

**FORM 51-102F3  
Material Change Report**

**MATERIAL CHANGE REPORT UNDER SECTION 7.1(2) OR (3) OF  
NATIONAL INSTRUMENT NO. 51-102**

**Item 1. Reporting Issuer**

Xtierra Inc. 220 Bay Street, Suite 700, Toronto, Ontario M5W 2J4

**Item 2. Date of Material Change**

December 29, 2010

**Item 3. Press Release**

On December 29, 2010, a news release in respect of the material change was disseminated.

**Item 4. Summary of Material Change**

Xtierra Inc. raises \$2,520,000 through a non-brokered private placement.

**Item 5. Full Description of Material Change**

Xtierra Inc. closed a non-brokered private placement of \$2,520,000 consisting of 9,000,000 Units at \$0.28 Unit with Sprott Asset Management LP for and on behalf of certain funds. In connection with this placement, the Company agreed to pay a cash finder's fee of 4% of the proceeds of such placement.

Each Unit consists of one common share of Xtierra (a "Common Share") and one Common Share purchase warrant (each a "Warrant"), each Warrant entitling the holder to purchase one common share at \$0.40 per share for two years.

All securities issued are subject to a hold period of four months and one day from the date of issue in accordance with applicable securities laws and the requirements of the TSX Venture Exchange.

The proceeds of the placement are for feasibility work on Xtierra's Bilbao silver-zinc-lead-copper project in Zacatecas, Mexico, exploration and working capital.

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

The report is not being filed on a confidential basis.

**Item 7. Omitted Information**

No information has been omitted.

**Item 8. Executive Officer**

Neil Steenberg, Secretary

**Item 9. Date of Report**

DATED at Toronto, in the Province of Ontario, this 7th day of January 2011.