

- **XTIERRA ENGAGES T2W MARKET LIQUIDITY**

Toronto, August 27, 2009, Xtierra Inc. (TSXV – XAG) (“Xtierra” or the “Company”), announces it has engaged T2W Market Liquidity (“T2W”) effective September 1, 2009, to provide market liquidity services for its common shares listed on the TSX Venture Exchange (“TSXV”). The term of the engagement is for a minimum of 12 months and is renewable thereafter on a month to month basis. T2W is entirely independent of Xtierra.

In consideration of the provision of these market liquidity services, Xtierra will remunerate T2W on a monthly flat fee basis, payable in cash. T2W’s remuneration is in no way contingent upon the market price or trading volume of Xtierra’s common shares on the TSXV.

The market liquidity services to be provided include:

1. Maintaining a consistent and reasonable bid and offer spread for Xtierra’s common shares;
2. Maintaining a reasonable board lot size for the bids and offer; and
3. Maintaining reasonable open orders at depth behind the best bid and offer.

T2W is entirely independent of Xtierra and will at all times be trading as principal for its own account and using its own capital. T2W’s experienced trading staff will use their knowledge and discretion in providing these services and no assurance has been made as to any particular effect or result regarding the market for Xtierra’s common shares. T2W has covenanted to operate in accordance with best trading practices at all times.

About Xtierra Inc.

Xtierra Inc. is a Toronto based exploration and development company listed on the TSX Venture Exchange. Xtierra’s shares trade under the symbol “XAG”. Xtierra has 49,862,003 shares issued and outstanding. Xtierra has recently commenced a first phase feasibility study on its 100% owned Bilbao silver-zinc-copper project in Zacatecas, Mexico. Xtierra’s objective is to become a mid-tier producer of silver and base metals through the development of its Bilbao and Laguna projects, both located in the Central Mexican Silver Belt in the State of Zacatecas, as well as through organic growth and M & A opportunities.

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 the accuracy of this release.

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