

1 July 2014

**MYANMAR DRILLING UPDATE:
CHAUK DEVELOPMENT WELL CHK 1188
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 1188 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. Since the well was drilled using Goldpetrol's LTO 350 rig, costs were comparatively low. Interra's share of the cost of drilling was funded from existing funds on hand.

CHK 1188 was drilled to a targeted depth of 2,705 feet in the Chauk South fault block as a south offset to producing well CHK 1157. The primary objective is to produce oil from reservoirs in this fault block which have not been drained by current existing wells. CHK 1188 has been completed through casing perforations over ten reservoirs totalling 70 feet for 170 barrels of oil per day.

CHK 1188 is the twelfth well drilled in the Chauk oil field and nineteenth 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.