



**X I A N A** Mining Inc.

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## NEWS RELEASE

### XIANA PROVIDES FOURTH BI-WEEKLY DEFAULT STATUS REPORT

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**VANCOUVER, BC – June 28, 2021**, Xiana Mining Inc. (TSX-V: XIA) (“**Xiana**” or the “**Company**”) announces that further to its news release dated June 14, 2021, it provides the this fourth bi-weekly default status report in accordance with National Policy 12-203 *Management Cease Trade Orders* (“NP 12-203”).

As previously announced in the Company’s news release dated May 3, 2021 (the “**Default Announcement**”), the Company’s principal regulator, the British Columbia Securities Commission (the “**BCSC**”) granted a management cease trade order (the “**MCTO**”) on May 3, 2021, under NP 12-203.

Pursuant to the MCTO, the Chief Executive Officer and the Chief Financial Officer may not trade in securities of the Company until such time as the Company files its annual audited financial statements for the year ended December 31, 2020, including the related management’s discussion and analysis, and related certifications on or before July 2, 2021 (collectively the “**Required Annual Filings**”) and the Executive Director of the BCSC revokes the MCTO. The MCTO does not affect the ability of shareholders to trade their securities.

#### Update on 2020 Annual Financials

On May 3, 2021 the Company announced that the filing of its annual audited financial statements for the year ended December 31, 2020, including the accompanying management’s discussion and analysis, and related certifications would be delayed and the Company was granted a MCTO in connection with the annual financials. The Company has now been granted an extension by the BCSC and expects to file the Required Annual Filings on or before July 16, 2021.

#### Update on Q1 Interim Financials

On May 31, 2021 the Company announced that the filing of its interim financial statements for the three months ended March 31, 2021, including the accompanying management’s discussion and analysis and related certifications (the “**Required Interim Filings**”) would be delayed and filed after the Required Documents are completed and filed. The Company has now been granted an extension by the BCSC and expects to file the Required Interim Filings on or before July 20, 2021.

On May 28, 2021 the Company’s wholly owned subsidiary Minera Altos de Punitaqui (“**MAP**”) finalized its agreement with Minera BMR SPA (“**BMR Chile**”), a wholly owned subsidiary of Battery Mineral Resources (“**BMR**”) to acquire the Punitaqui mining complex as announced in the Company’s news release dated May 31, 2021.

- BMR Chile is in the process of disbursing to certain secured, unsecured and labour creditors
- Through the month of May, MAP has been able to access the mine site and is in the process of updating the accounting records

- Unfortunately, during the first week of June, the town of Punitaqui had undergone another significant Covid-19 outbreak
- The city of Santiago has also been locked down, as Covid-19 cases are on the rise, 60% of the Chilean population has been fully vaccinated

The above factors relating to MAP's transactions during the audit period have resulted in the delay of the Required Annual Filings and Required Interim Filings.

The Company's Board of Directors and management confirm that they are working expeditiously to file the Required Annual Filings and confirm that since the Company's press release dated May 4, 2021 except as set out above including with respect to the reasons for the extensions regarding the delayed filings of the Annual Financials and Interim Financials:

- there have been no material changes to the information contained in the Default Announcement that would reasonably be expected to be material to an investor;
- There have been no failures by the Company to fulfill its stated intentions with respect to satisfying the provisions of the alternative information reporting guidelines under NP 12-203;
- There has not been, nor is there anticipated to be, any specified default subsequent to the default which is the subject of the Default Announcement; and
- Except as set out above there have been no material changes in respect of the Company's affairs that have not been generally disclosed.

Until the Required Annual Filings have been filed, the Company intends to continue to satisfy the provisions of the alternative information guidelines specified in NP 12-203 by issuing bi-weekly default status reports in the form of further press releases for so long as the Company remains in default of the financial statement filing requirement.

### **About Xiana Mining Inc.**

Xiana Mining is a TSX Venture Exchange listed mining company focused on its producing operations and development properties in Region IV, Chile. Xiana acquired ownership of 100% of Minera Altos de Punitaqui ("MAP") from Glencore plc in November 2018. MAP is comprised of four producing copper-gold mines, a 3,600 tpd concentrator and associated infrastructure. MAP has subsequently leased with an option to purchase, the Punitaqui Mining Complex to Minera BMR SPA ("BMR Chile") a wholly owned subsidiary of Battery Mineral Resources Corp. ("BMR").

During 2020, Xiana has suffered significant setbacks due to the Covid-19 pandemic. The Chilean government declared a state of emergency which lasted several months (news releases April 28, 2020 and May 29, 2020) which resulted in a significant decline in the copper price and deteriorating macroeconomic climate thus impacting the cash flow and profitability of MAP which in turn affected the production cycle at the operations. MAP elected to suspend material production and move to care and maintenance to ensure compliance with quarantine regulations and reduce further creditor claim exposure. Patrimony protection under Chilean law (news release June 1, 2020) was sought and approved by the 21<sup>st</sup> Civil Court of Santiago on May 29, 2020 allowing the Company to seek to reorganize its existing financial liabilities. During this period, the Company entered into a forbearance agreement with Bluequest Resources AG (news release July 20, 2020) in connection with a loan agreement dated October 24, 2018 as amended on July 29, 2019. The Company defaulted under the Bluequest loan agreement for failing to make the required interest payments when due and failing to comply with the financial covenants of the loan agreement. On October

14, 2020, received creditor and Chilean court consent with respect to the judicial reorganization agreement by the Company's wholly owned subsidiary, Minera Altos de Punitaqui (news release October 16, 2020). On November 24, 2020, the Company received notice, dated November 24, 2020, from subsidiaries of Glencore plc (Glencore) for Deferred Consideration payment of USD\$10 million, which became due on November 13, 2020 as well as a further adjustment for late payment interest at a rate of LIBOR plus 4% on the outstanding amount.

Xiana is also engaged in the evaluation of producing and development stage mineral resource opportunities on an ongoing basis. The Company's common shares are listed on the TSX Venture Exchange under the symbol XIA. For more information about the Company please visit [www.xianamining.com](http://www.xianamining.com).

On behalf of the Board of Directors,

*“Carlos Ballon”*  
Chairman and CEO

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*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*