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News Release

X-TERRA RESOURCES CANCELS PRIVATE PLACEMENT

VANCOUVER, BC: September 6, 2007 – **X-Terra Resources Corporation (XT-TSXV)** announces that it has cancelled, due to current market conditions, its previously-announced non-brokered private placement (see June 8, 2007 press release).

The cancellation of the private placement is not expected to have any effect on X-terra's operations.

About X-Terra Resources:

X-Terra is a mineral resources company focused on acquiring and exploring uranium properties in Canada. X-Terra has active uranium exploration projects in province of Quebec, Canada.

Forward-looking Statements

This news release contains certain forward-looking statements. These forward-looking statements are subject to a variety of risks and uncertainties beyond the ability of X-Terra to control or predict, which could cause actual events or results to differ materially from those anticipated in such forward-looking statements, including risks disclosed in filings with the Canadian securities regulators made by X-Terra. Accordingly, readers should not place undue reliance on forward-looking statements.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

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