

Quaterra Resources (QMM): Summary, Long Term Valuation Potential

The attached summary prepared by Dr. Michael A. Berry is presented for general information only. The information provided is intended solely for general knowledge and does not constitute an offer or a solicitation of an offer for the purchase or sale of any shares or other securities of Quaterra Resources. The summary is intended to estimate the long term (3 to 5 year) value of Quaterra Resources' current asset base. As such there will be a wide range of uncertainties in these share price estimates. This report is not intended as a recommendation for purchase. Investors should first consult with their financial planner / broker before considering any purchase.

**Dr. Berry and his family are shareholders in Quaterra Resources.
This is an independent research report not sanctioned nor paid for by the company.**

Except for statements of historical fact relating to the company, this summary contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements such as the estimate of copper, uranium, silver and molybdenum resources, the references to Quaterra Resources' anticipated 2008 and 2009 development programs and capital expenditures relating to, and timing of such programs are based on the opinions and estimates of the author at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements. These include but are not limited to risks inherent in the mining industry, regulatory and economic risks, and risks associated with the company's ability to implement its business plan. There are uncertainties inherent in forward-looking information, including factors beyond Quaterra's control, and no assurance can be given that the programs will be completed on time, on budget or at all. In addition, there are numerous uncertainties inherent in estimating molybdenum, copper and uranium resources, including many factors beyond the company's control. No assurance can be given that the indicated level of resources or the recovery thereof will be realized. **At present there are no NI43-101 compliant resource estimates. Even when these estimates are forthcoming they do not imply existence of an economic ore body.** In general, estimates of resources are based upon a number of factors and assumptions made as of the date on which the resource estimates were determined, such as geological and engineering estimates which have inherent uncertainties. Future resource estimates for the properties described in this report may not reflect the same confidence level as estimates of copper, uranium, molybdenum, silver and base metal resources for Quaterra Resources' total lands, due to the effects of aggregation. Quaterra Resources has drilling programs on three of its permit lands. The reader is cautioned not to place undue reliance on forward-looking statements. The price target may increase due to subsequent events which should have a positive impact on asset values and discounted cash flows.

Safe Harbor statement under the Private Securities Litigation Reform Act of 1995: Except for historical information contained herein, the matters discussed in this report are forward-looking statements that involve risks and uncertainties, including but not limited to economic, competitive, governmental and technological factors affecting the companies' operations, markets, products and prices, and including other factors discussed in Quaterra Resources Corporation's various filings with the Securities and Exchange Commission.

Quaterra's (QMM) 3 to 5 Year Potential Value

- 1) Nieves 200 to 500 million ounces silver (\$10 silver, historical) \$.85 to \$ 2.10
- 2) MacArthur 10 to 15 billion pounds copper
Bear, MacArthur Yerington (\$2 copper, historical). \$ 8.30 to \$12.50
- 3) Arizona Strip uranium 90 to 150 million pounds
(30 pipes, @3 to 5 million pounds @\$60 per pound) \$ 2.25 to \$3.75
- 4) Cave Peak 600 million to 1.2 billion pounds Moly
(\$20 molybdenum per pound) \$ 5.00 to \$10.00

Potential Long Term Value of QMM Shares (est. 120 million shares out):

Historical Metal Prices:	\$ 16.15 to \$ 27.90
Current (9/19/08) Metal Prices:	\$ 26.00 to \$ 45.00

The Outlook for Shareholders of Quaterra Resources Is Positive, given its property acquisition strategy, discovery of significant copper, molybdenum, uranium, and silver which is in global demand. This long term valuation includes 4 of 18 properties.

QMM's shares have SHORT TERM (1 year) upside price potential of \$5.70 to \$9.50

There is additional share price potential from exploration and development of:

- 1) The Southwest Tintic copper porphyry and Treasure Hill (Utah),
- 2) Herbert Glacier gold (Alaska),
- 3) Gold and silver potential at Las Americas (Durango, Mexico),
- 4) 600,000 pounds of historical uranium resources in Utah
- 5) Platinum group metal discoveries (Duke Island, Alaska).

Quaterra's Management and Board

CEO Dr. Thomas Patton has strengthened management team and Board of Directors.

He also has developed a track record of world class discoveries including, most recently, Western Silver - \$9.8 billion in takeouts by Glamis and GoldCorp.

Mr. Tracy Stevenson, a 26 year executive with RTZ, became Chairman of the Board Feb. 2008.

Mr. Roy Wilkes, formerly President of Washington Group - International Business Mining Unit.

Dr. Charles Hawley, an expert in Alaskan mining also joined in 2007 as a VP Exploration.

Mr. Thomas Turner is Manager of Mexican Exploration. Tom co-discovered and developed Peñasquito for Western Silver between 2000 and 2006. He leads a team of 7 Mexican geologists.

Mr. Eugene Spiering: VP Exploration and also a Director, was responsible for assembling the assets in the sale of Rio Narcea to Lundin. Gene is focused on uranium and copper discovery.

QMM's management and Directors have purchased stock.

Executing the Business Plan

Trade on a US stock exchange. Listed March 2008.

Maintain position as top mining property acquisition experts.

Acquired 4 new properties in 2005 / 2008 – Cave Peak, Arizona Strip, Las Americas, MacArthur.

Potential exists for 8 “world class” properties. 100% owned and acquired with minimal cost.

2008/2009 Plan - map, explore, drill, develop and monetize.

Develop NI43-101 resource estimates in 2008/2009 on 4 properties.

Business Plan Focus: Stay North American, Buy Value, Diversify, Develop

Nieves, Silver: Zacatecas Mexico

23.3 square mile property in northwest Zacatecas, Mexico in the Faja De Plata,

The property hosts seven known vein systems and the recently discovered Arroyo fault.

80 holes drilled since 1995 – Spanish mined 6 kilo silver (200 ounces per tonne).

Nieves has the potential to host Fresnillo-type (high grade) silver veins.

High grade silver intercepts on 3 east-west vein systems, California, Concordia and Santa Rita.

Results (9/10/08) indicate that there may be 30 to 40 million ounces of silver on 400 meters (about 1/3rd) of the length of the Concordia vein. The property could host > 100 million ounces.

There is near-term mining potential at Nieves, a mill nearby, water and infrastructure.

MacArthur Oxide Copper: Yerington Nevada

100% owned MacArthur is a fully-stripped copper oxide deposit, 5 miles north of the historic Yerington copper mine (1.75 billion pounds of copper production over 25 years by Anaconda). QMM's 2008 drilling expanded the mineralized zone adjacent to the MacArthur pit by 400%. MacArthur's oxide and secondary sulphide ore is "run-of-mine" rock – low cost producer.

It may be economic at copper prices as low as \$1.50 per pound. Quaterra has discovered porphyry copper mineralization below iron oxides (could be 500 million tons or ore).

"The intercepts may represent "fringe" mineralization of a large porphyry copper system that is the source of the secondary copper at MacArthur."

Option to acquire Yerington for \$500,000 cash and 250,000 shares is accretive.

The Future at MacArthur is Promising:

- 1) Potential for a new copper porphyry resource given recent drilling.
- 2) QMM may exercise its option to acquire the Yerington and Bear deposits.
- 3) QMM could consolidate the district which hosts 20 to 30 billion pounds of copper.

Arizona Strip: High Grade Uranium

QMM is the largest landholder on the Arizona Strip, 5 to 25 miles north of the Grand Canyon. Energy Fuels mined 19 million pounds of uranium from 7 breccia pipes in 1980s.

The process was clean, no environmental footprint.

Dr. Patton recruited the original Energy Fuels team that mined these pipes in the 1980s.

High grade pipes are mined underground in a small volumetric area, above the water table.

(VTEM) technology applied by geophysicist Joseph Inman targeted "blind" uranium pipes.

There are 3 blind pipes for each pipe that surfaces. QMM discovered first blind pipe in 18 years.

14 other companies are exploring for these pipes on the Arizona Strip.

Potential for discovery of 30 uranium pipes with 90 to 150 million pounds of uranium.

Cave Peak Texas: High Grade Molybdenum

Cave Peak is a high grade deposit with the potential for large tonnage, on State land.

Three breccia pipes exist. The largest one with 26 holes drilled by Union Carbide in the 1960s.

Potential for Climax-type Porphyry Molybdenum deposit.

Potential for >1 billion pounds molybdenum and significant tungsten.

May contain beryllium, niobium, silver and base metals

Acquired for \$600,000 cash, no stock. Highly accretive transaction.

ADDITIONAL CATALYSTS DRIVING QUATERRA'S VALUATION:

- 1) **Off-Take, Purchase and JV Potential:** Larger mining companies are interested in guaranteed, long term molybdenum, uranium and copper off take.
- 2) **Upside Potential:** Long term potential for >1 billion pounds molybdenum, >100 million pounds uranium, 15 billion pounds copper and >200 million ounces of silver. Yerington option.
- 3) **Early Days of a Long Term Commodity Cycle.**
- 4) **Gold in Alaska:** The Company controls the Herbert Glacier project with potential for gold production in 3 target veins that adjoin the Main vein, grades .98 ounce / ton over 5 meters.
- 5) **Cave Peak Moly Could Be a Very Large, Accretive Resource:** Quaterra acquired Cave Peak's moly for \$600,000, no stock dilution. Possible >1 billion pounds of Molybdenum.
- 6) **North American Potential:** 7 projects in the mining-friendly states of Arizona, Nevada, Alaska and Texas and large land positions in Mexico. It owns all US projects 100%.
- 7) **Management and the Board** have relationships with senior mining executives. This allows for monetization of the assets. It makes the pipeline of properties accretive.
- 8) **Near Term Company Production:** possible within 2 to 3 years. Quaterra could realistically mine 3 resources. 1) The Arizona Strip uranium, 2) MacArthur Copper and 3) Nieves silver.
- 9) **100% Control of the South West Tintic:** Bear Creek Mining discovered porphyry (400 million tons copper ore at .3%) in early 1970s. Exxon drilled Treasure Hill for gold

Unique Value Attributes of Quaterra Resources:

- 1) Quaterra controls 100% of significant land positions in the Western US.
- 2) The company is a shrewd acquirer of valuable, advanced mining properties.
- 3) Metal neutral. Diversified into copper, silver, uranium, molybdenum, base metals and gold.
- 4) Strong Board of Directors, advisors and management team to create shareholder value.
- 5) Several strategic options regarding monetization of the assets.
- 6) Three projects are near term and small enough to be managed by QMM.
- 7) 100% ownership and cheap acquisition strategy makes the property pipeline accretive.
- 8) The Patton Track record – Western Silver purchased Feb. 2006 for \$1.2 billion by Glamis, Glamis purchased by Goldcorp for \$8.6 billion Sept. 2006.