Kharmagtai Drilling Highlights Continued Growth Potential

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TORONTO, Jan. 30, 2024 - Xanadu Mines Ltd. (ASX: XAM, TSX: XAM) (Xanadu, XAM or the Company) is pleased to provide an update on exploration drilling at the Kharmagtai Project in Mongolia, being developed with the Company's joint venture partner Zijin Mining Group Co. Ltd.. (Zijin). Exploration drilling continues to expand upon the new zone of higher-grade copper and gold mineralisation at the White Hill deposit, demonstrating progressive growth in higher-grade material at the base of the previously optimised open pits.

Highlights

- Latest extensional and exploration drilling results expand upon the recently identified higher-grade zone (core) at White Hill[1], located below the previous Scoping Study pit designs[2] and outside the 2023 Mineral Resource Estimate (MRE) [3]. Best drilling results include:
  - KHDDH808 - 64.45m @ 0.74% CuEq (0.61% Cu & 0.26/t Au) from 516,

    Including 24.45m @ 1.41% CuEq (1.14% Cu & 0.53g/t Au) from 634m

    Including 13.8m @ 1.99% CuEq (1.64% Cu & 0.70g/t Au) from 558m
  - KHDDH806 - 50m @ 0.73% CuEq (0.25% Cu & 0.94g/t Au) from 545m

    Including 22m @ 1.34% CuEq (0.26% Cu & 2.10g/t Au) from 549
- Expanding higher-grade core (>1% CuEq) at White Hill is expected to enhance & enlarge the 2023 MRE and to increase scale & deepen 2022 Scoping Study[2] pit shells, capturing additional higher-grade over longer period.
- Step-out drilling at Golden Eagle returns grades more than double the MRE grade and extends mineralisation. Best results include:
  - KHDDH805 - 153.4m @ 0.68g/t AuEq (0.43g/t Au and 0.13% Cu) from 41.6m

    Including 67m @ 0.97g/t AuEq (0.67g/t Au and 0.15% Cu) from 44m

    Including 8m @ 1.7g/t AuEq (1.34g/t Au and 0.18% Cu) from 54m

    And 14m @ 1.22g/t AuEq (0.81g/t Au and 0.21% Cu) from 77m
- Deep drilling hole KHDDH779 encounters two broad zones of porphyry and tourmaline breccia style mineralisation between Stockwork Hill and Zaraa, potentially indicating the edges of a very large-scale Cu-Au System.
- Growth-focused discovery exploration drilling at Kharmagtai continues to discover new, shallow mineralisation with potential to enhance open pit mining and deep mineralisation with potential for future underground mining.
- Further assays from deep exploration drilling are pending; we look forward to sharing over the coming months.
- Kharmagtai JV is funding US$35M[4] for both PFS completion and discovery exploration, aiming towards decision to mine in Q4 CY2024.

[1] ASX/TSX Announcement 7 June 2023 - New Higher-Grade Zones Found in Kharmagtai Infill Drilling
[2] ASX/TSX Announcement 6 April 2022 - Scoping Study - Kharmagtai Copper-Gold Project
[3] ASX/TSX Announcement 8 December 2023 - Kharmagtai Mineral Resource Grows by 13% CuEq; including >25% increase in higher-grade core

Xanadu's Executive Chairman and Managing Director, Mr Colin Moorhead, said *"Latest drilling results*

provide more evidence for continued growth and improvement at the Kharmagtai deposit. Importantly, we are expanding the +1% CuEq zone at White Hill and expending higher-grade mineralisation closer to surface. Our current geological interpretation suggests that mineralisation is faulted upwards, towards surface as we expand the deposit southwards.

"Bulking up the White Hill higher-grade core will improve the new open pit designs and yield additional copper within range of open pit mining."

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[4] ASX/TSX Announcement 13 March 2023 - Zijin & Xanadu Transaction Completed & Kharmagtai PFS Underway

Figure 1: Kharmagtai copper-gold district showing defined mineral deposits and completed infill drill holes, deep exploration drill holes, and shallow exploration drill holes since the last announced drilling results[5].

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[5] ASX/TSX Announcement 16 November 2023 - Kharmagtai Drilling Achievements Update

Since the last Drilling Market Release (included in 2023 MRE Update), a total of 5,307m infill diamond drilling has been completed at Golden Eagle and Zephyr, and 9,320m extensional and exploration drilling, with both drill core collars and assay results for each, provided in Tables 1 and 2 (see Appendix 1).

Step-out Drilling Expands Higher-Grade Core at White Hill

Three drill holes were collared at White Hill, and designed to extend the recently discovered higher-grade core, beneath the 2022 Scoping Study open pits.

Drill hole KHDDH808 was designed as a 150 to 200m step back from previous drilling (Figure 2). KHDDH808 intercepted a moderate grade halo (+0.3% CuEq) over 350m shallower than expected, and encountered two zones of higher-grade (+1% CuEq) mineralisation.

Hole ID	Interval (m)	Cu (%)	Au (g/t)	CuEq (%)	From (m)
KHDDH808	64.45	0.61	0.26	0.74	516
including	24.45	1.14	0.53	1.41	634
including	13.8	1.64	0.70	1.99	558

Figure 2: Cross section 591980mE through the White Hill deposit.

Drill hole KHDDH806 was designed to test for higher-grade extensions beneath eastern end of the White Hill open pit (Figure 3). KHDDH806 extended moderate grade mineralisation for 150m beneath deepest portion of the previously planned pit, encountering a narrow zone of higher-grade mineral at the expected depth.

Hole ID	Interval (m)	Cu (%)	Au (g/t)	CuEq (%)	From (m)
KHDDH806	287.4	0.18	0.07	0.21	156
and	50	0.25	0.94	0.73	545
including	22	0.26	2.10	1.34	549

Figure 3: Cross section 592385mE through the White Hill and Stockwork Hill deposits

Drill hole KHDDH807 was designed as a 150m step back from previous drilling (Figure 4) and intercepted low to moderate grade halo (+0.2% CuEq) over 270m shallower than expected. KHDDH807 returned very broad intercept of 559.7m @ 0.27% CuEq from 435m, including 222m @ 0.36% CuEq from 761m.

Figure 4: Cross section 591820mE through the White Hill deposit

Infill Drilling Expands Higher-Grade Gold at Golden Eagle

Five drill holes were collared at Golden Eagle and designed to extend the new higher-grade gold zone (+1g/t Au) at Golden Eagle[6].

Drill hole KHDDH805 was designed to join two lobes of higher grade. KHDDH805 intercepted broad zone of moderate grade gold with a higher-grade zone at the expected interval (Figure 5). Importantly, the grades encountered were more than double those defined in the new 2023 Mineral Resource.

Hole ID	Interval (m)	Au (g/t)	Cu (%)	AuEq (g/t)	From (m)
KHDDH805	153.4	0.43	0.13	0.68	41.6
including	67	0.67	0.15	0.97	44
including	8	1.34	0.18	1.7	54
and	14	0.81	0.21	1.22	77

Figure 5: Cross section 595400mE through the Golden Eagle deposit.

[6] ASX/TSX Announcement - New Gold Zone Discovered at the Golden Eagle

Drill hole KHDDH801 was designed to extend the higher-grade zone and has returned a broad zone of moderate grade gold with a higher-grade zone at the expected interval (Figure 6).

Hole ID	Interval (m)	Au (g/t)	Cu (%)	AuEq (g/t)	From (m)
KHDDH801	83.4	0.59	0.11	0.8	36.6
including	29	1.14	0.14	1.42	57
including	14	1.9	0.14	2.18	60

Figure 6: Cross section 595275mE through the Golden Eagle deposit.

Deep Exploration Drilling Encounters Broad Mineralised Zone

A single deep diamond drill hole was collared between Zaraa and Stockwork Hill, designed to test for a large-scale porphyry deposit. KHDDH779 encountered two broad zones of porphyry and tourmaline breccia style mineralisation between Stockwork Hill and Zaraa (Figure 7). This hole appears to have encountered the edges of a very large-scale Cu-Au System. Additional work is being planned once full interpretations are completed and the BoxScan dataset (vein densities, SWIR, sulphide distribution etc) are incorporated into

the broader exploration model.

Figure 7: Cross section drill hole KHDDH779

About Xanadu Mines

Xanadu is an ASX and TSX listed Exploration company operating in Mongolia. We give investors exposure to globally significant, large-scale copper-gold discoveries and low-cost inventory growth. Xanadu maintains a portfolio of exploration projects and remains one of the few junior explorers on the ASX or TSX who jointly control a globally significant copper-gold deposit in our flagship Kharmagtai project. Xanadu is the Operator of a 50-50 JV with Zijin Mining Group in Khuiten Metals Pte Ltd, which controls 76.5% of the Kharmagtai project.

For further information on Xanadu, please visit: www.xanadumines.com or contact:

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This Announcement was authorised for release by Xanadu's Board of Directors.

Appendix 1: Drilling Results

Note that true widths will generally be narrower than those reported. See disclosure in JORC explanatory statement attached.

Table 1: Drill hole collar

Hole ID	Prospect	East	North	RL	Azimuth (°)	Inc (°)	Depth (m)
KHDDH684	Golden Eagle	595224	4876746	1270	359	-60	341.0
KHDDH685	Golden Eagle	595226	4876847	1269	360	-60	325.0
KHDDH700	Golden Eagle	595598	4876901	1269	0	-60	267.0
KHDDH701	Golden Eagle	595597	4877002	1268	0	-60	220.0
KHDDH703	Zephyr	594899	4877696	1265	0	-60	52.7
KHDDH704	Zephyr	594900	4877796	1264	0	-60	72.7
KHDDH705	Zephyr	595023	4877598	1265	0	-60	100.0
KHDDH706	Zephyr	595024	4877698	1265	0	-60	175.0
KHDDH707	Zephyr	595146	4877446	1266	0	-60	75.0
KHDDH709	Zephyr	595147	4877646	1265	0	-60	100.0
KHDDH710	Zephyr	595148	4877746	1264	0	-60	140.0
KHDDH711	Zephyr	595274	4877399	1266	0	-60	100.0
KHDDH712	Zephyr	595023	4877697	1265	240	-60	150.0
KHDDH713	Zephyr	595273	4877598	1265	0	-60	189.4
KHDDH714	Zephyr	595274	4877697	1265	0	-60	150.0
KHDDH715	Zephyr	595023	4877800	1264	0	-60	125.1
KHDDH716	Zephyr	595149	4877544	1266	0	-60	75.0
KHDDH717	Zephyr	595275	4877498	1266	0	-60	235.0
KHDDH718	Zephyr	595397	4877445	1267	0	-60	125.0
KHDDH719	Zephyr	595146	4877544	1266	270	-55	160.0

KHDDH720	Zephyr	595399	4877750	1265	0	-60	100.0
KHDDH721	Zephyr	595523	4877497	1266	0	-60	400.0
KHDDH722	Zephyr	595524	4877698	1265	0	-60	150.0
KHDDH723	Zephyr	595649	4877663	1266	0	-60	205.0
KHDDH724	Zephyr	595275	4877497	1266	190	-75	190.0
KHDDH725	Zephyr	595773	4877664	1269	0	-60	75.0
KHDDH731	Zephyr	595394	4877512	1266	170	-60	160.0
KHDDH732	Zephyr	595397	4877651	1266	0	-60	200.0
KHDDH736	Zephyr	595524	4877596	1265	0	-60	214.0
KHDDH740	Zephyr	595525	4877797	1265	0	-60	125.0
KHDDH745	Zephyr	595774	4877744	1270	0	-60	100.0
KHDDH752	Zephyr	595524	4877595	1265	140	-75	210.0
KHDDH779	Exploration	593999	4876523	1285	0	-70	2400.0
KHDDH801	Golden Eagle	595277	4876894	1269	0	-60	288.5
KHDDH802	Golden Eagle	595332	4876839	1270	0	-60	285.5
KHDDH803	Golden Eagle	595401	4876841	1269	0	-60	291.0
KHDDH804	Golden Eagle	595328	4876942	1269	0	-60	279.5
KHDDH805	Golden Eagle	595399	4876919	1269	0	-60	279.6
KHDDH806	White Hill	592393	4877472	1293	180	-70	848.3
KHDDH807	White Hill	591788	4876469	1317	0	-60	1212.7
KHDDH808	White Hill	591959	4876661	1310	0	-60	1200.0
KHDDH809	Exploration	597845	4877219	1265	0	-70	1200.0
KHDDH810	Altan Shand	591291	4878056	1296	318	-60	444.6
KHDDH811	White Hill	591099	4877967	1296	315	-60	450.8
KHDDH812	White Hill	591328	4878186	1291	318	-60	230.0

Table 2: Significant drill results

Hole ID	Prospect	From (m)	To (m)	Interval (m)	Au (g/t)	Cu (%)	CuEq (%)	AuEq (g/t)
KHDDH684	Golden Eagle	49	248	199	0.15	0.09	0.17	0.34
including		186	220	34	0.33	0.17	0.34	0.67
and		282.5	341	58.5	0.09	0.16	0.20	0.39
KHDDH685	Golden Eagle	34	325	291	0.22	0.14	0.25	0.49
including		70	74	4	1.26	0.14	0.78	1.53
including		124	133.6	9.6	0.18	0.16	0.25	0.50
including		144.95	240	95.05	0.35	0.16	0.34	0.66
KHDDH700	Golden Eagle	43.5	196	152.5	0.22	0.09	0.20	0.39
including		96	106	10	0.35	0.14	0.32	0.63
including		168	182	14	0.59	0.15	0.46	0.89
including		172	176	4	1.10	0.24	0.80	1.56
KHDDH701	Golden Eagle	40.25	123	82.75	0.16	0.09	0.18	0.34
including		42	46	4	0.46	0.16	0.39	0.76
KHDDH703	Zephyr	14.75	18.8	4.05	0.33	0.00	0.17	0.34
KHDDH704	Zephyr	*No significant intercepts*						
KHDDH705	Zephyr	14	42	28	0.28	0.03	0.18	0.35
and		58	64	6	0.40	0.05	0.25	0.50
and		78	86	8	0.11	0.02	0.08	0.15
KHDDH706	Zephyr	*No significant intercepts*						
KHDDH707	Zephyr	23.9	74	50.1	0.19	0.04	0.14	0.27
including		48	64	16	0.47	0.04	0.28	0.55
KHDDH708	Zephyr	40.3	157	116.7	0.18	0.09	0.18	0.35

including	52	58	6	0.49	0.09	0.34	0.66
and	171	187.1	16.1	0.26	0.04	0.17	0.33
and	223	227.2	4.2	0.50	0.03	0.29	0.56
KHDDH709 Zephyr	16	20	4	0.22	0.00	0.12	0.23
and	51	58	7	0.20	0.03	0.14	0.27
KHDDH710 Zephyr	*No significant intercepts*						
KHDDH711 Zephyr	32	100	68	0.09	0.10	0.15	0.29
KHDDH712 Zephyr	19	28	9	0.14	0.02	0.09	0.17
and	41.9	57.6	15.7	0.42	0.02	0.24	0.46
and	121	132	11	0.05	0.05	0.07	0.14
KHDDH713 Zephyr	18.5	56	37.5	0.25	0.08	0.20	0.40
including	40	48	8	0.74	0.16	0.54	1.06
and	76	107.2	31.2	0.14	0.06	0.13	0.26
and	129	140.7	11.7	0.14	0.06	0.13	0.26
and	152	189.4	37.4	0.17	0.07	0.15	0.30
KHDDH714 Zephyr	30	38	8	0.19	0.02	0.12	0.23
and	48	52	4	0.31	0.03	0.18	0.35
and	113	121	8	0.27	0.01	0.15	0.29
and	135	142	7	0.22	0.01	0.12	0.24
KHDDH715 Zephyr	*No significant intercepts*						
KHDDH716 Zephyr	15.9	75	59.1	0.09	0.10	0.14	0.28
KHDDH717 Zephyr	16.2	235	218.8	0.20	0.13	0.23	0.45
including	47	73	26	0.46	0.24	0.47	0.93
including	138	144	6	0.27	0.17	0.31	0.60
including	205	223	18	0.21	0.22	0.33	0.64
KHDDH718 Zephyr	49	67	18	0.25	0.04	0.16	0.32
and	149	153	4	0.19	0.05	0.14	0.28
and	171	356	185	0.21	0.12	0.22	0.44
including	211	215	4	0.42	0.17	0.38	0.75
including	265	276	11	0.86	0.16	0.60	1.17
including	269.5	276	6.5	1.29	0.15	0.81	1.59
including	304	338	34	0.33	0.20	0.37	0.72
KHDDH719 Zephyr	45	49	4	0.19	0.04	0.14	0.27
and	91	160	69	0.13	0.07	0.13	0.26
KHDDH720 Zephyr	38	62	24	0.16	0.09	0.17	0.33
KHDDH721 Zephyr	104	120	16	0.16	0.05	0.13	0.25
and	139.5	336.9	197.4	0.13	0.16	0.23	0.45
including	166	172	6	0.10	0.30	0.35	0.68
including	193	221	28	0.15	0.26	0.34	0.66
including	273	311	38	0.19	0.21	0.31	0.60
including	327	336	9	0.24	0.17	0.29	0.57
and	347	395	48	0.11	0.14	0.19	0.38
including	369	389	20	0.11	0.21	0.27	0.52
KHDDH722 Zephyr	23.2	144	120.8	0.26	0.18	0.32	0.62
including	23.2	87	63.8	0.44	0.25	0.47	0.93
including	25	45	20	0.89	0.25	0.70	1.37
including	65	76.8	11.8	0.36	0.42	0.60	1.18
KHDDH723 Zephyr	43	246	203	0.18	0.16	0.25	0.50
including	83	103	20	0.13	0.33	0.39	0.77
including	121	129	8	0.14	0.22	0.29	0.57
including	141	149	8	0.31	0.30	0.45	0.89
including	163	189	26	0.23	0.18	0.30	0.59

including	199	219	20	0.55	0.16	0.44	0.85
including	201	211	10	0.89	0.16	0.62	1.21
including	232.7	242.3	9.6	0.23	0.09	0.20	0.40
and	268	272	4	0.10	0.07	0.12	0.24
and	312	316	4	0.16	0.05	0.13	0.25
KHDDH724 Zephyr	13.6	118.5	104.9	0.21	0.16	0.27	0.52
including	13.6	66	52.4	0.35	0.19	0.36	0.71
including	26	38	12	0.31	0.34	0.50	0.97
and	165	188	23	0.22	0.05	0.16	0.32
KHDDH725 Zephyr	*No significant intercepts*						
KHDDH731 Zephyr	59	65	6	0.22	0.03	0.14	0.28
and	89	101	12	0.22	0.03	0.14	0.27
KHDDH732 Zephyr	21.6	62	40.4	0.10	0.12	0.17	0.34
and	74	200	126	0.13	0.22	0.29	0.57
including	74	88	14	0.23	0.20	0.32	0.63
including	98	108.2	10.2	0.23	0.25	0.37	0.72
including	119.4	171	51.6	0.12	0.29	0.35	0.69
KHDDH736 Zephyr	48	54	6	0.07	0.08	0.12	0.23
and	68	264	196	0.25	0.12	0.25	0.48
including	128	163.8	35.8	0.33	0.17	0.34	0.67
including	184.2	211	26.8	1.00	0.16	0.68	1.32
including	184.2	188.9	4.7	1.23	0.37	1.00	1.96
including	200	209	9	1.77	0.17	1.07	2.10
KHDDH740 Zephyr	31.2	59	27.8	0.04	0.10	0.12	0.23
KHDDH745 Zephyr	38.8	104.9	66.1	0.10	0.21	0.26	0.51
including	60	80	20	0.13	0.27	0.33	0.65
and	171	179.2	8.2	0.16	0.06	0.15	0.29
and	242	256	14	0.25	0.03	0.16	0.31
including	242	252	10	0.32	0.03	0.20	0.38
and	270	351	81	0.14	0.09	0.17	0.33
including	270	277.3	7.3	0.53	0.07	0.34	0.66
including	293	299	6	0.22	0.21	0.32	0.62
KHDDH752 Zephyr	27.5	40	12.5	0.08	0.03	0.07	0.15
and	111.1	118	6.9	0.07	0.07	0.10	0.20
and	142	210	68	0.08	0.19	0.23	0.45
including	156	160	4	0.29	0.24	0.39	0.76
including	202	208	6	0.08	0.28	0.32	0.62
KHDDH779 Exploration	66	78	12	0.13	0.08	0.14	0.28
and	320	326	6	0.35	0.13	0.31	0.60
and	499	505	6	0.01	0.11	0.11	0.22
and	557	577	20	0.09	0.12	0.16	0.32
and	587	595	8	0.02	0.11	0.12	0.23
and	611	621	10	0.02	0.08	0.09	0.18
and	661	673	12	0.04	0.08	0.11	0.21
and	782	788	6	0.06	0.07	0.10	0.19
and	810	820	10	0.05	0.07	0.10	0.19
and	874	1118	244	0.03	0.13	0.15	0.29
including	980	984	4	0.09	0.28	0.33	0.64
including	1087	1098	11	0.05	0.19	0.22	0.42
and	1132	1430	298	0.07	0.13	0.17	0.33
including	1253.65	1263	9.35	0.06	0.23	0.26	0.51
including	1362	1367	5	1.11	0.32	0.89	1.73

and	1442	1486	44	0.06	0.08	0.11	0.22
and	1496	1517	21	0.01	0.09	0.10	0.19
and	1577	1585	8	0.16	0.15	0.23	0.44
and	1649	1658	9	0.02	0.04	0.05	0.10
and	1724	1730	6	0.03	0.15	0.17	0.33
and	1756	1831	75	0.07	0.08	0.11	0.22
and	1885	1930.8	45.8	0.05	0.10	0.13	0.25
including	1925	1930.8	5.8	0.08	0.24	0.28	0.55
and	1940	2050	110	0.08	0.18	0.22	0.44
including	1996	2014.4	18.4	0.13	0.37	0.44	0.85
including	2036	2050	14	0.16	0.22	0.30	0.59
and	2068	2078.1	10.1	0.04	0.09	0.11	0.22
KHDDH799 Exploration	*No significant intercepts*						
KHDDH800 Exploration	*No significant intercepts*						
KHDDH801 Golden Eagle	36.6	120	83.4	0.59	0.11	0.41	0.80
including	57	86	29	1.14	0.14	0.73	1.42
including	60	74	14	1.90	0.14	1.11	2.18
including	106	114.2	8.2	0.46	0.12	0.35	0.69
and	140	288.5	148.5	0.29	0.12	0.26	0.51
including	201	209	8	0.33	0.15	0.32	0.62
including	244	264	20	0.72	0.18	0.55	1.07
KHDDH802 Golden Eagle	35.5	285.5	250	0.37	0.12	0.31	0.60
including	84	180	96	0.55	0.14	0.41	0.81
including	206	212	6	0.41	0.11	0.32	0.63
including	232	252	20	0.39	0.15	0.35	0.68
KHDDH803 Golden Eagle	36.8	244	207.2	0.20	0.11	0.21	0.42
including	88	98	10	0.29	0.16	0.30	0.59
including	170	200	30	0.34	0.12	0.30	0.58
and	254	270.2	16.2	0.07	0.06	0.10	0.19
KHDDH804 Golden Eagle	38.1	88	49.9	0.40	0.10	0.30	0.59
including	38.9	58.8	19.9	0.61	0.16	0.47	0.92
and	99.25	277	177.75	0.23	0.11	0.23	0.44
including	113.8	178	64.2	0.42	0.14	0.35	0.69
including	236	244.6	8.6	0.25	0.15	0.27	0.54
KHDDH805 Golden Eagle	41.6	195	153.4	0.43	0.13	0.35	0.68
including	44	111	67	0.67	0.15	0.50	0.97
including	54	62	8	1.34	0.18	0.87	1.70
including	54	60	6	1.43	0.18	0.91	1.78
including	77	91	14	0.81	0.21	0.62	1.22
including	127	133	6	0.37	0.15	0.34	0.66
and	267	278	11	0.06	0.05	0.08	0.15
KHDDH806 White Hill	2	146	144	0.06	0.13	0.16	0.32
and	156	443.4	287.4	0.07	0.18	0.21	0.41
including	386	443.4	57.4	0.15	0.29	0.36	0.71
and	545	595	50	0.94	0.25	0.73	1.42
including	549	571	22	2.10	0.26	1.34	2.62
and	779	821	42	0.03	0.22	0.24	0.46
including	781	790	9	0.05	0.53	0.56	1.09
KHDDH807 White Hill	295	353	58	0.04	0.09	0.11	0.22
and	367	425	58	0.04	0.12	0.14	0.27
including	381	385	4	0.09	0.36	0.40	0.79
and	435	994.7	559.7	0.07	0.23	0.27	0.53

including	457	477	20	0.09	0.19	0.23	0.46
including	487	499	12	0.11	0.31	0.36	0.71
including	512	524	12	0.10	0.26	0.31	0.61
including	546	555.4	9.4	0.13	0.26	0.33	0.65
including	685	712	27	0.05	0.26	0.28	0.55
including	734	747	13	0.08	0.33	0.37	0.72
including	761	983	222	0.10	0.31	0.36	0.70
including	834	838	4	0.22	0.55	0.66	1.28
and	1004	1198	194	0.06	0.19	0.22	0.42
including	1034	1090	56	0.10	0.25	0.30	0.59
including	1180	1184	4	0.08	0.43	0.46	0.91
KHDDH808 White Hill	238	242	4	0.05	0.18	0.20	0.39
and	282.5	319	36.5	0.07	0.15	0.18	0.36
including	305	311	6	0.09	0.32	0.36	0.70
and	333	580.45	247.45	0.11	0.29	0.35	0.68
including	341	346	5	0.07	0.24	0.27	0.53
including	465	500	35	0.09	0.31	0.36	0.70
including	516	580.45	64.45	0.26	0.61	0.74	1.44
including	556	580.45	24.45	0.53	1.14	1.41	2.75
including	558	571.8	13.8	0.70	1.64	1.99	3.90
and	608	626	18	0.19	0.05	0.14	0.28
including	620	624	4	0.50	0.05	0.31	0.60
and	644	652	8	0.19	0.03	0.12	0.24
and	664	672	8	0.10	0.15	0.20	0.39
and	750	1085	335	0.08	0.25	0.30	0.58
including	751.7	891	139.3	0.12	0.38	0.44	0.86
including	786	796	10	0.13	0.54	0.61	1.19
including	812	818	6	0.27	0.85	0.99	1.94
including	918	926	8	0.08	0.26	0.30	0.59
including	958	962	4	0.08	0.29	0.33	0.65
including	980	989	9	0.22	0.22	0.33	0.64
including	1028.8	1035	6.2	0.12	0.50	0.56	1.10
and	1115	1127	12	0.03	0.12	0.14	0.27
and	1142	1172	30	0.02	0.11	0.12	0.24
and	1182	1186	4	0.02	0.13	0.14	0.27
KHDDH809 Exploration	52.8	81	28.2	0.16	0.05	0.13	0.25
and	207	246	39	0.13	0.09	0.15	0.30
including	209	220	11	0.22	0.16	0.27	0.53
and	256	265.7	9.7	0.19	0.09	0.19	0.36
And	290	295	5	0.07	0.15	0.19	0.37
and	328	342	14	0.05	0.05	0.07	0.14
Assays pending							
KHDDH810 Altan Shand	276.1	310	33.9	0.25	0.10	0.23	0.46
KHDDH811 White Hill	164	168	4	0.11	0.10	0.16	0.31
and	301.63	315	13.37	0.14	0.08	0.15	0.29
and	418	422	4	1.81	0.09	1.02	1.99
KHDDH812 White Hill	*No significant intercepts*						

Appendix 2: Statements and Disclaimers

Competent Person Statement

The information in this announcement that relates to Mineral Resources is based on information compiled by Mr Robert Spiers, who is responsible for the Mineral Resource estimate. Mr Spiers is a full time Principal Geologist employed by Spiers Geological Consultants (SGC) and is a Member of the Australian Institute of Geoscientists. He has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as the Qualified Person as defined in the CIM Guidelines and National Instrument 43-101 and as a Competent Person under JORC Code 2012. Mr Spiers consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information in this announcement that relates to exploration results is based on information compiled by Dr Andrew Stewart, who is responsible for the exploration data, comments on exploration target sizes, QA/QC and geological interpretation and information. Dr Stewart, who is an employee of Xanadu and is a Member of the Australasian Institute of Geoscientists, has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as the Competent Person as defined in the 2012 Edition of the *Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves* and the *National Instrument 43-101*. Dr Stewart consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Mineral Resources and Ore Reserves Reporting Requirements

The 2012 Edition of the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves* (the JORC Code 2012) sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves. The Information contained in this Announcement has been presented in accordance with the JORC Code 2012.

The information in this Announcement relates to the exploration results previously reported in ASX Announcements which are available on the Xanadu website at:

https://www.xanadumines.com/site/investor-centre/asx-announcements

The Company is not aware of any new, material information or data that is not included in those market announcements.

Copper Equivalent Calculations

The copper equivalent (CuEq) calculation represents the total metal value for each metal, multiplied by the conversion factor, summed and expressed in equivalent copper percentage with a metallurgical recovery factor applied.

Copper equivalent (CuEq) grade values were calculated using the formula: CuEq = Cu + Au * 0.60049 * 0.86667.

Where Cu - copper grade (%); Au - gold grade (g/t); 0.60049 - conversion factor (gold to copper); 0.86667 - relative recovery of gold to copper (86.67%).

The copper equivalent formula was based on the following parameters (prices are in USD): Copper price 3.4 $/lb; Gold price 1400 $/oz; Copper recovery 90%; Gold recovery 78%; Relative recovery of gold to copper = 78% / 90% = 86.67%.

Forward-Looking Statements

Certain statements contained in this Announcement, including information as to the future financial or operating performance of Xanadu and its projects may also include statements which are 'forward?looking

statements' that may include, amongst other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions. These 'forward-looking statements' are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Xanadu, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies and involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward?looking statements.

Xanadu disclaims any intent or obligation to update publicly or release any revisions to any forward?looking statements, whether as a result of new information, future events, circumstances or results or otherwise after the date of this Announcement or to reflect the occurrence of unanticipated events, other than required by the *Corporations Act 2001* (Cth) and the Listing Rules of the Australian Securities Exchange (ASX) and Toronto Stock Exchange (TSX). The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and similar expressions identify forward?looking statements.

All 'forward?looking statements' made in this Announcement are qualified by the foregoing cautionary statements. Investors are cautioned that 'forward?looking statements' are not guarantee of future performance and accordingly investors are cautioned not to put undue reliance on 'forward?looking statements' due to the inherent uncertainty therein.

For further information please visit the Xanadu Mines' Website at www.xanadumines.com.

Appendix 3: Kharmagtai Table 1 (JORC 2012)

Set out below is Section 1 and Section 2 of Table 1 under the JORC Code, 2012 Edition for the Kharmagtai project. Data provided by Xanadu. This Table 1 updates the JORC Table 1 disclosure dated 8 December 2023.

JORC TABLE 1 - SECTION 1 - SAMPLING TECHNIQUES AND DATA

(Criteria in this section apply to all succeeding sections).

Criteria	Commentary
Sampling techniques	● Representative ½ core samples were split from PQ, HQ & N ● The orientation of the cut line is controlled using the core ori ● Sample intervals are defined and subsequently checked by ● Reverse Circulation (RC) chip samples are ¼ splits from one ● RC samples are uniform 2m samples formed from the comb
Drilling techniques	● The Mineral Resource Estimation has been based upon dia ● All drill core drilled by Xanadu has been oriented using the "
Drill sample recovery	● Diamond drill core recoveries were assessed using the stan ● Diamond core recoveries average 97% through mineralisati ● Overall, core quality is good, with minimal core loss. Where ● RC recoveries are measured using whole weight of each 1m ● Analysis of recovery results vs grade shows no significant tr

Logging	● All drill core is geologically logged by well-trained geologists ● Logging of lithology, alteration and mineralogy is intrinsically ● Drill core is also systematically logged for both geotechnical ● Both wet and dry core photos are taken after core has been
Sub-sampling techniques and sample preparation	● All drill core samples are ½ core splits from either PQ, HQ o ● Core is appropriately split (onsite) using diamond core saws ● The diamond saws are regularly flushed with water to minim ● A field duplicate ¼ core sample is collected every 30th samp ● Routine sample preparation and analyses of DDH samples w ● All samples were prepared to meet standard quality control p ● ALS Mongolia Geochemistry labs quality management syste ● The sample support (sub-sample mass and comminution) is
Quality of assay data and laboratory tests	● All samples were routinely assayed by ALS Mongolia for gol ● Au is determined using a 25g fire assay fusion, cupelled to d ● All samples were also submitted to ALS Mongolia for the 48 ● Quality assurance has been managed by insertion of approp ● Assay results outside the optimal range for methods were re ● Ore Research Pty Ltd certified copper and gold standards ha ● QC monitoring is an active and ongoing processes on batch ● Prior to 2014: Cu, Ag, Pb, Zn, As and Mo were routinely dete
Verification of sampling and assaying	● All assay data QA/QC is checked prior to loading into XAM's ● The data is managed by XAM geologists. ● The data base and geological interpretation is managed by X ● Check assays are submitted to an umpire lab (SGS Mongoli ● No twinned drill holes exist. ● There have been no adjustments to any of the assay data.
Location of data points	● Diamond drill holes have been surveyed with a differential gl ● The grid system used for the project is UTM WGS-84 Zone 4 ● Historically, Eastman Kodak and Flexit electronic multi-shot ● More recently (since September 2017), a north-seeking gyro ● The project Digital Terrain Model (DTM) is based on 1m con
Data spacing and distribution	● Holes spacings range from <50m spacings within the core o ● Holes range from vertical to an inclination of -60 degrees de ● The data spacing and distribution is sufficient to establish an ● Holes have been drilled to a maximum of 1,304m vertical de ● The data spacing and distribution is sufficient to establish ge
Orientation of data in relation to geological structure	● Drilling is conducted in a predominantly regular grid to allow ● Scissor drilling, as well as some vertical and oblique drilling,
Sample security	● Samples are delivered from the drill rig to the core shed twic ● Samples are dispatched from site in locked boxes transporte ● Sample shipment receipt is signed off at the Laboratory with ● Samples are then stored at the lab and returned to a locked

Audits or reviews	● Internal audits of sampling techniques and data managemer ● External reviews and audits have been conducted by the fol ● 2012: AMC Consultants Pty Ltd. was engaged to conduct ar ● 2013: Mining Associates Ltd. was engaged to conduct an In ● 2018: CSA Global reviewed the entire drilling, logging, samp

JORC TABLE 1 - SECTION 2 - REPORTING OF EXPLORATION RESULTS

(Criteria in this section apply to all succeeding sections).

Criteria	Commentary
Mineral tenement and land tenure status	● The Project comprises 2 Mining Licences (MV-17129A Oyut Ulaan and (MV ● Xanadu now owns 90% of Vantage LLC, the 100% owner of the Oyut ● The Kharmagtai mining license MV-17387A is 100% owned by Oyut U ● The *Mongolian Minerals Law (2006)* and *Mongolian Land Law (2002)* gover
Exploration done by other parties	● Previous exploration at Kharmagtai was conducted by Quincunx Ltd, Ivanho ● Previous exploration at Red Mountain (Oyut Ulaan) was conducted by Ivanh
Geology	● The mineralisation is characterised as porphyry copper-gold type. ● Porphyry copper-gold deposits are formed from magmatic hydrothermal fluic
Drill hole Information	● Diamond drill holes are the principal source of geological and grade data for ● See figures in this ASX/TSX Announcement.

	● The CSAMT data was converted into 2D line data using the Zonge CSAMT ● A nominal cut-off of 0.1% CuEq is used in copper dominant systems for ider ● A nominal cut-off of 0.1g/t AuEq is used in gold dominant systems like Gold ● Maximum contiguous dilution within each intercept is 9m for 0.1%, 0.3%, 0.6 ● Most of the reported intercepts are shown in sufficient detail, including maxi ● Informing samples have been composited to two metre lengths honouring th The copper equivalent (CuEq) calculation represents the total metal value for eac Copper equivalent (CuEq) grade values were calculated using the following formu CuEq = Cu + Au * 0.62097 * 0.8235, Gold Equivalent (AuEq) grade values were calculated using the following formula: AuEq = Au + Cu / 0.62097 * 0.8235. Where: Cu - copper grade (%) Au - gold grade (g/t) 0.62097 - conversion factor (gold to copper) 0.8235 - relative recovery of gold to copper (82.35%) The copper equivalent formula was based on the following parameters (prices are ● Copper price - 3.1 $/lb (or 6834 $/t) ● Gold price - 1320 $/oz ● Copper recovery - 85% ● Gold recovery - 70% ● Relative recovery of gold to copper = 70% / 85% = 82.35%.
Data Aggregation methods	
Relationship between mineralisation on widths and intercept lengths	● Mineralised structures are variable in orientation, and therefore drill orientati ● Exploration results have been reported as an interval with 'from' and 'to' stat
Diagrams	● See figures in the body of this ASX/TSX Announcement.
Balanced reporting	● Resources have been reported at a range of cut-off grades, above a minimu
Other substantive exploration data	● Extensive work in this area has been done and is reported separately.
Further Work	● The mineralisation is open at depth and along strike. ● Current estimates are restricted to those expected to be reasonable for ope ● Exploration on going.

JORC TABLE 1 - SECTION 3 - ESTIMATION AND REPORTING OF MINERAL RESOURCES

Mineral Resources are not reported so this is not applicable to this Announcement. Please refer to the Company's ASX Announcement dated 8 December 2023 for Xanadu's most recent reported Mineral

Resource Estimate and applicable Table 1, Section 3.

JORC TABLE 1 - SECTION 4 - ESTIMATION AND REPORTING OF ORE RESERVES

Ore Reserves are not reported so this is not applicable to this Announcement.

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Photos accompanying this announcement are available at:

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