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News Release

X-TERRA RESOURCES REPRICES FINANCING

VANCOUVER, BC: June 24th, 2008 – **X-Terra Resources Corporation (XT-TSXV)** has repriced its previously announced 5 million units (the “Units”) proposed financing (see June 9, 2008 news release). The new terms of the proposed financing are a maximum of five million Units of the Company at a price of \$1.00 per unit, for maximum gross proceeds to the Company of \$5.0 million. Each Unit will consist of one common share and one common share purchase warrant. Each warrant will entitle the holder thereof to acquire one additional common share of the Company at a price of \$1.50 for a period of two years from the closing of the private placement.

The Company has agreed to pay to PowerOne Capital Markets, at the time of the closing of the private placement, an agency fee equal to 8% of the gross proceeds of the private placement in cash or, at the option of PowerOne Capital Markets, in Units at a deemed price of \$1.00 per Unit. The Company will also issue broker warrants entitling PowerOne Capital Markets to purchase a number of units equal to 8% of the number of Units sold in the private placement, at an exercise price of \$1.50 per Unit.

The private placement is subject to regulatory approval, including that of the TSX Venture Exchange. 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 7,245,069 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.

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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