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News Release

X-TERRA RESOURCES COMMENCES EXPLORATION AT KIPAWA

VANCOUVER, BC: September 18, 2007 – **X-Terra Resources Corporation (XT-TSXV)** is pleased to announce the commencement of an exploration program on its 100% owned Villedieu-Lindsay properties located approximately 130 kilometres south of Rouyn-Noranda and 100 kilometres northwest of North Bay along the Quebec-Ontario border. The property is located approximately midway between the Elliot Lake uranium camp and the Abitibi gold belt camp.

The region has been targeted for its gold-uranium association, based on the occurrence of regional gold anomalies in stream sediments. The 2007-08 exploration program consists of till sampling on a 1,000 metre by 500 metre grid, conducted on a portion of the area covered by the government airborne survey. The objective of the till sampling is to delineate isolated heavy mineral concentrate gold anomalies. A radiometric survey for uranium is also planned on the northern portion of the property. A further airborne magnetic and electromagnetic survey, on 100 metre spacing combined with a diamond drill program to test gold and uranium targets will be executed in the fourth quarter of 2007. To view a location map of the 1490 hectares claim blocks please visit our website at www.xterraresources.com

About X-Terra Resources:

X-Terra is a mineral resources company focused on acquiring and exploring gold and uranium properties in Canada. X-Terra has active gold/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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