

Xali Gold Receives Green Light from Community, Pico Machay Gold Project in Peru

Vancouver, British Columbia, February 25th, 2026. Xali Gold Corp. (TSXV:XGC) (“Xali Gold” or the “Company”) is pleased to announce that on Sunday February 22nd, 2026, the community of Santa Ana authorized the Company to further advance mining exploration activities at the Pico Machay Gold Project (“Pico Machay” or the “Project”) in Peru.

“This agreement underscores the strong, constructive relationship we are building together with the community of Santa Ana,” said Joanne Freeze, President and CEO of Xali Gold. “It provides a clear pathway for Xali Gold to progress its field work and continue to build a long-term partnership focused on shared benefits, transparency and responsible development throughout the life of the Pico Machay Project.”



Photos from Santa Ana February 22, 2026 Community Meeting

The Company will immediately initiate its planned comprehensive field program designed to unlock the Project's potential and establish a development timeline by updating exploration, engineering and economic studies previously conducted from 1999 through 2009. Alongside geological and technical work, the Company will continue community engagement and agreement discussions as well as advance environmental studies.

GEOLOGICAL AND TECHNICAL WORK (as per the Phase I Program outlined in the [Pico Machay Technical Report filed on December 16, 2025](#)):

- Analysis of Historical Drill Results: Systematic relogging of historical reverse-circulation (“RC”) drill cuttings, documenting lithologies, alteration and mineralization as well as a detailed review of all assays, descriptive data and interpretations to improve the understanding of controls on mineralization (commenced January 2026)

- Advanced Modelling: Reconstruction of the geological and resource models using 3D Software to optimize the understanding of the deposit
- Mapping and Reconnaissance: Geological mapping of the entire property to better define stratigraphy and mineralization controls as well as better delineate undrilled exploration targets
- Sampling: Collection of rock chip and bulk sampling, both on surface and within all current underground workings

SOCIAL - COMMUNITY ENGAGEMENT AND AGREEMENTS

Xali Gold's social strategy, as agreed upon in the February 22nd meeting, is based on mutual respect and transparency and includes the following key elements:

- Social Diagnosis and Baseline: Gathering information to ensure the development of the Project in partnership with the community
- Long-Term Negotiation: Continuation of discussions for a long-term agreement covering both exploration and operations. The successful 2008 agreement between Santa Ana and Minera Calipuy (under Aquiline Resources), which covered both exploration and development, will serve as a basis for future agreements which are to be ratified in public meetings
- Respect for Artisanal Mining: Commitment to coexistence and respect for community members with current REINFO (Registry of Community Mining Owners) within the concession areas
- Local Contracting: The community will have priority for all jobs they are qualified for and services they are able to provide

ENVIRONMENTAL STUDIES

Basic, low-impact data collection will provide information required for permitting for all stages of the Project as well as guarantee the integrity of the Pico Machay area:

- Flora and Fauna Studies: Establish the environmental baseline and protect native species in the Santa Ana area
- Comprehensive Monitoring: Preventative monitoring of water, soil, and air quality, as well as noise levels, at strategic points within the Property
- Liability Management: Inventory and declaration of pre-existing environmental liabilities to the Ministry of Energy and Mines ("MINEM"), ensuring that Xali Gold operates with complete transparency and clearly defined responsibility

About Pico Machay

Pico Machay lies within the northern extent of the Southern Peru Epithermal Gold-Silver Belt and in the eastern part of Western Cordillera Andes within a well-established mining area/district ([click here for location map](#)).

Pico Machay was discovered in 1997 and explored by several juniors including Aquiline Resources ("Aquiline") through 2009. Aquiline completed various engineering studies including resource

estimations and metallurgical testwork. These studies targeted an open pit heap-leach operation, which was expected to be low-cost and with a low strip ratio. Given that Aquiline's engineering work, prior to that company's acquisition by Pan American Silver Corp., was based on a long-term gold price of \$700/oz and several exploration targets remain untested, Xali Gold considers the upside potential to be very strong.

Details of the acquisition can be found in the Company's [October 24th, 2025](#) and [December 24th, 2025](#) news releases.

Private Placement Clarification

Xali Gold also advises that the entire non-brokered private placement (the "Private Placement") announced on [December 2, 2025](#) was completed on December 24th, 2025. The Private Placement resulted in the raising of \$1,500,000 and the issuance of 15,000,000 units (the "Units"), with each unit consisting of one common share and one-half of one common share purchase warrant (each full common share purchase warrant, a "Warrant") at a price of \$0.10 per Unit. Each Warrant will be exercisable for one additional share of the Company (a "Warrant Share") for 18 months at a price of C\$0.20 per Warrant Share, subject to an Accelerated Expiry.

The net proceeds from the Private Placement were used to cover the US\$500,000 payment due to Pan American for the closing of the acquisition of Pico Machay as well as Phase I exploration at Pico Machay and working capital and general corporate purposes.

Additional details about the Private Placement can be found in the [December 24th, 2025 news release](#).

About Xali Gold

Xali Gold is a gold and silver exploration company focused on advancing opportunities in the Americas. The Company is focused on the exploration and development of Pico Machay, an advanced exploration-stage gold project in Peru with a near-term production goal. Xali Gold maintains exploration potential as well as two royalty agreements with third parties who have the rights to produce gold and silver from specific areas of the El Oro gold-silver Project in Mexico, a historic district-scale precious metal system with a long history of significant gold and silver production.

Xali Gold is dedicated to being a responsible Community partner.

Joanne C. Freeze, P.Geo. is a Qualified Person as defined by National Instrument 43-101 and 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 Disclaimer

This press release contains forward-looking information within the meaning of Canadian securities laws (“forward-looking statements”). Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, plans, postulate and similar expressions, or are those, which, by their nature, refer to future events. All statements that are not statements of historical fact are forward-looking statements.

Forward-looking statements in this press release include, without limitation: the timing to conduct updated exploration work on the Project, including optimizing prior engineering studies and timing to prepare a current mineral resource estimate for the Company (that is not a historical resource under NI 43-101); the timing to complete modelling, mapping and reconnaissance and sampling on the Project; the Company’s plans to work with REINFO owners to sample previously drilled zones; timing to bring the Project into production, if at all; impacts of artisanal miners on the Project and environmental liabilities, if any; impacts and results of community engagement with indigenous populations located near the Project. These forward-looking statements are made as of the date of this press release. Although the Company believes the forward-looking statements in this press release are reasonable, it can give no assurance that the expectations and assumptions in such statements will prove to be correct. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future results or performance, and are subject to risks, uncertainties, assumptions and other factors which could cause events or outcomes to differ materially from those expressed or implied by such forward-looking statements.

Known risk factors and assumptions include risks associated with exploration and project development; accessing further funding and related dilution; continuing its projected growth, or being fully able to implement its business strategies; the calculation of mineral resources and additional work required to convert historical resources to current mineral resources; the nature, quality and quantity of any mineral deposits that may be located on the project; operational risks associated with mining and mineral processing; fluctuations in metal prices and assumptions including costs; title matters; government regulation; obtaining and renewing necessary consents, authorizations, licenses and permits; environmental liability and insurance; reliance on key personnel; local community opposition; currency fluctuations; labour disputes; competition; variations in market conditions, and the volatility of our common share price and volume; future sales of shares by existing shareholders; and other risk factors described in Xali Gold’s MD&A and other filings with Canadian securities regulators, which may be viewed at www.sedarplus.ca. Although we have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. 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.