



XALI
GOLD CORP

NEWS RELEASE

Xali Gold Enters Into a Rent to Purchase Agreement on the SDA Plant in Mexico

Vancouver, British Columbia, December 18, 2023 - Xali Gold Corp. (TSXV:XGC) ("Xali Gold" or the "Company") is pleased to advise that it has entered into a Rent to Purchase Agreement (the "**Agreement**") with a Mexican company, Grupo Minero WIYA ("**WIYA**") to operate the San Dieguito de Arriba ("**SDA**") Plant in Nayarit, Western Mexico. The first payment of US\$150,000 was received in full on December 14, 2023.

As per the Xali Gold [News Release dated July 13, 2023](#), the Company has been in negotiations with several local parties regarding operating the SDA Plant and has decided to move ahead with WIYA whereby:

- WIYA agrees to pay US\$150,000 per month for 10 months.
- Upon completion of paying a total of US\$1.5 Million within 12 months, WIYA will have the right to own the SDA Plant.
- In addition to making monthly payments, WIYA will be obligated to complete all repairs and permitting to get the SDA Plant into operation.
- The profits from the transaction will be shared equally with Magellan Acquisition Corp. ("**Magellan**"), as the Company and Magellan each own 50% of the SDA plant as per the earn in agreement with Magellan.

"We are excited to have come to an agreement with the local group WIYA to move the SDA Plant into operation and bring some cash flow to the Company," says Joanne Freeze, President and CEO of Xali Gold. "WIYA currently has one operating mine in Nayarit which produces high grade silver and lead and the Company is engaged in discussions regarding potential for additional business opportunities with WIYA. This agreement allows us to put our assets to work and provide cash flow while we continue to evaluate other opportunities within Central and South America."

AGM Results

The Company is pleased to announce the voting results from its Annual General Meeting of shareholders (the "Meeting") held on December 14, 2023. Shareholders holding 20,976,466 shares or 15.05% of the outstanding shares of the Company were represented in person or by proxy at the Meeting and voted in favour of all matters brought before the Meeting.

The Company's shareholders set the number of directors of the Company for the ensuing year at four. All director nominees set out in the Management Information Circular dated November 7, 2023 (the "**Circular**"), were elected as directors, to serve until the next meeting of shareholders of the Company or until their successors are elected or appointed. Mark Lotz did not stand for re-election. The Company wishes to thank him for his contributions as a board member.

About Xali Gold

Xali Gold has gold and silver projects in Peru and Mexico. 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 200m.

Xali Gold is dedicated to being a responsible Community partner.

Joanne C. Freeze, P.Geo., President and 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 historical production records. 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.

On behalf of the Board of Xali Gold Corp.

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

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