

XTIERRA YEAR-END 2018 RESULTS

Toronto, Ontario, April 18, 2019: Xtierra Inc. (TSXV: XAG) (“Xtierra” or the “Company”) reports its results for the year ended December 31, 2018.

This news release should be read in conjunction with the Company’s audited financial statements and the associated management’s discussion and analysis (MD&A) for the year ended December 31, 2018 which are available on the Company’s website at www.xtierra.ca or under the Company’s profile on SEDAR (www.sedar.com).

Company Overview

Xtierra is a natural resource company which holds mineral exploration properties located in the Central Silver Belt of Mexico in the State of Zacatecas and is also pursuing new opportunities, including mineral exploration and development projects, and the potential acquisition of mineral and other royalties.

Xtierra has begun the process of developing a strategy for realizing some value on its Bilbao and other Mexican projects in the context of the current resource cycle, as well as identifying and evaluating new potential royalty acquisitions. During the period ended December 31, 2018 and to date, the Company has examined a number of possible new opportunities.

The continuing operations of the Company in the short term are dependent upon continued support from its major shareholder and the ability to raise adequate working capital to continue as a going concern. Additional funding will be required for exploration and development and /or to pursue new potential royalty acquisitions or other initiatives.

In March 2019, the Company announced that it intends to raise up to \$1,000,000 by way of a non-brokered private placement of common shares at a price of \$0.05. Proceeds will be used for general corporate purposes, maintaining the existing projects and the pursuit of cash flowing royalty opportunities.

Results of Operations (USD)

Xtierra recorded no revenue for the years ended December 31, 2018 or December 31, 2017.

For the year ended December 31, 2018, the Company recorded a loss of \$882,166 (\$0.007 per share). The main components of which were non-cash items including, warrants valuation of \$310,440, share-based payment (stock options) expense of \$302,480 and impairment of accretion on other liability of \$156,000; and exploration expense of \$54,719.

For the year ended December 31, 2017, the Company recorded a loss of \$460,803, (\$0.004 per share). The main components of which were exploration expenditures of \$85,865, impairment of accretion on other liability of \$240,000 and interest on the notes of \$75,844.

The Company has taken steps to reduce administrative and property holding costs to maintain its properties and has curtailed all other expenditures, while examining strategic alternatives for restructuring its balance sheet and raising additional financing to secure its continuation as a going concern.

The continuing operations of the Company in the short term are dependent upon continued support from its major shareholder to continue as a going concern. During the year ended December 31, 2018, Buchans advanced a total of \$75,000 to fund the Company’s working capital requirements, being part of Buchans commitment to provide additional financial assistance of up to \$100,000 pursuant to a Support and Standstill Agreement. A further \$25,000 was advanced in the first quarter of 2019. Additional funding will be required in the medium term for further exploration and/or new initiatives.

Bilbao Silver, Lead, Zinc Property - Mexico

Xtierra, through its Mexican subsidiaries, currently holds a 100% interest, subject to a 1.5% net smelter royalty, in the Bilbao silver-lead-zinc-copper project located approximately 500km northwest of Mexico City in the southeastern part of the State of Zacatecas, on which it has invested a cumulative total of \$22.7 million at December 31, 2018.

Bilbao is a polymetallic, replacement-style, silver-lead-zinc-copper, skarn-type replacement sulphide deposit with a deeply weathered oxide cap. Following six separate drill campaigns, including geological and geophysical exploration phases, various metallurgical, environmental and other related studies were carried out and Runge Pincock Minarco (Canada) Limited (RPM) delivered an independent Technical Report in accordance with NI 43-101 containing an updated resource estimate and preliminary economic assessment (PEA) on the Bilbao Project, dated April 28, 2014.

Exploration programs carried out in 2016 and 2017 confirmed the potential for the identification of additional resources at ten favorable target sites on the wider Bilbao property. In addition, petrographic, structural, lithological, and litho-geochemical studies were carried out on both sulphide, and oxide zone mineralization to further enhance information presented in the 2014 PEA. The results confirmed there is potential for additional vein and skarn-type potential mineralization on the property.

Throughout 2018 examination of previous metallurgical studies and the evaluation of potential solutions to increase viable tonnage and improve metal recovery at the Bilbao deposit continued intermittently within limited financial resources.

On February 14, 2018, Xtierra entered into a Support and Standstill Agreement with Buchans Resources Limited, the Company's major shareholder which now holds approximately 22% of the Company's shares, whereby Buchans agreed to defer repayment of principal and accrued interest on its secured notes, and to provide additional financial support of up to US\$100,000 to fund the Company's working capital, of which US\$75,000 was advanced at December 31, 2018 and a further US\$25,000 was advanced in the first quarter of 2019.

Under the Support Agreement with Buchans Resources Limited, Buchans has the option at any time, upon 60 days written notice, to require the transfer to Buchans of the Secured Property (shares of Orca Minerals Limited, which indirectly holds Xtierra's mineral properties in Mexico) in full satisfaction of the outstanding secured notes, including accrued interest, unless during that 60-day period the notes are repaid in full, in cash. Upon expiry of the two-year term of the Support Agreement on February 14, 2020, Xtierra has the right to discharge the notes, including accrued interest, in full, by transferring the Secured Property (shares of Orca Minerals Limited) to Buchans.

The payment by Xtierra required to repay the Buchans notes, including accrued interest, as contemplated in the Support and Standstill Agreement, is anticipated to be approximately \$800,000.

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About Xtierra Inc.

Xtierra is a natural resource company with precious and base metal deposits on its mineral properties located in the Central Silver Belt of Mexico in the State of Zacatecas and is also pursuing new opportunities, including mineral exploration and development projects, and the potential acquisition of mineral and other royalties.

For further information contact Xtierra Inc. at info@xtierra.ca

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