



UPDATE ON SALE OF LINDEN PROJECT

Exterra Resources Limited
ACN 138 222 705

ASX Code: EXC

www.exterrarresources.com.au

Issued Capital:

Ordinary Shares: 181.2m
Options: 0.5m

Cash (31 March 2015): \$400,000

Directors and Management:

John Davis
Managing Director

Justin Brown
Non-Executive Director

Peter Cole
Non-Executive Director

Dennis Wilkins
Company Secretary

8 May 2015

Exterra Resources Limited (ASX: EXC) ("Exterra") advises that a Deed of Variation (Deed) to the terms of the Linden Project Sale Agreement (PSA) has been executed between the Company and Fortuna SL Mining Pty Ltd (Fortuna).

In consideration for a non-refundable \$25,000 payment, which has been received by the Company, Exterra has agreed to an extension of time to 31 May 2015 for Fortuna to pay the outstanding \$150,000 that is currently due in accordance with the terms of the PSA.

This brings total cash payments received by Exterra under the PSA to \$125,000. The extensive exploration program also contemplated under the PSA is currently being finalised with drilling anticipated to commence shortly.

The regional programme component will target a number of priority geochemical and structural targets within the highly prospective Linden belt. The programme will also serve to meet Exterra's obligations with respect to minimum expenditure commitments on a number of key tenements.

The Second Fortune drilling programme component will further test the West Lode portion of the Second Fortune resource with the aim of expanding the existing mine inventory under the current reserve.

Exterra looks forward to keeping the market informed as progressive milestones under the PSA are achieved.

About Exterra Resources Limited

Exterra Resources Limited (ASX:EXC) is a gold exploration and development company based in Perth, Western Australia, with a focus on high grade, high margin gold projects with near term production potential to fund the future growth of the Company.

The Company's projects are all located in the Archaean Yilgarn Craton in WA, a world class gold province which has been a prolific producer of gold since the late 1880's and includes the Kalgoorlie "Golden Mile" deposit which has produced over 50 million ounces of gold since discovery in 1893.

For further information:

Mr John Davis

Managing Director

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Competent Persons Statement

The information in this report that relates to database compilation, sampling processes, geological interpretation and mineralisation, project parameters and costs and overall supervision and direction of Mineral Resource is based on and fairly represents, information and supporting documentation compiled under the overall supervision and direction of John Davis (Member of the Australasian Institute of Mining and Metallurgy and the AIG). Mr Davis has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Davis consents to the inclusion in the release of the statements based on their information in the form and context in which they appear.

Please note with regard to exploration targets, the potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

Forward Looking Statements

Certain statements made during or in connection with this communication, including, without limitation, those concerning the economic outlook for the mining industry, expectations regarding gold prices, exploration costs and other operating results, growth prospects and the outlook of Exterra Resources' operations contain or comprise certain forward looking statements regarding Exterra Resources' exploration operations, economic performance and financial condition. Although Exterra Resources believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct.

Accordingly, results could differ materially from those set out in the forward looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes that could result from future acquisitions of new exploration properties, the risks and hazards inherent in the mining business (including industrial accidents, environmental hazards or geologically related conditions), changes in the regulatory environment and other government actions, risks inherent in the ownership, exploration and operation of or investment in mining properties in foreign countries, fluctuations in gold prices and exchange rates and business and operations risks management, as well as generally those additional factors set forth in our periodic filings with ASX. Exterra Resources undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.