



NEWS RELEASE

Xali Gold Provides Update on several Mexican Properties

Vancouver, British Columbia, September 12, 2022 - Xali Gold Corp. (TSXV:XGC) ("Xali Gold" or the "Company") is pleased to provide several updates as follows.

El Oro Tailings

The Company is pleased to report it has been advised by Sun River Gold ("SRG"), Optionee of the tailings project from Xali Gold, that it expects to receive their permit for tailings removal from the town site within 30 days. SRG is also working on a permit to install and operate a reprocessing plant outside of the town of El Oro. In the meantime, SRG has identified and is investigating toll opportunities to outsource the reprocessing until the permit for reprocessing can be acquired. SRG will provide the Company with an update on their progress on the project by October 15, 2022. Xali Gold is to receive a 5% Net Profits Interest as well as the first US\$1.5M due to the Municipality of El Oro from SRG's El Oro tailings operations.

The Company regrets to advise that one of Sun River Gold founders and Xali Gold shareholder, Hans Von Michaelis, passed away on September 2, 2022. He was a great optimist and groundbreaker. Hans will be sorely missed and fondly remembered by family, friends and numerous colleagues.

San Dieguito de Arriba ("SDA") Plant

The Company is pleased to report that it is in negotiations to partner with a local Mexican mining group to both operate the SDA plant and explore nearby mining properties that the group is currently producing from. Terms under discussion include the Mexican group providing the capital required to make the SDA plant operational while Xali Gold would provide expertise to explore for additional gold and silver resources and/or standalone mineral discoveries.

El Dorado

Ingenieros Mineros S.A. de C.V. ("IMSA") and Xali Gold have recently engaged SACH Environmental Consultants to assist with both drilling and operational permits. The Company has been given indications by SACH that a drilling permit for the El Dorado Property could be obtained by the end of 2022. In addition, discussions are underway with the El Dorado property owner, IMSA to reduce property payments until drilling permits are received. High grade gold and silver mineralization (refer to [News Release May 20, 2021](#)) was previously produced from El Dorado and extensions of such mineralization could be treated at the nearby SDA plant.

Marketing with Agoracom

The Company continues to engage Agora Internet Relations Corp. ("AGORACOM") (see [News Release 82 from July 29, 2020](#)) which raises awareness of the Company among small cap investors

provided by the Agoracom website, as well as the AGORACOM Twitter account, interviews hosted on YouTube and the company website, AGORACOM network and extensive search engine marketing. In addition, AGORACOM “CEO Verified” provides identity verification of small cap executives on a finance platform. Small cap CEO’s and other company officers are able to post or communicate within a discussion forum without the risk of impersonation.

As per agreement dated October 15, 2021, the Company will issue shares for services rendered (a value of Cdn\$48,000 + HST) from October 15, 2021 to July 15, 2022. A total of 662,933 Common shares will be issued against quarterly invoices such that share issuances will be: 226,000 common shares at a deemed price of \$0.06 per share; 150,667 common shares at a deemed price of \$0.09; 135,600 common shares at a deemed price of \$0.10; and 150,666 common shares at a deemed price of \$0.09. Each issuance will be subject to a 4-month hold period. This transaction is in compliance with applicable corporate and securities laws and is subject to TSXV approval.

The last period will be invoiced on October 15, 2022 for Cdn\$12,000+HST and the Company will seek TSXV approval prior to the issuance.

Cocula Termination

The Company has terminated the Exploration and Exploitation Agreement entered into for the Cocula property on December 7, 2020. The Company no longer has any rights nor obligations related to this property.

About Xali Gold

Xali Gold has a growth strategy to acquire gold and silver projects with near surface exploration potential, near-term production potential and previous mining histories in Mexico and also in Newfoundland, Canada. Xali Gold plans to advance our growing bank of gold and silver assets internally and/or with industry partners.

El Oro is a district scale gold project encompassing a well-known prolific high-grade gold dominant 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 Nr. 37, Mining of the El Oro and Tlapujahua Districts. 1920, T. Flores).

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 200 metres.

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 mineral resource estimate for the Mexico Mine Tailings and information regarding references to historical resource estimates, the potential for discovery on the Victoria, El Dorado 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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