



NEWS RELEASE

Xali Gold Submits FTA Application and Selects Drill Contractor for Pico Machay

Vancouver, British Columbia, October 26th, 2026. Xali Gold Corp. (TSXV:XGC) (“Xali Gold” or the “Company”) is pleased to announce that it has submitted its Ficha Técnica Ambiental (“FTA”) application to Peru’s Ministry of Energy and Mines (“MINEM”) for resource confirmation and exploration drilling at the Pico Machay Gold Project (“Pico Machay” or the “Project”) in Huancavelica, Peru. The Company has also signed a contract with Geologia Estudios Medio Ambientales Drilling & Construction S.R.L. (“GEMA”) to carry out its initial 3,000-metre (“m”) diamond drilling program.

The submission follows receipt of MINEM’s documentation regarding attendance at the October 7, 2026, public information workshop, the final item outstanding when the Company announced completion of the application on [October 21, 2026](#). Based on guidance received, the Company anticipates a review and approval period of approximately 10 days following submission, subject to regulatory review and any requests for additional information.

“With the FTA submitted and our drill contractor lined up, we are advancing the permitting and operational preparations needed to begin drilling at Pico Machay,” said Joanne Freeze, President and CEO of Xali Gold. “Our immediate priority is to obtain the geological and assay data needed to support an updated mineral resource estimate. That estimate will underpin a preliminary economic assessment (“PEA”), allowing us to evaluate potential development options and project economics using an updated technical foundation.”

Drilling Contractor

GEMA and its key personnel specialize in exploration and geotechnical diamond drilling across Peru. The team’s experience spans diverse terrain across Peru, from high-altitude mountain sites to jungle and dry coastal areas. Their project experience includes Fresnillo Peru’s Santo Domingo project (4,600 – 4,950 masl), Nexa Resources’ Sinaycocha, Santa Rosa and El Porvenir projects (above 4,000 masl), as well as Buenaventura’s Tantahuatay and La Zanja operations. Team members also worked at Tahoe Resources’ La Arena and Shahuindo mines, where Wilder Garcia, Xali Gold’s Exploration Manager, oversaw their work.

GEMA has two diamond drill rigs ready for the initial 3,000 m program at Pico Machay, with HQ-diameter core and individual holes planned to reach depths of approximately 150 to 300 m. Approximately 2,000 m of the initial 3,000 m program will twin 10% of the historical reverse circulation holes within the historical resource area to help verify previous results and improve understanding of the controls to gold mineralization. The FTA application covers a broader program totalling up to 20,000 m from 20 platforms, providing scope for additional resource definition and exploration drilling beyond this initial program.

The Company is targeting commencement of drilling in early November 2026, subject to receipt of the required permits.

About Pico Machay

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

Xali Gold remains confident in the significant upside potential at Pico Machay, which hosts a historical resource and several untested exploration targets on the Project. Various historical engineering studies at Pico Machay were completed through 2009 and evaluated the potential for a low-cost, low strip-ratio, open-pit heap-leach operation. 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.

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.

The Company's approach to community engagement and responsible development is guided by strong governance principles and Board oversight that support long-term stakeholder relationships.

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

For further information please contact:

Joanne Freeze, President & CEO

Tel: + 1 (604) 512-3359

info@xaligold.com

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, statements regarding: the anticipated timing of FTA review and approval; the scope, timing and commencement of the planned drilling program; the anticipated deployment of two drill rigs by GEMA; further resource definition and exploration drilling; and the preparation of an updated mineral resource estimate and preliminary economic assessment to evaluate the Project’s development potential.

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.