



News Release

X-TERRA RESOURCES COMPLETES A SUCCESSFUL VTEM SURVEY ON ITS 100% OWNED DUCRAN PROPERTY AND ANNOUNCES RESULTS OF ITS ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

Rouyn-Noranda, Québec, December 18, 2018. X-Terra Resources Inc. (TSXV: XTT) (FRANKFURT: XTR) (“**X-Terra**”) is pleased to report the completion of a significant helicopter-borne electromagnetic (“**VTEM**”) survey on its wholly-owned Ducran project, acquired in 2017. The Ducran property is comprised of 66 mining claims covering a surface area of approximately 36 km². The Ducran property is located approximately 14 kilometres to the South of the town of Chapais in the Province of Québec and is easily accessible by a series of logging roads.

Given its significant depth penetration, this VTEM survey, conducted along flight lines spaced 75-metre apart and totalling approximately 319 line kilometres, is designed to detect new conductors that can be associated to the main Ni-Cu-Zn and Ag showing discovered in 2017 (see X-Terra’s press release dated October 31, 2017) and also to identify new conductors in this favorable geological context.

In the fall of 2017, the X-Terra’s exploration team outlined a polymetallic mineralization hosted by mafic schist in a sheared polyphased intrusion (diorite, quartz diorite and gabbro) and extended it by drilling to 54 metres vertically and 25 metres to the South-East. The mineralized shear is open at depth and in all directions. Additionally, the historical Boma showing, in which a short drill hole was completed in 1965, located at 570 metres to the South-East of the Ducran showing returned 5.14 g/t Au, 12.77% Cu and 84.34 g/t Ag over 0.61 metres (GM 48085) and remains open.

Following the VTEM survey, X-Terra will perform follow-up work in an effort to validate the anomalies in the vicinity of the Ducran and Boma showings as well as the new VTEM anomalies located in favourable geological settings.

In other news, X-Terra is also pleased to announce the results of its annual and special meeting of shareholders held on December 12, 2018 in Rouyn-Noranda, Québec. At the meeting, shareholders elected Michael Ferreira, Sylvain Champagne, Michel Chapdelaine, Jean-François Madore, Michael Byron, Kim Oishi and Sébastien Bellefleur as members of the Board of Directors of X-Terra. The shareholders also re-appointed PricewaterhouseCoopers LLP, Chartered Professional Accountants, as the auditors of X-Terra. The resolution ratifying and confirming X-Terra’s stock option plan was withdrawn and not presented for a vote by shareholders at the meeting.

Qualified person

Mr. Claude Larouche, PGeo, a consultant to X-Terra Resources, is the qualified person for the Ducran property under National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*, responsible for the technical contents of this news release, and has approved the disclosure of the technical information contained herein.

About X-Terra Resources Inc.

X-Terra Resources is a resource company focused on acquiring and exploring precious metals and energy properties in Canada.

Forward-Looking Statements

This news release contains statements that may constitute “forward-looking information” within the meaning of applicable Canadian securities legislation. Forward-looking information may include, among others, statements regarding the future plans, costs, objectives or performance of X-Terra, or the assumptions underlying any of the foregoing. In this news release, words such as “may”, “would”, “could”, “will”, “likely”, “believe”, “expect”, “anticipate”, “intend”, “plan”, “estimate” and similar words and the negative form thereof are used to identify forward-looking statements. Forward-looking statements should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether, or the times at or by which, such future performance will be achieved. No assurance can be given that any events anticipated by the forward-looking information will transpire or occur, including the development of the Properties, or if any of them do so, what benefits X-Terra will derive from the Properties. Forward-looking information is based on information available at the time and/or management’s good-faith belief with respect to future events and are subject to known or unknown risks, uncertainties, assumptions and other unpredictable factors, many of which are beyond X-Terra Resources’ control. These risks, uncertainties and assumptions include, but are not limited to, those described under “Financial Instruments” and “Risk and Uncertainties in X-Terra’s Annual Report for the fiscal year ended December 31, 2017, a copy of which is available on SEDAR at www.sedar.com, and could cause actual events or results to differ materially from those projected in any forward-looking statements. X-Terra does not intend, nor does X-Terra undertake any obligation, to update or revise any forward-looking information contained in this news release to reflect subsequent information, events or circumstances or otherwise, except if required by applicable laws.

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

For further information:

X-Terra Resources Inc.

Mr. Michael Ferreira, President & Chief Executive Officer

139 Québec Avenue, Suite 202

Rouyn-Noranda, Québec, J9X 6M8

Telephone: 819-762-4101 | Fax: 819-762-0097

E-mail: info@xterraresources.com

Website: www.xterreresources.com