

18 August 2014

**MYANMAR DRILLING UPDATE:
CHAUK DEVELOPMENT WELL CHK 1191
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 1191 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. CHK 1191 is being drilled using Goldpetrol's ZJ 450 rig, thus drilling costs were relatively low. Interra's share of the cost of drilling is funded from existing funds on hand.

CHK 1191 was drilled to a total depth 3,650 feet in the North-Central fault block of Chauk field in a slightly up-dip position to CHK 1183 which was completed in April 2014 as an oil producer and with the primary objective of accelerating production from undrained portions of oil reservoirs in this fault block. Following production testing, CHK 1191 has been completed through casing perforations over 46 feet covering nine reservoirs for 20 barrels of oil per day.

CHK 1191 is the seventeenth well drilled in the Chauk oil field and twenty-fourth 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.