

11 February 2014

**MYANMAR DRILLING UPDATE:
DRILLING COMMENCEMENT OF
CHAUK DEVELOPMENT WELL CHK 1180**

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 development well CHK 1180 in the Chauk oil field in Myanmar.

Interra has a 60% interest in the Improved Petroleum Recovery Contract of the Chauk field and also owns 60% of Goldpetrol which is the operator of the field. CHK 1180 is being drilled using hired ZJ 750 rig to a total measured depth of 3,400 feet. Interra’s share of the cost of drilling will be funded from existing funds on hand.

CHK 1180 will be the third well drilled directionally under the Ayeyarwaddy River in northern Chauk field as a north offset to the very successful first well, CHK 1176, which was completed in December 2013 at 185 barrels of oil per day and is currently producing 160 barrels of oil per day and no water. The second, CHK 1178, was completed as an oil producer as announced separately today.

CHK 1180 will be the most challenging of the three with a planned deviation of over 38 degrees and a lateral displacement of over 1,300 feet. The primary objective is to accelerate production from the oil reservoirs that produce from CHK 1176 and older wells 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 of the drilling operation 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.