

22 May 2015

**MYANMAR DRILLING UPDATE:
DRILLING COMMENCEMENT OF
CHAUK DEVELOPMENT WELL CHK 1198**

Interra Resources Limited (the “**Company**” or “**Interra**”) wishes to inform shareholders that its joint venture entity, Goldpetrol Joint Operating Company Inc. (“**Goldpetrol**”), has commenced drilling development well CHK 1198 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 1198 is being drilled using hired ZJ 750 rig to a proposed total measured depth of 2,900 feet. Interra’s share of the cost of drilling is funded from existing funds on hand.

CHK 1198 is the ninth well drilled by Goldpetrol in a continuation of the successful development programme of directional drilling under the Ayeyarwaddy River from the east bank in northern Chauk field. Following the success of CHK 1197 completed in March 2015 at 99 barrels of oil per day (bopd), CHK 1198 will be the second directional well to be drilled in 2015 and the third overall.

Development well CHK 1198 is drilled as a down-dip offset to producing well CHK 1193 and a structural equivalent southern offset to CHK 1195, which both were completed last year as significant oil producers. The primary objective is to accelerate production from the oil reservoirs that produce from these offset wells.

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 petroleum 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 petroleum.