

Form 51 – 102F3

Material Change Report

1. Name and Address of Company

X-Terra Resources Inc. (“**X-Terra Resources**”)
139 Québec Avenue
Suite 202
Rouyn-Noranda, Québec
J9X 6M8

2. Date of Material Change

June 16, 2017.

3. News Release

X-Terra Resources issued a news release with respect to the material change described below on June 16, 2017 via CNW Telbec.

4. Summary of Material Change

On June 16, 2017, X-Terra Resources has held a second and final closing of its private placement by issuing an aggregate of 762,500 units at a price of \$0.24 per unit, for gross proceeds to X-Terra Resources of \$183,000.

5. Full Description of Material Change

5.1. Full Description of Material Change

On June 16, 2017, X-Terra Resources has held a second and final closing of its private placement by issuing an aggregate of 762,500 units at a price of \$0.24 per unit, for gross proceeds to X-Terra Resources of \$183,000. Each of the units is comprised of one common share and one-half of a common share purchase warrant. Each whole warrant will entitle the holder to acquire one additional common share of X-Terra Resources at a price of \$0.35 for a period of two years.

As a result of the second closing, X-Terra Resources raised total proceeds of \$1,300,000 in the private placement.

X-Terra Resources will use the proceeds from the issuance of the units for exploration on certain of its properties in Québec and for working capital purposes.

X-Terra Resources also completed a debt settlement transaction by issuing 400,000 common shares at a deemed price of \$0.25 per share to a creditor in settlement of a debt in the amount of \$100,000.

As a result of the final closing of the private placement and the share for debt transaction, there are 24,123,389 common shares of X-Terra Resources issued and outstanding on a non-diluted basis. Under applicable securities legislation and the policies of the TSX Venture Exchange, the securities issued at the final closing of the private placement and in the share for debt transaction are subject to a four-month hold period, expiring on October 17, 2017.

5.2. Disclosure required for a “Restructuring Transaction”

Not applicable.

6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

The executive officer who can answer questions regarding this report is Mr. Michael Ferreira, President and Chief Executive Officer of X-Terra Resources. Mr. Ferreira can be reached at (819) 762-4101.

9. Date of Report

June 19, 2017.