



Xali Gold Provides Update on Completion of the Acquisition of Pico Machay Gold Deposit

Vancouver, British Columbia – December 22nd, 2025 - Xali Gold Corp. (TSXV:XGC) ("Xali Gold" or the "Company") is pleased to advise that the TSX Venture Exchange ("TSX-V") is advancing on its approval process for the acquisition of the Pico Machay Gold Deposit ("Pico Machay"), terms of which are detailed in the Xali Gold [News Release dated October 24th, 2025](#).

The Company understands that all outstanding technical and legal aspects have been addressed to the satisfaction of the TSX-V. The closing of both the Pico Machay acquisition and Tranche One of the [previously announced non-brokered private placement](#) (the "Private Placement") are to be completed simultaneously. Both transactions are expected to close by the end of the week and remain subject to TSX-V acceptance.

Following the TSX-V's review of the Technical Report, the Company has filed an Amended Technical Report on the Pico Machay Gold Deposit in Huancavelica Province, Peru on SEDAR+ with an effective date of November 18th, 2025 and dated December 16th, 2025 (the "Amended Technical Report"). The Amended Technical Report incorporates minor modifications made in response to comments from the TSX-V and has now been approved.

The Amended Technical Report was prepared by David Thomas, P.Geo., of DKT Geosolutions Inc., on behalf of Xali Gold to comply with TSX-V requirements related to the acquisition of Pico Machay. It is a National Instrument 43-101 ("NI 43-101") compliant report and was prepared and completed in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Definition Standards for Mineral Resources and Mineral Reserves (adopted May 10, 2014).

The minor amendments to the Technical Report include:

- Updating section headings within the report (i.e. *Executive Summary* has been updated to *Summary*).
- Disclosure in *Adjacent Properties* was reduced.
- Deleted the historical mineral resource estimates from the *Mineral Resource Estimates* section of the Technical Report, retaining them only within the *Summary* and *History* sections.
- Clarified Section 18.0 *Recommendations*, to state that while the recommended Phase 1 work program is important for strengthening the overall Project, the Phase 2 program is not contingent on the results of Phase 1, as it is supported by existing historical data.

The Amended Technical Report is available on the [Xali Gold website](#) and under the Company's profile on SEDAR+ (www.sedarplus.ca).

About Pico Machay

The Pico Machay Project is an advanced exploration-stage gold project in Peru with a near-term production opportunity. It is located within the Southern Peru Epithermal Gold-Silver Belt, and the well-established mining district of Huancavelica. Between 2005 and 2009, Aquiline and others completed

various engineering studies including resource estimations and metallurgical testwork on Pico Machay. Aquiline targeted an open pit heap-leach operation, which was expected to be low-cost and with a low strip ratio. Given that Aquiline's engineering work, prior to that company's acquisition by Pan American Silver, was based on a long-term gold price of \$700/oz and several exploration targets remain untested by drilling, Xali Gold believes there is excellent upside potential.

About Xali Gold

Xali Gold is a gold and silver exploration company focused on advancing opportunities in the Americas. The Company is focused on completing the acquisition, exploration and development of Pico Machay, an advanced exploration stage gold project in Peru. Xali Gold also maintains exploration potential and two royalty agreements with third parties at El Oro in Mexico. The third parties have the rights to produce gold and silver from specific areas of the El Oro gold-silver Project in Central Mexico, a historic district-scale system with a long history of significant gold and silver production.

Xali Gold is dedicated to being a responsible community partner.

Joanne C. Freeze, P.Geo. QP, as defined by NI 43-101 has reviewed and approved the contents of this release.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

On behalf of the Board of Xali Gold Corp.

"Joanne Freeze" P.Geo.
President, CEO and Director

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Forward-looking Disclaimer

This press release contains forward-looking information within the meaning of Canadian securities laws ("forward-looking statements"). Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, plans, postulate and similar expressions, or are those, which, by their nature, refer to future events. All statements that are not statements of historical fact are forward-looking statements.

Forward-looking statements in this press release include, without limitation: the timing to close the SPA and meet closing conditions; potential upside and production from and viability of the Pico Machay Project. These forward-looking statements are made as of the date of this press release. Although the Company believes the forward-looking statements in this press release are reasonable, it can give no assurance that the expectations and assumptions in such statements will prove to be correct. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future results or performance, and are subject to risks, uncertainties, assumptions and other factors which could cause events or outcomes to differ materially from those expressed or implied by such forward-looking statements.

Known risk factors and assumptions include risks associated with exploration and project development; accessing further funding and related dilution; continuing its projected growth, or being fully able to implement its business strategies; the calculation of mineral resources and additional work required to convert historical resources to current mineral resources; the nature, quality and quantity of any mineral deposits that may be located on the project; operational risks associated with mining and mineral processing; fluctuations in metal prices and assumptions including costs; title matters; government regulation;

obtaining and renewing necessary consents, authorizations, licenses and permits; environmental liability and insurance; reliance on key personnel; local community opposition; currency fluctuations; labour disputes; competition; variations in market conditions, and the volatility of our common share price and volume; future sales of shares by existing shareholders; and other risk factors described in Xali Gold's MD&A and other filings with Canadian securities regulators, which may be viewed at www.sedarplus.ca. Although we have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Xali Gold expressly disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

CAUTIONARY NOTE TO U.S. INVESTORS

We advise U.S. investors that this news release uses terms defined in the 2014 edition of the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) "CIM Definition Standards on Mineral Resources and Mineral Reserves", as incorporated by reference in Canadian National Instrument 43-101 "Standards of Disclosure for Mineral Projects", for reporting of mineral resource estimates. These Canadian standards, including NI 43-101, differ from the requirements of the United States Securities and Exchange Commission (SEC) as set forth in the mining disclosure rules under Regulation S-K 1300. Regulation S-K 1300 uses the same terminology for mineral resources, but the definitions are not identical to NI 43-101 and CIM Definition Standards. Regulation S-K 1300 uses the term "initial assessment" for an evaluation of potential project economics based on mineral resources. This study type has some similarities to a Preliminary Economic Assessment, but the definition and content requirements of an initial assessment are not identical to the definition and content requirements for a PEA under NI 43-101.