FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

XALI GOLD CORP. (the "**Company**")
Suite 801 – 1112 West Pender Street
Vancouver, BC, Canada, V6E 2S1

Item 2 Date of Material Change
September 15, 2021

Item 3 News Release
Date of Issuance: September 15, 2021

Method of Issuance: Globenewswire

Item 4 Summary of Material Change

Please see attached News Release.

Item 5 Full Description of Material Change

Please see attached News Release.

5.1 Full Description of Material Change

Please see attached News Release.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on Subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Contact: Joanne Freeze, CEO, President and Corporate Secretary
Telephone: (604) 689-1957

Item 9 Date of Report
September 15, 2021

NEWS RELEASE

Initial Exploration to Start on the Victoria Property in Central Newfoundland

Vancouver, British Columbia, September 15th, 2021. Xali Gold Corp. (TSXV:XGC) ("Xali Gold" and/or the "Company") is pleased to announce that exploration is planned to commence next week on the Victoria Property located in Central Newfoundland.

Exploration will commence with an initial prospecting trip to the area where gold-bearing quartz veins hosted by altered granitoid-type (felsic) rocks were previously discovered and high grades of gold were found in two heavy mineral concentrate ("HMC") samples. Prospecting will also be conducted in areas where geophysical anomalies indicate structures which could control mineralization.

The mineralized veins found to date occur at the southern part of the property near the lake shore. Lake levels are low at this time of year which should allow more exposures of bedrock than other times of year.

"It will be great to have a team on the ground to confirm what was discovered previously and look for additional evidence of gold mineralization and the many geological features typical of gold deposits in Newfoundland,." stated Joanne Freeze, President and CEO of Xali Gold.

The geological features identified on the property, which are typical for some of the recently discovered gold deposits in Newfoundland including Marathon Gold's ("Marathon") Valentine Lake deposit (see Victoria Claims and Geology Map) as detailed below will also be investigated.

- The southern portion of the property is underlain by the footwall rocks of the Victoria Lake Shear Zone, which are host to several recently discovered gold deposits;
- The Rogerson Lake Conglomerate, which is a stratigraphic marker unit for the orogenic gold mineralization at other locations, has been mapped across Victoria Lake a short distance from Xali Gold's Victoria Property;
- The granitoid intrusives are interpreted to be fault bound, which is also a typical setting for gold mineralization regionally.

Xali Gold's new Victoria Property is located just 3 kilometres ("km") southwest of Marathon's Valentine Gold Project (see Newfoundland Map). Marathon has defined (Measured and Indicated) resources 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.

The acquisition of the SDA Plant, suitable for treating high grade gold and silver mineralization, along with the acquisition of rights to the El Dorado gold and silver historic mines was the initial step in this strategy.

The profit-sharing agreement on the potentially leachable Cocula Gold Project was the second step and is a key component of our asset base. In addition to the potential for inexpensive extraction processes such as leaching, it has excellent near surface exploration potential.

The Company is currently evaluating other properties complementary to the SDA plant and El Dorado or stand alone such as the Cocula Gold Project.

El Oro, remains as 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.

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

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