



News Release

X-TERRA RESOURCES COMPLETES FIRST EXPLORATION PROGRAM ON TROILUS EAST

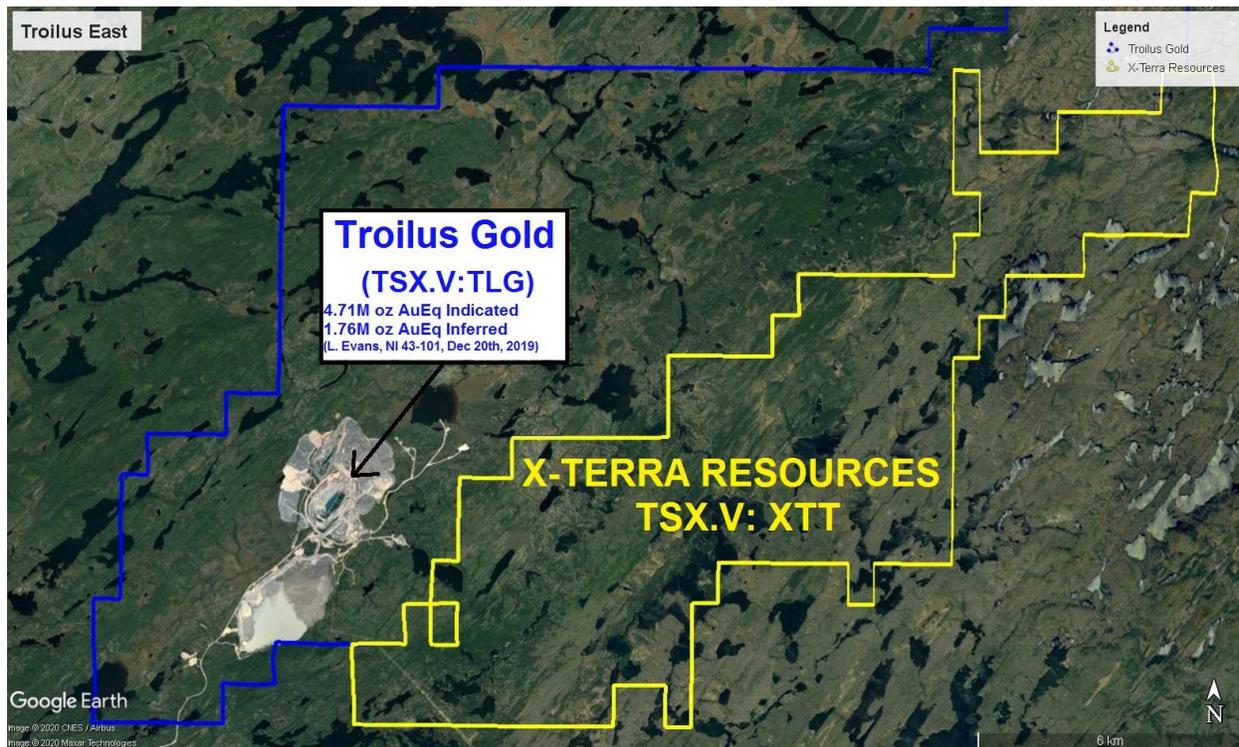
Rouyn-Noranda, Québec, July 2, 2020 – X-Terra Resources Inc. (TSXV: XTT) (FRANKFURT: XTR) (“**X-Terra**”) is pleased to announce it has completed the first geological reconnaissance and prospecting campaign on its Troilus East property located on the Frotet-Evans greenstone belt in James Bay, Québec.

X-Terra’s wholly-owned Troilus East property is located adjacent to Troilus Gold (TSX.V: TLG), Urban Gold (TSX-V: UGM) and Kenorland Minerals ground. The area has seen a significant amount of exploration which has focused on the gold potential, something the Frotet-Evans belt hasn’t seen in almost thirty years. This renewed interest was triggered by the Troilus Gold-Copper project, on which 6.4 million oz AuEq measured and indicated mineral resources were reported (source: NI 43-101 technical report entitled “Technical Report on the Troilus Gold-Copper Project Mineral Resource Estimate, Quebec, Canada” dated December 20, 2019, prepared for Troilus Gold Corp. by Roscoe Postle Associates Inc., available on Troilus Gold Corp’s profile on SEDAR at www.sedar.com). For a period of two weeks, X-Terra’s exploration crew, also supported by Technominex of Rouyn-Noranda, completed a helicopter assisted program and collected 451 chip samples from outcrops, boulders, as well as some channel sampling. The sampling coverage was mostly directed up ice from previously identified gold in till anomalies.

Preliminary indications coming from field observations allowed to identify major structures and deformation zone which can be followed over pluri-kilometric strike length. Mineralization features such as strong hydrothermal alteration and sulfides occurrences found during the program were carefully documented for follow up.

Michael Ferreira, President and Chief Executive Officer of X-Terra states “This program delivered everything we could’ve expected from a first exploration campaign. We are looking forward to the upcoming assay results, and related interpretation of the mineralization system. We will continue updating the market as we continue to move this project forward towards the second phase of exploration as well as the advancement we plan on making for our Grog and Northwest properties in New Brunswick”.

The Troilus East property consists of 182 mining claims (93 km²) and covers, a distance of more than 22 kilometres along the Frotet-Evans belt. It is also the most proximal land position to Troilus Gold’s Gold-Copper project at less than 2.5 kilometres. See map below:



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

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 exploration programs and development (including any drilling programs) of the Troilus East, Grog and Northwest Properties, or if it does so, what benefits X-Terra will derive from the Troilus East, Grog and Northwest 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’s 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, 2019, 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.

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