant i.e. from 21 January 2013 to 19 January 2017 (both dates inclusive)

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 the SGX Catalist, is 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.

The contact person for the Sponsor is Mr Alex Tan, Managing Director, Corporate Finance, Collins Stewart Pte. Limited, at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854 6160.