



March 29, 2017

**QTRRF: OTCQX International
QTA: TSX VENTURE**

QUATERRA COMMENCES DRILLING AT ITS YERINGTON COPPER PROJECT, NEVADA

VANCOUVER, B.C. — Quaterra Resources Inc. (“Quaterra” or the “Company”) and its subsidiary Singatse Peak Services LLC (“SPS”) today announced drilling had commenced for the 2017 drill program of approximately 20,000 feet to test targets throughout the Company’s 51-square-mile land package located in the historic Yerington Copper District of Nevada.

SPS has selected targets on the basis of geology, geophysical surveys, previous drilling results, and a recently completed induced polarization (IP) survey totaling 34 line kilometers. Drilling will include both reverse circulation (RC) and core, with Layne Christensen Company, Chandler, Arizona, providing both drill rigs. Holes will be started using RC and completed with core.

A number of holes will be drilled to test new targets in and around the Yerington pit and in the MacArthur mine areas. At least two holes will test targets outside of known mineralized areas in the north and east parts of the property. The first hole has been collared in the northwest end of the Yerington pit.

Freeport-McMoRan Nevada LLC (“Freeport Nevada”) has made an accelerated option payment of \$1.5 million that SPS is using for the current drilling program. (All amounts are expressed in U.S. dollars). Freeport Nevada is a wholly owned subsidiary of Freeport Minerals Corporation, which in turn is a wholly owned subsidiary of Freeport-McMoRan Inc. (NYSE:FCX).

Freeport Nevada’s accelerated \$1.5 million option payment is in addition to an option payment in December 2016 of \$1.25 million by Freeport Nevada to SPS that is being used for property maintenance, G&A and environmental compliance at Yerington. December’s option payment was the second of a four-tranche agreement totaling \$5.75 million over two years announced in June last year to extend Stage 2 of Freeport Nevada’s option to acquire an interest in the Company’s Yerington Copper Project.

In June 2014, Quaterra and its subsidiary SPS entered into an agreement which gives Freeport Nevada an option to earn an initial 55% interest in SPS by providing \$40.7 million in option payments to SPS. In June 2016, Stage 2 of the agreement was potentially extended by another two years. The Stage 2 extension option payments and any accelerated option payments will

reduce the payments required for Freeport Nevada to earn its initial 55% interest in SPS. Freeport Nevada can earn a further 20% in SPS (increasing its holding to 75%) by spending \$99.5 million or by funding a feasibility study, whichever comes first. Before then, Freeport Nevada can terminate the agreement at its discretion.

Quaterra's Yerington Copper Project is located in the historic Yerington Copper District, about 70 miles southeast of Reno, Nevada. It consists of the Yerington pit sulfide and oxide deposit previously mined by Anaconda; the MacArthur oxide and sulfide deposit; the Bear porphyry copper deposit; and several untested exploration targets. Quaterra's 51-square-mile land package is situated in a mining-friendly jurisdiction with a history of copper production and good infrastructure. It also owns valuable water rights in the district. Quaterra has invested some \$36 million in the Yerington District since 2006, and has released NI 43-101-compliant oxide and sulfide resources at both MacArthur and Yerington, and a preliminary economic assessment at MacArthur.

Technical information in this news release has been approved by Thomas Patton, Ph.D., the CEO of the Company, and a Qualified Person as defined in NI 43-101.

More information on Quaterra and its Yerington Copper Project can be found on the Company's website at www.quaterra.com, and at SEDAR and EDGAR.

About Quaterra Resources Inc.

Quaterra Resources Inc. (TSX-V: QTA; OTCQX: QTRRF) is a copper exploration and development company with the primary objective to advance its U.S. subsidiary's copper projects in the Yerington District, Nevada.

On behalf of the Board of Directors,

Thomas Patton, Chairman & CEO
Quaterra Resources Inc.

For more information please contact:

Thomas Patton, Chairman & CEO
Quaterra Resources Inc.
604-641-2758

Gerald Prosalendis, President and COO
Quaterra Resources Inc.
604-641-2780

Disclosure note:

Some statements contained in this news release are forward-looking statements under Canadian securities laws and within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These statements are identified in this news release by words such as “believes”, “anticipates”, “intends”, “has the potential”, “expects”, and similar language, or convey estimates and statements that describe the Company’s future plans, objectives, potential outcomes, expectations, or goals. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. In particular, forward looking statements in this news release include that the Company will receive option payments; that exploration drilling will be undertaken, that results will define further mineralization or high grade zones; that historical and new exploration will support a resource on the property; and that the Yerington assets have the potential to support mining operations. These statements are subject to risks and uncertainties which may cause results to differ materially from those expressed in the forward-looking statements. A summary of risk factors that apply to the Company’s operations are included in our management discussion and analysis filings with securities regulatory authorities, and are publicly available on our website. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date thereof. The Company does not undertake to update any forward-looking statement that may be made from time to time except in accordance with applicable securities laws.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.