

20 January 2014



**MYANMAR DRILLING UPDATE:
YENANGYAUNG DEVELOPMENT WELL YNG 3264
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 3264 in the Yenangyaung oil field in Myanmar as a significant 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 3264 was drilled using hired Sinopec Services ZJ 750 rig to a total depth of 4,160 feet. Interra’s share of the cost of drilling was funded from existing funds on hand.

YNG 3264 was drilled as an up-dip offset to producing well YNG 3255 which was completed in July 2013 as an oil producer. The primary objective is to accelerate production from the oil reservoirs that produce in this fault block.

YNG 3264 has been completed through casing perforations over 69 feet in five reservoirs at a stabilized rate of 175 barrels of oil per day. This marks the current best oil producing rate by a single well in Yenangyaung field.

YNG 3264 marks the first 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.