

23 May 2014

**MYANMAR DRILLING UPDATE:
YENANGYAUNG DEVELOPMENT WELL YNG 3268
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 YNG 3268 in the Yenangyaung oil field in Myanmar as an oil producer.

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 3268 was completed using hired ZJ 750 rig and Interra’s share of the cost of drilling was funded from existing funds on hand.

YNG 3268 was drilled as an offset to three wells which were completed over the previous twelve months as very good oil producers. YNG 3268 was drilled to a depth of 4,260 feet with the primary objective of accelerating production from the oil reservoirs that produce from these and older wells in this fault block.

Following production testing, YNG 3268 has been completed through casing perforations over 70 feet covering nine reservoirs at a stabilised rate of 105 barrels of oil per day. This marks the eleventh well to be completed as an oil producer 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.