



NEWS RELEASE

Xali Gold Positions Pico Machay Gold Project to Reactivate Development Plans Amid Strong Gold Market

Vancouver, British Columbia, February 12th, 2026. Xali Gold Corp. (TSXV:XGC) ("Xali Gold" or the "Company") is pleased to provide an update on the ongoing activities on the recently acquired Pico Machay Gold Project ("Pico Machay" or the "Project") in Peru.

Following the completion of the acquisition in [December 2025](#), Pico Machay gives Xali Gold both immediate value and substantial long-term upside, particularly given that the historical resource, completed in 2008, was based on a long-term gold price of US\$700 per ounce. A positive production decision was also made using the same gold price in 2009.

"We are now focused on advancing Pico Machay into development as soon as possible," said Joanne Freeze, President and CEO. "The immediate critical path includes updating the historical resource estimate and optimizing previous engineering studies, especially the low-cost, low-strip ratio open-pit heap-leach concept outlined by prior owner Aquiline Resources ("Aquiline"). Advancing the engineering studies will enable us to initiate the detailed Environmental Impact Assessment ("EIA") required for operations. Aquiline had completed approximately 50% of their detailed EIA in 2009."

Community engagement commenced on December 27, 2025, in the Community of Santa Ana. Meetings have been highly constructive, reflecting the community's organized structure, familiarity with exploration and mining activities, and commitment to transparency and sustainable development.

The following activities are currently underway:

- Relogging of approximately 20,000 metres of historical reverse circulation drilling to recreate the geological model and uncover controls to higher grade mineralization (commenced January 15, 2026; approximately 30% complete).
- Reconstruction of the geological model using Leapfrog 3D software (commenced February 5, 2026).
- Ongoing discussions regarding a long-term Land Access Agreement with the Santa Ana community, building on successful models in the region, to support all phases from exploration to production.
- Preparing for detailed geological mapping, rock chip and bulk sampling, both on surface and in underground workings to better understand mineralization controls and enhance resource definition beyond historical data.

The following activities are also planned for 2026:

- Sampling all new underground workings.
- Underground and/or surface drilling within the resource to verify grades and upgrade the resource.

- Acquiring a Ficha Técnica Ambiental (“FTA”) permit for exploration and resource expansion drilling, Advancement of a Preliminary Economic Assessment (“PEA”) alongside environmental baseline studies to guide future surface drilling and project development.

Located within the Southern Peru Epithermal Gold-Silver Belt, Pico Machay sits in a historically productive mining district in the Western Cordillera Andes (click [here for location map](#)). The Project benefits from existing infrastructure and a mining-friendly community eager to partner on sustainable development.

Xali Gold remains confident in the significant upside potential at Pico Machay, which hosts a Historical Measured and Indicated Resource of 264,600 ounces (“oz”) of gold (10.6 million (“M”) tonnes grading 0.78 grams per tonne (“gpt”) gold) and an additional Historical Inferred Resource of 446,000 oz of gold (23.9 M tonnes grading 0.58 gpt gold). A total of 154 reverse circulation holes drilled prior to 2009, were relied upon to delineate the Historical Resource. All of these holes were drilled in a central zone while nine additional high-potential exploration targets remain untested.

Various historical engineering studies at Pico Machay targeted an open pit heap-leach operation, which was expected to be low-cost and with a low strip ratio. Given that those studies were based on a long-term gold price of \$700/oz and several exploration targets remain untested, Xali Gold considers the upside potential to be very strong.

Details of the acquisition can be found in the Company’s [October 24th, 2025](#) and [December 24th, 2025](#) news releases.

Technical Information

Information regarding the historical resource at Pico Machay is outlined in the technical report titled: “Amended Technical Report on the Pico Machay Gold Deposit in Huancavelica Province, Peru” prepared by David G. Thomas, P.Geo. for Xali Gold dated December 16th, 2025 and filed on [www.sedarplus.ca](#). All resource estimates have used the same categories in accordance with CIM Standards on Mineral Resources and Reserves.

All resource estimates for Pico Machay are considered historical in nature and are based on prior data and reports prepared by previous property owners. A qualified person has not done sufficient work yet to classify the historical estimates as current resources in accordance with current CIM categories and the Company is not treating the historical estimates as current resources. Significant data compilation, redrilling, resampling and data verification may be required by a qualified person before the historical estimates on the project can be classified as a current resource. There can be no assurance that any of the historical mineral resources, in whole or in part, will ever become economically viable. In addition, mineral resources are not mineral reserves and do not have demonstrated economic viability. Even if classified as a current resource, there is no certainty as to whether further exploration will result in any inferred mineral resources being upgraded to an indicated or measured resource category.

About Xali Gold

Xali Gold is a gold and silver exploration company focused on advancing opportunities in the Americas. The Company is focused on the exploration and development of Pico Machay, an advanced exploration stage gold project in Peru with a near-term production goal. Xali Gold maintains exploration potential as well as two royalty agreements with third parties who have the rights to produce gold and silver from

specific areas of the El Oro gold-silver Project in Mexico, a historic district-scale precious metal 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. is a Qualified Person as defined by National Instrument 43-101 and has reviewed and approved the contents of this release.

Neither the TSX Venture Exchange nor its Regulation Services Provider 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 conduct updated exploration work on the Project; expected engagement with the Santa Ana community; timing to bring the Project into production, if at all; impacts and results of community engagement with indigenous populations located near the 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.