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## News Release

### X-TERRA RESOURCES ANNOUNCES NORMAL COURSE ISSUER BID

**ROUYN-NORANDA, QUÉBEC. September 3<sup>rd</sup>, 2008 – X-Terra Resources Corporation (XT-TSXV)** announces that it intends to institute a normal course issuer bid through the facilities of the TSX Venture Exchange. Under the bid, X-Terra may repurchase for cancellation a maximum of 612,250 common shares over a twelve-month period, representing approximately 5% of the “public float” of X-Terra’s shares outstanding as at September 3<sup>rd</sup>, 2008. Purchases of common shares under the bid will be made at market prices and otherwise in accordance with the policies of the TSX Venture Exchange.

X-Terra believes that, at current market prices (and at certain times throughout the duration of the bid), the purchase of its common shares will be beneficial to X-Terra and contribute to enhancing shareholder value. The bid is subject to regulatory approval, including that of the TSX Venture Exchange.

X-Terra has not purchased any of its common shares during the previous twelve months.

#### **About X-Terra Resources:**

X-Terra is a resource company focused on acquiring and exploring energy properties in Canada. X-Terra Resources has 12,245,069 shares outstanding.

#### **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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