



News Release

X-TERRA RESOURCES BEGINS DRILLING WITH TWO DRILLS AT THE GROG AND NORTHWEST PROPERTIES IN NEW BRUNSWICK

Rouyn-Noranda, Québec, October 13, 2020 – X-Terra Resources Inc. (TSXV: XTT) (FRANKFURT: XTR) (“**X-Terra**”) further to its news release dated September 28, 2020, has officially started drilling the Rim vein target on the Northwest property and the Grog target on the Grog property using two drills. The additional data obtained from the ground IP geophysics as well as the geochemical sampling has strongly contributed to the final planning of this drill program.

The drill section planned over the Rim vein target covers approximately 500 metres following a west north-west orientation cross cutting the main structural orientation. Gold bearing veins are believed to be concordant or parallel to the sedimentary bedding.

Michael Ferreira, President and Chief Executive Officer of X-Terra, stated; “X-Terra’s exploration team and drilling crews are excited to be drilling the Rim vein target which has never been drill tested, and given the additional gold-in-soil anomalies, it highlights the compelling possibility of a stacking of gold bearing veins below. The Rim vein target has yielded incredible gold grades from 4.5 g/t Au to 1,205 g/t Au with visible gold – (See X-Terra’s press release dated December 5, 2018). Its fantastic that we were able to secure a second drill to begin drilling the Grog target at the same time, as this should reduce the wait time for the first batch of results. Furthermore, this will be X-Terra’s largest drill program completed on any of its properties to date”.

In additional news, X-Terra has mandated ExploLab of Val d’Or, Québec to carry out a bench scale metallurgical test using 129 kilograms of material originating from the Rim vein to evaluate the recovery model by gravimetric analysis. The goal of this metallurgical test at this early stage is to determine how the material will respond to this conventional process and how much metal (gold) can be recovered.

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.

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 Grog and Northwest Properties, or if it does so, what benefits X-Terra will derive from the 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.

About X-Terra Resources Inc.

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

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For further information:

X-Terra Resources Inc.

Michael Ferreira, President and Chief Executive Officer

147 Québec Avenue

Rouyn-Noranda, Québec, J9X 6M8

Telephone: 819-762-4101 | Fax: 819-762-0097

E-mail: info@xterraresources.com

Website: www.xterraresources.com