



NEWS RELEASE

Remedioambiente Starts Underground Work in the Historic Mine Workings at El Oro, Mexico

Vancouver, British Columbia – January 29th, 2025 - Xali Gold Corp. (TSXV:XGC) ("Xali Gold" or the "Company") is pleased to announce that a Definitive Agreement (the "Agreement") has been agreed to with Remedioambiente S.A. de C.V. ("Remedioambiente") allowing them to start underground test work at El Oro, Mexico. The initial work will focus on identifying the most effective recovery methods for gold and silver as well as establishing the best underground access. Xali Gold is to be paid a Net Smelter Return ("NSR") of approximately 3% on all gold and silver recovered by Remedioambiente from the historic workings above the 2400 metre ("m") level.

"We are very pleased to have the underground work commencing at El Oro. The Remedioambiente team has an impressive track record of achieving production rapidly, delivering strong profits, and uncovering valuable mineral deposits. Our Agreement with them not only preserves the exploration potential we've identified below the historic workings but also paves the way for collaborative testing of exploration concepts, underground access for drilling our previously defined high-grade targets under the historic workings, and the opportunity to get up to date on mineral rights fees," states Joanne Freeze, President and CEO of Xali Gold.

The Agreement supercedes the binding Letter of Intent ("LOI") dated [July 22, 2024](#) and provides for an initial term of 5 years which may be extended for an additional 5 years providing Remedioambiente is spending a minimum US\$1 Million ("M") per year on the property. Xali Gold retains the exclusive ownership of all mineral bodies discovered or delineated below the 2400 m level.

In addition, Remedioambiente shall maintain the concessions in good standing, by paying the semi-annual concession fees, by incurring the minimum investments and the corresponding filings with the Mexican Mines Bureau, by filing statistical reports and by paying the Governmental Royalties.

About Remedioambiente

Remedioambiente is a private company controlled and managed by Keith Piggott, the former President and CEO of Goldgroup Mining Inc. and Core Gold Inc. Mr. Piggott is a mining engineer with over 50 years of experience in Zambia, Australia and PNG, Mexico and South America. As well as significant exploration success in the recent past, he has started 3 mines: Cerro Colorado, El Boludo and Cerro Prieto in Sonora, Mexico plus a green-fields start in a record time of 3 months in Ecuador. These mines have collectively produced approximately 500,000 oz of gold to date.

Other Matters

While expecting an update on test work on the El Oro Tailings project and increased activity at the SDA beneficiation plant in Western Mexico, Xali Gold continues to review opportunities for increasing exploration including other potential high grade gold-silver vein targets in Mexico and low cost production style high sulphidation gold-silver projects in Peru.

About Xali Gold

Xali Gold has gold and silver projects in Peru and Mexico. The Company's flagship project, El Oro, is a district scale historic producer of 8 million gold equivalent ounces of gold and silver. Future exploration in Mexico will be focused on the El Oro property which covers 20 veins with past production and more than 57 veins in total, from which approximately 6.4M ozs of gold and 74M ozs of silver were reported to have been produced from just two of these veins (Ref. Mexico Geological Service Bulletin Nr. 37, Mining of the El Oro and Talpujahu Districts, by T. Flores in 1920). Modern understanding of epithermal vein systems indicates that several of the El Oro district's veins hold excellent discovery potential, particularly below and adjacent to the historic workings of the San Rafael Vein, which was mined to an average depth of only 200m.

While the Company's main goal at El Oro is to make a new discovery, similar to the multi-million ounce ("oz") gold and silver ore bodies mined historically, the Company has entered into two agreements to bring in cash flow by producing gold and silver from the El Oro Project. Kappes, Cassiday & Associates ("KCA"), in partnership with Starcore International Mines Ltd., has the right to reprocess tailings which contain 1.27 million tonnes at a grade of 2.94 gpt gold and 75.12 gpt silver (3.85 gpt gold equivalent) containing 119,900 oz of gold and 3,061,200 oz of silver*. Remedioambiente S.A. de C.V. ("RM") has the right to recover gold and silver from mineralized veins and backfill left behind in the historic mine workings as described above. The agreements provide for Xali Gold to receive funds from net smelter returns ("NSRs") of up to 3% from each of these two agreements.

Xali Gold is dedicated to being a responsible community partner.

Joanne C. Freeze, P.Geo., President and CEO is the Qualified Person as defined by National Instrument 43-101 for the projects discussed above. Ms. Freeze 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 Information

This news release may contain forward-looking information (as such term is defined under Canadian securities laws) including but not limited to historical production records and resource estimates. While such forward-looking information is expressed by Xali Gold in good faith and believed by Xali Gold to have a reasonable basis, they may 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.