

15 May 2017

**MYANMAR DRILLING UPDATE:
DRILLING COMMENCEMENT OF
CHAUK DEVELOPMENT WELL CHK 1202**

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 1202 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 1202 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 1202 is the second well to be drilled in Myanmar in 2017 and is proposed to reach a total depth of 3,650 feet as an offset to producing wells CHK 1200 completed in September 2016, and older well CHK 1114. CHK 1202 is located on the east flank of the Singu North fault block with the primary objective of accelerating production from the oil reservoirs that produce from these and several nearby wells. In addition, the well will test deeper reservoirs from this east flank position that have produced oil previously in older 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.