



Initial Exploration Completed on the Victoria Property in Newfoundland

Vancouver, British Columbia, October 5th, 2021. Xali Gold Corp. (TSXV:XGC) ("Xali Gold" and/or the "Company") is pleased to announce that the initial exploration program on the Victoria Property located in Central Newfoundland has been successfully completed. The program consisted of prospecting areas which surround locations where gold-bearing quartz veins hosted by altered granitoid-type (felsic) rocks were previously documented and four heavy mineral concentrate ("HMC") samples taken at that time, contained high grades of gold.

Prospecting resulted in more outcrops being found than expected and a total of 20 rock samples were collected from four areas on the property. Several outcrops of altered felsic volcanic rocks, one with quartz veining, were discovered and sampled in the central portion of the project. Strong shearing was also evident in places. A sulphide bearing quartz breccia vein was found in a second area, further to the southeast and prospecting in a third part of the property revealed mineralized quartz veins hosted by a felsic intrusive rock.

"We're excited to have found more outcrop than expected and the presence of extensive alteration, quartz veining and stockwork as well as felsic intrusions and sulphides near to gold bearing tills. We look forward to receiving analytical results from the samples taken on our Victoria Property," said Joanne Freeze, President and CEO of Xali Gold.

All the samples have been submitted to Eastern Analytical Ltd in Springdale, Newfoundland for 34 element Induced Coupled Plasma analysis ("ICP") and Fire Assay for gold. Based on the preliminary evaluation and pending results from the laboratory, additional work will be planned for Q2, 2022.

For more information about the Victoria Property, please see [News Release 098](#) dated August 4, 2021.

Xali Gold's new Victoria Property is located just 3 kilometres southwest of Marathon's Valentine Gold Project (see [Newfoundland Map](#)). Marathon has defined (Measured and Indicated) reserves of 3.14 million ounces ("Moz") gold and Inferred resources of 1.00 Moz (<https://marathon-gold.com/valentine-gold-project/>) and mine construction is expected to commence in early 2022. *There are no assurances that similar results would be obtained on Xali Gold's Victoria Property.

The Company recently entered into an option agreement to acquire 100% interest in the Victoria Property (see [News Release 097](#) dated July 14, 2021).

About Xali Gold

Xali Gold has launched a comprehensive growth strategy to acquire gold and silver projects with near surface exploration potential, near-term production potential and previous mining

histories. Xali Gold plans to advance our growing bank of gold and silver assets internally and/or with industry partners.

El Oro remains our flagship asset, as it is a district scale gold project encompassing a well-known prolific high-grade gold-silver epithermal vein system in Mexico. The project covers 20 veins with past production and more than 57 veins in total, from which approximately 6.4 million ounces of gold and 74 million ounces of silver were reported to have been produced from just two of these veins (*Ref. Mexico Geological Service Bulletin No. 37, Mining of the El Oro and Tlapujahua Districts. 1920, T. Flores**). Modern understanding of such systems indicates that several of the El Oro district's veins hold excellent discovery potential.

Xali Gold is dedicated to being a responsible Community partner.

Joanne C. Freeze, P.Geo., President, CEO and Matthew Melnyk, CPG., Director Operations, are Qualified Persons as defined by National Instrument 43-101 for the projects discussed above. Ms. Freeze and Mr. Melnyk have 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.

Forward-looking Information

This news release may contain forward-looking information (as such term is defined under Canadian securities laws) including but not limited to the potential for discovery on the Victoria, El Dorado, Cocula and El Oro Properties and other statements that are not historical facts. While such forward-looking information is expressed by Xali Gold in good faith and believed by Xali Gold to have a reasonable basis, they address future events and conditions and are therefore subject to inherent risks and uncertainties including those set out in Xali Gold's MD&A. Factors that cause the actual results to differ materially from those in forward-looking information include, without limitation, gold prices, results of exploration and development activities, regulatory changes, defects in title, availability of materials and equipment, timeliness of government approvals, potential environmental issues, availability of capital and financing and general economic, market or business conditions. 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.

On behalf of the Board of Xali Gold Corp.

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