



**EXERCISE OF WARRANTS RAISES \$3.1 Million**  
**DRILLING TO COMMENCE ON HIGH GRADE SILVER ZONE AT BILBAO**

Toronto, March 2, 2011 - Xtierra Inc. (TSXV | XAG) ("Xtierra" or the "Company"), is pleased to announce that all outstanding warrants with an expiry date of March 1, 2011 have been exercised to raise proceeds of \$3,108,000.

With the exercise of the 10,360,235 warrants, the issued and outstanding share capital of the Company is now 100,619,448 shares. There are 16,980,475 warrants and 4,830,000 options outstanding and "in the money."

The proceeds of the warrant conversion brings Xtierra's current working capital to approximately \$8.8 Million.

**Drilling at Bilbao**

Xtierra will commence a new 2,500 metre drill program in early March 2011 to follow-up on a high grade silver zone previously encountered along the western margin of the Bilbao deposit which is believed to be structurally controlled. Previously reported (24 Sep. 2010) intersections of interest included a 20.00 m wide zone averaging 90g/t Ag intersected in drill hole X85; a 1.0 m interval averaging 860 g/t Ag in hole X84B; a 1.0 m interval averaging 528 g/t Ag and a 6.0 m interval averaging 847.5 g/t Ag (including 2.0 m at 2,400 g/t Ag) in hole X26.

A preliminary evaluation of the drill data suggests the presence of two parallel zones with elevated silver (plus some gold) values. The silver-enriched zone extends over a strike length of at least 300 metres.

**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 100,619,448 shares issued and outstanding. Xtierra is conducting a feasibility study on its Bilbao silver-zinc-lead-copper project in Zacatecas, Mexico. Xtierra's objective is to become a mid-tier producer of precious and base metals through the development of its Bilbao project as well as through exploration, organic growth and M & A opportunities.

**Qualified Person**

Information of a scientific or technical nature contained in this release has been prepared by or under the supervision of Terence N. McKillen, P.Geo., Chief Executive Officer and Dr. Anthony C. Gallon, C.Eng., Chief Geologist, both 'qualified persons' within the meaning of National Instrument 43-101 - Standards of Disclosure for Mineral Projects of the Canadian

Securities Administrators.

**For further information visit [www.xtierra.ca](http://www.xtierra.ca).**

*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.*

**For further information visit [www.xtierra.ca](http://www.xtierra.ca) or contact:**

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