



News Release

X-TERRA RESOURCES OPTIONS FOUR MINING PROPERTIES LOCATED IN NEW-BRUNSWICK

Rouyn-Noranda, Québec, November 19, 2018 – X-Terra Resources Inc. (TSXV: XTT) (FRANKFURT: XTR) (“**X-Terra**”) is pleased to announce, in connection with its previously-announced letter of intent, that it has entered today into a definitive exploration and option agreement (the “**Option Agreement**”) with NBGold Inc. and Tim Lavoie (the “**Optionors**”) pursuant to which X-Terra has an option (the “**Option**”) to acquire a 100% undivided ownership interest in 34 mining claims comprising the Grog, Rim, Dome and Bonanza mining properties which are located approximately 30 kilometres (direct flight) south west of the town of Campbellton in the Province of New Brunswick, Canada (the “**Properties**”).

Pursuant to the Option Agreement, X-Terra may acquire a 100% undivided ownership interest in the Properties over a three-year period by making the following payments and incurring mining exploration expenditures as follows:

- (a) by making cash payments to NBGold in the aggregate amount of \$500,000, a \$100,000 of which is payable on the initial payment date, which is expected to occur on or before December 15, 2018 (the “**Closing Date**”);
- (b) by issuing an aggregate of 31,500,000 common shares of X-Terra (the “**Shares**”) to the Optionors, 4,000,000 of which will be issued on the Closing Date and the balance will be issuable over a period of 36 months from the signature date of the Option Agreement. 2,000,000 of these Shares will be issued to Mr. Tim Lavoie and the remaining Shares will be issued directly to NBGold shareholders;
- (c) by issuing an aggregate of 10,000,000 common share purchase warrants of X-Terra (the “**Warrants**”) to NBGold shareholders, of which 2,000,000 Warrants exercisable at price of \$0.15 per share for a period of 18 months will be issued on the Closing Date. The balance of Warrants will be issuable over a period of 36 months from the signature date of the Option Agreement (exercisable over 12 months upon issuance, except for the last tranche of 4,000,000 Warrants which will be exercisable over a five years period from their issuance date, all at a price per share equal to the greater of (i) \$0.125 and (ii) the Market Price (as such term is defined in Policy 1.1 of the TSX Venture Exchange) at the time of issuance). Each warrant will entitle the holder thereof to acquire one common shares of X-Terra; and
- (ii) by incurring mining exploration expenditures in an aggregate amount of \$5,750,000 over a period of 36 months on the Properties.

Upon completing all of the payments mentioned above, X-Terra will have a 100% ownership interest in the Properties and the Properties will be subject to a 2% net smelter return royalty in favor of the Optionors. X-Terra may, at any time, purchase 50% of the net smelter return royalty from the Optionors for \$10 million. Please refer to X-Terra’s press release dated September 25, 2018 for more details on the Properties and the Option.

X-Terra also announces that the TSX Venture Exchange conditionally approved the transaction contemplated by the Option Agreement, subject only to compliance with standard requirements of the TSX Venture Exchange and upon the closing of an equity private placement by X-Terra for a minimum amount of \$1.5 million. Any failure by X-Terra to comply with the standard requirements of the TSX Venture Exchange and completing the foregoing equity financing would result in the Option Agreement being terminated.

About X-Terra Resources Inc.

X-Terra Resources is a resource company focused on acquiring and exploring precious metals and energy properties in Canada.

Forward-Looking Statements

This news release contains statements that may constitute “forward-looking information” within the meaning of applicable Canadian securities legislation. Forward-looking information may include, among others, statements regarding the future plans, costs, objectives or performance of X-Terra, or the assumptions underlying any of the foregoing. In this news release, words such as “may”, “would”, “could”, “will”, “likely”, “believe”, “expect”, “anticipate”, “intend”, “plan”, “estimate” and similar words and the negative form thereof are used to identify forward-looking statements. Forward-looking statements should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether, or the times at or by which, such future performance will be achieved. No assurance can be given that any events anticipated by the forward-looking information will transpire or occur, including the acquisition of the Properties, the development of the Properties, or if any of them do so, what benefits X-Terra will derive from the Properties. Forward-looking information is based on information available at the time and/or management's good-faith belief with respect to future events and are subject to known or unknown risks, uncertainties, assumptions and other unpredictable factors, many of which are beyond X-Terra Resources' control. These risks, uncertainties and assumptions include, but are not limited to, those described under “Financial Instruments” and “Risk and Uncertainties in X Terra's Annual Report for the fiscal year ended December 31, 2017, a copy of which is available on SEDAR at www.sedar.com, and could cause actual events or results to differ materially from those projected in any forward-looking statements. X-Terra does not intend, nor does X-Terra undertake any obligation, to update or revise any forward-looking information contained in this news release to reflect subsequent information, events or circumstances or otherwise, except if required by applicable laws.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of the release.

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