

24 July 2014

**MYANMAR DRILLING UPDATE:
DRILLING COMMENCEMENT OF
CHAUK DEVELOPMENT WELL L 142**

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 L 142 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. L 142 is being drilled using hired ZJ 750 rig. Interra’s share of the cost of drilling is funded from existing funds on hand.

L 142 is a direct offset to the recently completed oil producer L 140 and is the third directional well drilled under the Ayeyarwaddy River from the west bank. The well is to be drilled to a total measured depth of 3,600 feet, with a planned deviation reaching 44 degrees and a lateral displacement of over 1,650 feet. The primary objective is to accelerate production from the oil reservoir that produces from L 140 and other relatively new development wells drilled and completed in this portion of northern Chauk oil field.

Interra estimates that the results of the drilling and completion should be available in approximately six weeks. The Company will announce the results 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.