



News Release

X-TERRA RESOURCES PROVIDES AN UPDATE ON GROG AND NORTHWEST PROPERTIES

Rouyn-Noranda, Québec, July 15, 2020 – X-Terra Resources Inc. (TSXV: XTT) (FRANKFURT: XTR) (“**X-Terra**”) is pleased to announce it has received all the necessary work authorization permits to continue with its exploration and drilling over the Grog and Northwest properties located in Restigouche county, New Brunswick.

X-Terra has also been awarded a \$35,000 grant under the New Brunswick Junior Mining Assistance Program. Plans are being finalized to carry out a detailed geochemical sampling survey over the Grog target in addition to a detailed ground IP survey. The surveys are expected to be completed shortly, which will be financed in part by the grant recently awarded.

The objective of this program is complementary to the winter drilling program which resulted in the new gold discovery of 0.46 g/t Au over 31 metres in hole GRG-20-012 (see X-Terra’s press release dated May 5, 2020). This continuous gold interval was obtained at a vertical depth of 81 metres in an area where trenching had already delivered sporadic results. This achievement for an inaugural program was convincing enough to cover the area with additional preparatory works while targeting specific objectives.

- **Discern the deposit signature.** The combination of IP ground geophysics with soil geochemistry is expected to highlight the correspondence between conductor zones associated with a higher fraction of sulfides and known soil Au-As-Sb signatures.
- **Extending the surface footprint of the Grog showing:** Current exploration, which includes a past soil survey, identified a number of anomalies scattered over an area measuring approximately 1 X 2 kilometres.
- **Confirming parallel structures to Grog.** Further interpretation of the 2019 detailed magnetic survey identified distinct parallel magnetic contrasts that followed a north-east orientation. The Grog showing follows one of these trends and corresponds to a soil anomaly. To date, no follow up has been done on the other trends.

The IP survey planned will cover the defined area of two square kilometres (2 km²) centered on the Grog showing using an overlapping pattern of 1-kilometre long lines following an average spacing of 200 metres. Approximately 5.5-line kilometres will seek to expand and highlight more detail of the mineralized structure already identified in addition to its NE-SW extensions for follow up drilling.

The detailed geochemical sampling program will comprise of approximately 108 samples collected at 25 metre spaced intervals over 2.6 line kilometres on both sides of Grog showing, maintaining a spacing of 200 metres. This type of survey will seek to again highlight and confirm parallel structures to Grog hosting a similar Au-As-Sb signature.

Michael Ferreira, President and CEO of X-Terra commented: “This is an exciting step for our team as we will be able to move forward while we wait for our Troilus East samples to come back from the lab. Receiving this grant will allow us to improve our targeting ability along the newly identified gold bearing structure and increase the assurance for the drill targets carrying the same characteristics of Grog.

Qualified Person

Jeannot Théberge, P. Geo registered in the Provinces of Québec and New-Brunswick, a consultant to X-Terra, a qualified person *under National Instrument 43-101 Standards of Disclosure for Mineral Projects* (“**NI 43-101**”) has reviewed the technical contents of this news release and has approved the disclosure of the technical information contained herein.

About X-Terra Resources Inc.

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

Forward-Looking Statements

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