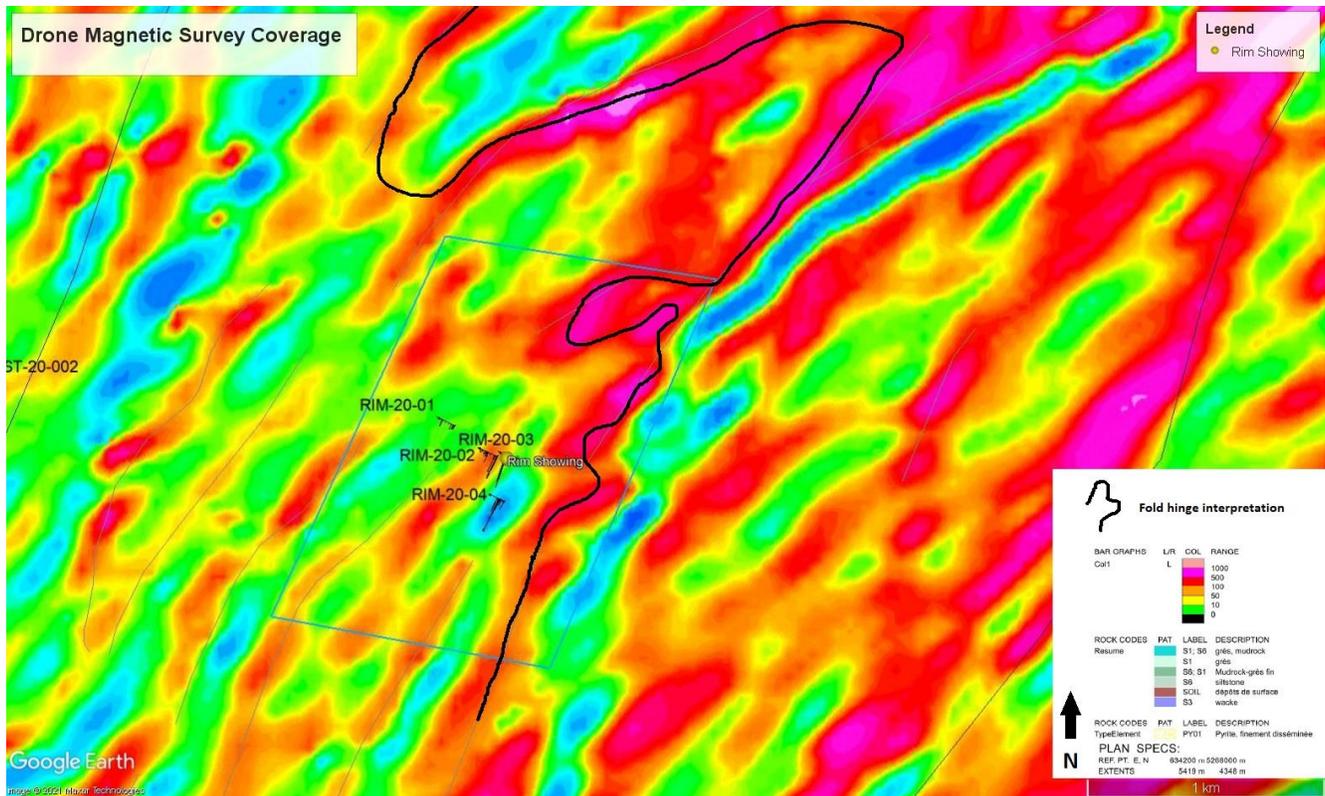




**News Release**

**X-TERRA RESOURCES ANNOUNCES INITIATION OF DETAILED DRONE MAGNETIC SURVEY AT THE RIM TARGET IN NEW BRUNSWICK**

Rouyn-Noranda, Québec, January 20, 2021 – X-Terra Resources Inc. (TSXV: XTT) (FRANKFURT: XTR) (“**X-Terra**”) is pleased to announce that it has contracted Vision 4K to perform a detailed airborne drone magnetic survey over its Rim target on the Northwest property located in Restigouche County, New Brunswick. Vision 4k will be conducting an 82-line kilometre survey at 25 metre spacing covering an area of about 2.1 square kilometres. The goal of the survey is to further define drill targets by applying a detailed overprint of subtle structures at Rim with the goal of precisely identifying the fold hinge and potential associated faults and shear zones, which is believed to be controlling the high grade gold mineralization of the Rim veins.



## **About the Rim target**

The Rim target is located approximately 13 kilometres northeast of the town of Saint-Quentin, New Brunswick. It has just recently undergone its first drill campaign comprising of 4 holes that were completed in the fourth quarter of 2020 which returned promising gold mineralization, see X-Terra press release dated December 15, 2020. It is important to note that there has only been 4 holes completed at this target to date. Historical results from this area have highlighted bonanza grade results ranging from 4.53 g/t up to 1,205.06 g/t (See X-Terra Press Release dated Dec 5, 2018).

In addition, X-Terra has also signed an agreement with Rally Drilling Services in order to carry out the second phase of drilling at Rim, scheduled to begin as early as next week. X-Terra is to carry out a minimum of 1,000 metres of drilling in this second phase.

Michael Ferreira, President and Chief Executive Officer of X-Terra states, “We are very pleased to be able to move forward with the second phase of drilling at the Rim target. Unfortunately, we are still awaiting assays from the Grog property which was drilled in the later part of 2020. It was brought to our attention that many labs are currently suffering longer than expected analytical delays due to the ongoing pandemic situation. That said, once the balance of the Grog assays are received, they will be published immediately”.

X-Terra also wishes to inform its investors that it has engaged Geosig Inc. based out of Quebec City to carry a ground IP geophysical survey over its 100% owned Troilus East property in James Bay, Québec. The 25-line kilometre survey over three unique grids will take place as soon as the contractors currently working along the Frotet-Evans greenstone belt have completed their program. Once these results are received, X-Terra can move forward with its drilling plans at Troilus East.

## **Qualified Person**

Jeannot Théberge, P. Geo registered in the Provinces of Québec and New-Brunswick, a consultant to X-Terra and 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 Resources, 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, Northwest and Troilus East Properties, or if it does so, what benefits X-Terra Resources will derive from the Grog, Northwest and Troilus East 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 Resources' Annual Report for the fiscal year ended December 31, 2019, a copy of which is available on SEDAR at [www.sedar.com](http://www.sedar.com), and could cause actual events or results to differ materially from those projected in any forward-looking statements. X-Terra Resources does not intend, nor does X-Terra Resources 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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