

NEWS RELEASE

PACIFIC ROAD RESOURCES FUNDS ANNOUNCE FURTHER INVESTMENT IN XTIERRA INC.

January 20, 2011 – Toronto, Ontario - The Pacific Road Resources Funds (“**PRRF**”) are pleased to announce that, further to the press release issued by Xtierra Inc. (the “**Company**”) on December 23, 2010, PRRF has purchased 5,331,210 units issued by the Company by way of private placement for gross proceeds to the Company of \$1,492,738.80. Each unit consists of one common share and one common share purchase warrant, with each whole warrant entitling the holder to purchase one common share at a price of \$0.40 for a term of two years. The common shares purchased by PRRF represent approximately 5.9% of the issued and outstanding shares of the Company.

Following closing of the transaction, PRRF holds 29,071,210 common shares, 17,201,210 common share purchase warrants and convertible non-interest bearing notes in the aggregate principal amount of USD\$1,250,000. The common shares held by PRRF represent approximately 32.2% of the issued and outstanding shares.

As the number of common shares of the Company issuable to PRRF under such convertible notes is contingent, in part, upon future values and share prices, the number of such shares which PRRF may acquire should it exercise its rights under such notes, cannot be determined at this time. However, in respect of the notes, due to the minimum exchange price, PRRF will not likely acquire more than 12,330,000 additional common shares (based on a conversion rate of \$0.9864 for USD\$1.00, being the Bank of Canada noon-day rate on January 12, 2011); assuming the issuance of such number of common shares under the convertible notes and full exercise of the warrants held by PRRF, PRRF would hold a total of 58,602,420 common shares, representing approximately 48.9% of the common shares of the Company.

PRRF purchased the securities for investment purposes and may or may not purchase or sell securities of the Company in the future on the open market or in private transactions, depending on market conditions and other factors.

About Pacific Road Resources Funds and Pacific Road Capital Management Pty Limited

The Pacific Road Resources Funds are private equity funds investing in the global mining industry. They provide expansion and buyout capital for mining projects, mining related infrastructure and mining services businesses located throughout resource-rich regions of the world. The Pacific Road Resources Funds are managed and advised by Pacific Road Capital Management Pty Ltd (“**PRCM**”). The PRCM team, located in Sydney, Australia, San Francisco and New York, USA, is comprised of experienced mining investment professionals that have extensive knowledge and experience in the mining and infrastructure sectors, including considerable operating, project development, transactional and investment banking experience.

For further information on the Pacific Road Resources Funds and PRCM, please go to their website at www.pacroad.com.au.