

1 February 2016

**MYANMAR DRILLING UPDATE:
YENANGYAUNG WELL YNG 3270**

Interra Resources Limited (the “**Company**” or “**Interra**”) wishes to inform shareholders that its joint venture entity, Goldpetrol Joint Operating Company Inc. (“**Goldpetrol**”), has completed drilling development well YNG 3270 in the Yenangyaung oil field in Myanmar and the well has been temporarily shut-in (TSI) pending further action with respect to reservoir stimulation.

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 3270 was drilled using Goldpetrol’s ZJ 450 rig, thus drilling costs were relatively low. Interra’s share of the cost of drilling was funded from existing funds on hand.

YNG 3270 was drilled to a total depth of 4,140 feet as an up-dip offset to several pre-war wells that were still producing at the onset of the war from several reservoirs before the boreholes were effectively rendered unusable by the retreating allied forces. Drilling shows and the analysis of wireline logs indicated the presence of hydrocarbons in the targeted reservoirs.

Further technical analysis will be undertaken with respect to the best course of action to achieve hydrocarbon influx, whether through hydraulic fracturing or other stimulation methods. Interra will announce the results of possible additional work with respect to the above once these are known.

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 petroleum exploration and production (E&P). Our E&P activities include petroleum production, field development and exploration. We are positioning ourselves to become a leading regional independent producer of petroleum.