

Continuity of HIGH GRADE GOLD MINERALISATION SHOWN

XDM Resources Inc. (“XDM” or the “Company”) is pleased to announce that its first and second diamond drill holes at the Kele project in the Solomon Islands have demonstrated continuity of gold mineralisation.

A summary of the first and second drill holes results are as follows:

**KLDD001 11 metres @ 3.44 g/t gold from 36 metres
 including 5 metres @ 6.15 g/t gold from 37 metres**

**KLDD002 1 metre @ 3.17 g/t gold from 88.5 metres
 7 metres @ 2.69 g/t gold from 99 metres
 including 2 metres @ 5.57 g/t gold from 104 metres**

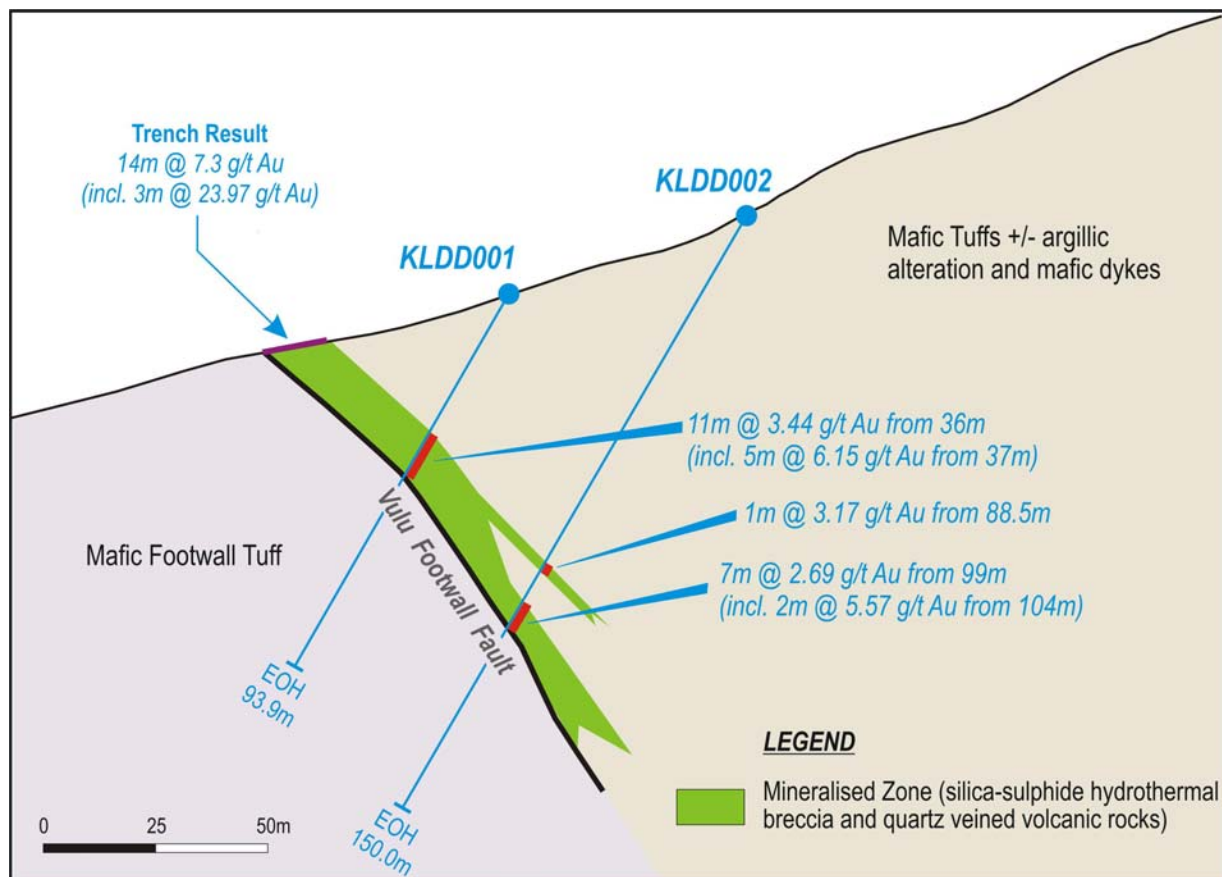
The Chief Executive Officer, Mr. Mark Haywood says *“these results show excellent continuity of mineralisation at depth on this section which is very encouraging.”*

Diamond hole number KLDD001 intersected a gold mineralised zone containing **3.44 g/t gold over 11 metres from a depth of 36 metres**. The intersection also includes a high grade gold mineralised zone containing **6.15 g/t gold over 5 metres from a depth of 37 metres**.

Diamond hole number KLDD002 intersected a gold mineralised zone containing **3.17 g/t gold over 1 metre from a depth of 88.5 metres and 2.69 g/t gold over 7 metres from a depth of 99 metres**. The intersection also includes a high grade gold mineralised zone containing **5.57 g/t gold over 2 metres from a depth of 104 metres, and is interpreted to be the down dip continuation of the KLDD001 intersection**.

The gold mineralisation occurs within zones of silica-sulphide veining +/- hydrothermal brecciation hosted within altered volcanics and volcanoclastics.

The Company supervises drilling under a Quality Assurance and Quality Control (“QAQC”) procedure following National Instrument 43-101 (“NI 43-101”) guidelines. Samples are processed at the Company’s sample preparation laboratory in Honiara then assayed by Australian Laboratories Services (“ALS”) in Australia.



Cross-section interpretation of KLDD001 and KLDD002

ABOUT XDM

XDM is a private Canadian company with a 100% interest in four large copper-gold and gold exploration properties in the Solomon Islands.

For further information on XDM, please contact:

Mark Haywood, BE (Mining) Hons, LLB
Frans Blom, CA, CPA, CIA
Telephone:
Corporate Office:
Email:
Web site:

President and CEO
Company Secretary and CFO
(+1) 416 933 6373
Suite 3101, 401 Bay Street, Toronto
info@xdmresources.com
www.xdmresources.com

Cautionary Statement Regarding Forward-Looking Information

All statements, trend analysis and other information contained in this press release relative to markets for XDM's trends in resources, recoveries, production and anticipated expense levels, as well as other statements about anticipated future events or results constitute forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. Forward-looking



statements are subject to business and economic risks and uncertainties and other factors that could cause actual results of operations to differ materially from those contained in the forward-looking statements. Forward-looking statements are based on estimates and opinions of management at the date the statements are made. Some of these risks, uncertainties and other factors are described under the heading "Risk Factors" in the Company's annual information form. XDM does not undertake any obligation to update forward-looking statements even if circumstances or management's estimates or opinions should change other than as required by applicable law. Investors should not place undue reliance on forward-looking statements.