

1 September 2014

**MYANMAR DRILLING UPDATE:
CHAUK DEVELOPMENT WELL CHK 1193
COMPLETED AS AN OIL PRODUCER**

Interra Resources Limited (the “**Company**” or “**Interra**”) wishes to inform shareholders that its jointly controlled entity, Goldpetrol Joint Operating Company Inc. (“**Goldpetrol**”), has completed development well CHK 1193 in the Chauk oil field in Myanmar as an oil producer.

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. Interra’s share of the cost of drilling was funded from existing funds on hand. CHK 1193 was drilled as a deviated well using hired ZJ 750 rig to a measured depth of 3,300 feet.

CHK 1193 was drilled as an infill development well to producing directional wells, and is the ninth well drilled by Goldpetrol in the successful development programme of directional drilling under the Ayeyarwaddy River in northern Chauk field. All nine wells, six from the east bank including this well and three from the west, have been completed as oil producers. Following four days of production testing, CHK 1193 has been completed through casing perforations over 35 feet covering four reservoirs for 150 barrels of oil per day.

Importantly, the reservoirs that were perforated and will be produced in CHK 1193 are different shallower reservoirs than those producing in the offset directional wells. After further technical evaluation of these reservoirs, additional prospective locations with these as the primary objective will possibly be delineated. Wireline log interpretation indicates that the deeper reservoirs are also very prospective. These will be evaluated at a later date.

CHK 1193 is the eighteenth well drilled in the Chauk oil field and twenty-fifth in Myanmar in 2014.

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.