


28 March 2011




**MYANMAR DRILLING UPDATE:  
CHAUK DEVELOPMENT WELL CHK 1161  
COMPLETED AS AN OIL PRODUCER**

Interra Resources Limited (the “**Company**” or “**Interra**”) wishes to inform shareholders that its jointly controlled entity, Goldpetrol Joint Operating Company Inc. (“**Goldpetrol**”), has completed infill development well CHK 1161 which commenced drilling earlier this month in the Chauk field in central Myanmar as an oil producer. This is the initial well to be drilled by Goldpetrol in the Myanmar 2011 drilling campaign.

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 1161 was drilled using Goldpetrol’s Cooper LTO 350 rig in the northern area of the field. Interra’s share of the cost of drilling will be funded from existing funds on hand.

CHK 1161 was drilled to a depth of approximately 2,350 feet and is producing a stabilised average of 23 barrels of oil per day after one week of production testing by pump. The primary objective of CHK 1161 was to produce oil from the 4<sup>th</sup> and 5<sup>th</sup> Sandstone (SS) reservoirs that were not drained by offset well CHK 950. After analysing wire line log data, it was decided that the well be completed in the 4<sup>th</sup> SS and the lower A SS, which looked productive on the logs but was not a primary object and yet had produced oil in nearby "pre-war" wells. This is a continuation of the emphasis on drilling shallow to intermediate depth wells using Goldpetrol's own rig to develop areas in producing reservoirs that are not currently drained by existing wells.

The Company wishes to advise that investors should exercise due care and caution when trading Interra’s shares. It is not certain that the development drilling mentioned above will ultimately yield commercially recoverable hydrocarbons or profitable production.



By Order of the Board of Directors of  
INTERRA RESOURCES LIMITED

Marcel Tjia  
Chief Executive Officer

**About Interra**

Interra Resources Limited, listed on the SGX Catalist and the ASX, is a Singapore-incorporated company engaged in the business of petroleum exploration and production (“E&P”). Our E&P activities include petroleum production, field development and exploration through strategic alliances and partnerships. We are positioning ourselves to becoming a leading regional independent producer of oil and gas.

For corporate enquiries, please contact:

Marcel Tjia  
Chief Executive Officer  
mtjia@interraresources.com

For technical enquiries, please contact:

Frank Hollinger  
Chief Technical Officer  
frank@interraresources.com

---

*This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor (“Sponsor”), Collins Stewart Pte. Limited, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“SGX-ST”). Collins Stewart Pte. Limited has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Mr Alex Tan, Managing Director, Corporate Finance, Collins Stewart Pte. Limited, at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 6854 6160.*