

20 July 2018

**MYANMAR DRILLING UPDATE:
DRILLING COMMENCEMENT OF
YENANGYAUNG DEVELOPMENT WELL YNG 3273**

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 YNG 3273 in the Yenangyaung oil field in Myanmar.

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 3273 is being drilled using a hired ZJ 750 rig, and Interra’s share of the cost of drilling is funded from existing funds on hand.

YNG 3273 will be directionally drilled to a proposed measured depth of 5,800 feet in the Yenangyaung J-K fault block between two producing wells. It will have a trajectory from up-dip to down-dip resulting in a thicker effective reservoir section to be exposed to the wellbore thus improving recovery. This will be the initial attempt by Goldpetrol using this technique in Yenangyaung field. The primary objective is to accelerate oil production from the reservoirs that produce in this fault block.

YNG 3273 is the first well to be drilled in Yenangyaung field in 2018 and the seventh in Myanmar for the year. Interra estimates that the drilling and completion results should be available within 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.