

20 January 2014

**MYANMAR DRILLING UPDATE:  
DRILLING COMMENCEMENT OF  
CHAUK DEVELOPMENT WELL CHK 1178**

Interra Resources Limited (the “**Company**” or “**Interra**”) wishes to inform shareholders that its jointly controlled entity, Goldpetrol Joint Operating Company Inc. (“**Goldpetrol**”), has commenced drilling development well CHK 1178 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 1178 is being drilled by using hired Sinopec Services ZJ 750 rig to a total depth of 3,300 feet. Interra’s share of the cost of drilling will be funded from existing funds on hand.

CHK 1178 will be the second well drilled directionally under the Ayeyarwaddy River in the northern Chauk field, following the very successful well CHK 1176 which was completed in December 2103 at 185 barrels of oil per day. The primary objective is to accelerate production from the oil reservoirs in this fault block.

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 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.