

2 September 2013

**MYANMAR DRILLING UPDATE:  
DRILLING COMMENCEMENT OF  
YENANGYAUNG DEVELOPMENT WELL YNG 3259**

Interra Resources Limited (the “**Company**” or “**Interra**”) wishes to inform shareholders that its jointly controlled entity, Goldpetrol Joint Operating Company Inc. (“**Goldpetrol**”), has commenced drilling infill development well YNG 3259 in the Yenangyaung oil field in Myanmar.

Interra has a 60% interest in the Improved Petroleum Recovery Contract of the Yenangyaung field and also owns 60% of Goldpetrol which is the operator of the field. YNG 3259 is being drilled using Goldpetrol’s ZJ 450 rig, thus drilling costs are expected to be relatively low. Interra’s share of the cost of drilling will be funded from existing funds on hand.

YNG 3259 is drilled as an up-dip offset to YNG 3255 which was completed as an oil producer in July 2013. The primary objective is to accelerate production from the oil reservoirs that produce in this fault block.

Interra estimates that the results of the drilling and completion should be available in approximately six weeks. The Company will announce the results as soon as they may be ascertained as well as updates reflecting critical or unexpected events during drilling.

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 oil and gas exploration and production (E&P). Our E&P activities include oil and gas production, field development and exploration. We are positioning ourselves to become a leading regional independent producer of oil and gas.