

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

December 20, 2019.

3. News Release

X-Terra Resources issued a news release with respect to the material change described below on December 23, 2019 via CNW Telbec.

4. Summary of Material Change

X-Terra Resources completed a first closing of a non-brokered private placement at which it issued 1,000,000 Quebec “flow-through” common shares at a price of \$0.125 per share and 400,833 units at a price of \$0.12 per unit, for aggregate gross proceeds to X-Terra Resources of \$173,100. Each of the 400,833 units is comprised of one federal “flow-through” common share and one common share purchase warrant.

5. Full Description of Material Change

5.1. Full Description of Material Change

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Additional closings of the private placement may be held until December 31, 2019, subject to a maximum of 4,166,666 additional units at a price of \$0.12 per unit and a maximum of 3,200,000 additional Quebec “flow-through” common shares at a price of \$0.125 per share, for total maximum gross proceeds of \$900,000.

In connection with the private placement, X-Terra Resources paid cash commissions to two securities dealers in an aggregate amount of \$10,098. In addition, X-Terra granted finders’ options to Gravitas Securities Inc. entitling it to acquire up to 32,067 additional common shares of X-Terra Resources at a price of \$0.12 per share for a period of 18 months.

As a result of the first closing of the private placement, there are 55,595,053 common shares of X-Terra Resources issued and outstanding. Under applicable securities legislation, the securities issued in the private placement are subject to a four-month hold period, expiring on April 21, 2020.

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

December 23, 2019.