



News Release

X-TERRA ANNOUNCES CLOSING OF \$1 MILLION PRIVATE PLACEMENT

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Rouyn-Noranda, Québec, January 24, 2018 – X-Terra Resources Inc. (TSXV: XTT) (FRANKFURT: XTR) is pleased to announce that it has completed a non-brokered private placement by issuing 5,000,000 units at a price of \$0.20 per unit for gross proceeds to X-Terra Resources of \$1,000,000. Each of the 5,000,000 units is comprised of one common share and one-half of a common share purchase warrant. Each whole warrant entitles its holder to acquire one additional common share of X-Terra Resources at a price of \$0.30 for a period of 24 months from the closing date.

X-Terra Resources will use the proceeds from this private placement for exploration on its properties located in the province of Québec and for working capital purposes. In connection with the private placement, X-Terra Resources paid a cash sale commission to PI Financial Corp. totalling \$4,080. In addition, X-Terra granted finder's options to PI Financial Corp. entitling it to acquire up to 20,400 additional common shares of X-Terra Resources at a price of \$0.20 per share for a period of 24 months from the closing date.

As a result of the closing of the private placement, there are 30,648,389 common shares of X-Terra Resources issued and outstanding. Under applicable securities legislation, the securities issued in the private placement are subject to a four-month hold period, expiring on May 24, 2018.

One director and officer of X-Terra Resources (the "Insider") purchased 250,000 units for a total consideration of \$50,000. The issuance of units to the Insider constitutes a related party transaction but is exempt from the formal valuation and minority approval requirements of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101") as X-Terra Resources' securities are not listed on any stock exchange identified in Section 5.5(b) of MI 61-101 and neither the fair market value of the units issued to the Insider, nor the fair market value of the entire private placement, exceeds 25% of X-Terra Resources' market capitalization. X-Terra Resources did not file a material change report with respect to the participation of the Insider at least 21 days prior to the closing of the private placement as the insider participation was not determined at that time.

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 Resources, 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 closing of the private placement. 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 Resources' Annual Report for the fiscal year ended December 31, 2016, 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 Resources does not intend, nor does X-Terra Resources 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.

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