



X1 Announces Revised Terms of Financing

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VANCOUVER, BC – July 3, 2024 – X1 Entertainment Group Inc. (CSE:XONE; OTCQX: XOEUF; FSE: QN9) (“**X1**” or the “**Company**”) announces that, further to its news release on June 18, 2024, it has revised the terms of its non-brokered private placement. The Company will now be completing a non-brokered private placement of 8,000,000 special warrants of the Company (the “**Special Warrants**”) at a price of \$0.25 per Special Warrant for gross proceeds of up to \$2,000,000 (the “**Offering**”).

Each Special Warrant will automatically convert, without the payment of any additional consideration, into one unit of the Company (a “**Unit**”) on the date that is the second business day (the “**Conversion Date**”) following the satisfaction of the following conditions (together, the “**Conversion Conditions**”):

- (a) the Company shall have obtained shareholder approval for (i) the Company’s change of business to a mineral exploration company (the “**COB**”), as set out in its news release dated February 7, 2024, and (ii) the Offering; and
- (b) the Company shall have obtained conditional approval for the COB from the Canadian Securities Exchange (the “**CSE**”).

Each Unit will consist of one common share in the capital of the Company (a “**Common Share**”) and one Common Share purchase warrant (a “**Warrant**”). Each Warrant entitles the holder thereof to acquire one additional Common Share (a “**Warrant Share**”) at a price of \$0.30 per Warrant Share for a period of twenty-four (24) months from the date of issuance.

The gross proceeds of the Offering (the “**Escrowed Proceeds**”) will be delivered to and held in escrow on behalf of the subscribers by the Company, in a segregated interest bearing account. If the Conversion Date does not occur on or before 5:00 p.m. (Vancouver time) on the date that is 120 days after the closing of the Offering (the “**Release Deadline**”), the Special Warrants will immediately become null, void and of no further force or effect and the Escrowed Proceeds will be returned to the holders of Special Warrants in an amount per Special Warrant equal to: (i) the subscriber’s aggregate offering price paid for the Special Warrants; and (ii) a pro rata share of interest, if any, actually earned on the Escrowed Proceeds to the date of the Release Deadline (less any applicable withholding taxes).

As the number of securities issuable in the Concurrent Financing is more than 100% of the Company’s issued and outstanding Common Shares, the Company is required to obtain shareholder approval for the Concurrent Financing pursuant to Section 4.6(2)(a) of CSE Policy 4 – *Corporate Governance, Security Holder Approvals, and Miscellaneous Provisions*. The Company will be seeking shareholder approval for the Offering at its annual general and special

meeting to be held on August 14, 2024.

The Company intends to use the net proceeds from the Offering for (i) expenses incurred in connection with the Company's acquisition of the Manson Bay Property and COB, (ii) completion of the work program on the Manson Bay Property, (iii) consulting, management, and director fees, (iv) marketing and investor relations, and (v) general and administrative expenses.

The Company may, in its sole discretion, increase the size of the Offering to up to \$3,000,000 based on market conditions and investor demand. The Offering may close in one or more tranches as the Company may determine within the requirements of the CSE. The Company may pay a finder's fee in connection with the Offering to eligible arm's length finders in accordance with the policies of the CSE. All securities issued in connection with the Offering will be subject to a statutory hold period of four months and one day following the date of issuance in accordance with applicable Canadian securities laws.

The securities issued pursuant to the Offering have not been, and will not be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons in the absence of U.S. registration or an applicable exemption from the U.S. registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in the United States or in any other jurisdiction in which such offer, solicitation or sale would be unlawful.

About X1

X1 Entertainment Group Inc. is a public company based in Vancouver, BC whose common shares are listed on the Canadian Securities Exchange under the ticker symbol (CSE:XONE). The Company has entered into a definitive asset purchase agreement with SKRR Exploration Inc pursuant to which the Company has agreed to acquire a 100% legal and beneficial interest in thirteen (13) contiguous mineral claims totaling 4,293.213 hectares located in the Province of Saskatchewan known as the Manson Bay Property.

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This news release contains "forward-looking information" which may include, but is not limited to, statements with respect to the completion of the Offering and the anticipated use of proceeds from the Offering. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. A variety of factors, including known and unknown risks, many of which are beyond our control, could cause actual results to differ materially from the forward-looking information in this news release. Additional risk factors can also be found in the Company's public filings under the Company's SEDAR+ profile at www.sedarplus.ca. Forward-looking statements contained herein are made as of the date of this news release and the

Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. 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. The Company undertakes no obligation to update forward-looking statements if circumstances, management's estimates or opinions should change, except as required by securities legislation. Accordingly, the reader is cautioned not to place undue reliance on forward-looking statements.

The Canadian Securities Exchange has neither approved nor disapproved the information contained herein and does not accept responsibility for the adequacy or accuracy of this news release.