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News Release

X-TERRA RESOURCES INCREASES FINANCING TO 5 MILLION UNITS

VANCOUVER, BC: June 9th, 2008 – **X-Terra Resources Corporation (XT-TSXV)** is pleased to announce that it has agreed to increase the size of its private placement through PowerOne Capital Markets Ltd. (see News Release dated June 09, 2008) to up to a maximum of 5,000,000 units (the “Units”) at a price of \$1.90 per Unit for maximum gross proceeds of up to \$9.5 million.

All of the other terms of the proposed financing described in the June 9, 2008 news release remain the same. Completion of the financing remains subject to TSX Venture Exchange approval.

About X-Terra Resources:

X-Terra is a resource company focused on acquiring and exploring energy properties in Canada. X-Terra Resources has 6,776,671 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.

This news release does not constitute an offer of the securities described herein. These securities have not been registered under the United States Securities Act of 1933, as amended, or any state securities laws, and may not be offered or sold in the United States or to U.S. persons unless registered or exempt therefrom.

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