

26 January 2017

**MYANMAR DRILLING UPDATE:
DRILLING COMMENCEMENT OF
CHAUK DEVELOPMENT WELL CHK 1201**



Interra Resources Limited (the “**Company**” or “**Interra**”) wishes to inform shareholders that its joint venture entity, Goldpetrol Joint Operating Company Inc. (“**Goldpetrol**”), has commenced drilling development well CHK 1201 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 1201 is being drilled using Goldpetrol’s ZJ 450 rig, thus drilling costs are expected to be relatively low. Interra’s share of the cost of drilling is funded from existing funds on hand.

CHK 1201 is the first well to be drilled in Myanmar in 2017 and is proposed to reach a total depth of 2,900 feet as an offset well to new producers CHK 1192 and CHK 1196 in the South-Central fault block. The primary objective is to accelerate production from the oil reservoirs that produce from these and several other wells 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 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.