

NEWS RELEASE

PACIFIC ROAD RESOURCES FUNDS ANNOUNCE AGREEMENT TO SETTLE XTIERRA INDEBTEDNESS AND PROPOSED SALE OF SHARES

January 16, 2018 - Vancouver, British Columbia – The Pacific Road Resources Funds (“**PRRF**”) announce that PRRF has entered into a transaction agreement (the “**Transaction Agreement**”) with Xtierra Inc. (“**Xtierra**” or the “**Corporation**”) pursuant to which, subject to the satisfaction of certain conditions, Xtierra would issue an aggregate of 18,442,721 common shares in the capital of Xtierra (“**Common Shares**”) at a deemed issue price of C\$0.05 per Common Share in satisfaction of the outstanding secured promissory notes payable by Xtierra to PRRF (“**Notes**”). In addition, Xtierra has agreed to use commercially reasonable efforts to identify purchasers for an aggregate of 50,000,000 Common Shares from PRRF for an aggregate purchase price of C\$1,000,000 (or C\$0.02 per Common Share), which share purchase would occur concurrently with the conversion of outstanding Notes.

Xtierra today announced that it had entered into a standstill and settlement agreement with Buchans Resources Limited which is conditional on completion of the transactions contemplated by the Transaction Agreement.

PRRF has not acquired or disposed of any securities at this time. Upon the satisfaction of the applicable closing conditions, including TSX Venture Exchange approval and the identification of purchasers by Xtierra, PRRF will dispose of 50,000,000 Common Shares held by it, which represent approximately 37.1% of the currently issued and outstanding Common Shares. Upon completion of the transactions contemplated by the Transaction Agreement, PRRF is expected to hold an aggregate of 15,708,375 Common Shares, representing approximately 11.65% of the then outstanding Common Shares.

PRRF originally purchased the securities for investment purposes and has entered into the Transaction Agreement for investment purposes. PRRF currently has no other plans or intentions that relate to its investment in the Corporation. Depending on market conditions, general economic and industry conditions, the Corporation’s business and financial condition and/or other relevant factors, PRRF may develop other plans or intentions in the future relating to one or more of the above items.

A copy of the early warning report filed in connection with the investment will be available on the Corporation’s profile on SEDAR at www.sedar.com or may be obtained by contacting Greg Dick at +61 2 9241 1000.

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, USA, and Vancouver,

Canada, 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.