



NEWS RELEASE FOR IMMEDIATE RELEASE

## **Kibi Gold Project Receives Positive Initial Metallurgical Results with 97% Gold Recovery**

**Toronto, Ontario – October 25, 2011 – Xtra-Gold Resources Corp. (“Xtra-Gold” or the “Company”) TSX:“XTG”; OTCBB:“XTGR”**, has received a very positive, preliminary metallurgy report from SGS South Africa (Pty) Ltd. (“SGS”) in connection with a gold deportment study aimed at characterizing the gold in sulphide and oxide (saprolite) mineralization from the Big Bend Gold Zone in order to make recommendations on a process route to maximize gold recoveries.

Approximately 10 kg of sample G478923 sulphide material (drill core) and 10 kg of composite oxide (saprolite) material were utilized for the test work. The composite oxide sample was created by SGS from trench samples that were crushed and combined. The mineralogical test work consisted of a modified gold deportment study which included metallurgical and mineralogical tests. The objective of the study was to gain an understanding of the nature and mode of occurrence of the gold in each sample. The study included:

- test work to determine the amenability of the ore to gravity recovery
- gold distribution across size fractions (grading analysis)
- heavy liquid separation to determine the amount of free gold or gold in heavy particles such as sulphides
- exposure and mineral association analysis of the particulate gold grains in the gravity concentrate
- chemical composition of the ore and metallurgical test products
- general mineralogical characterization of the ore
- identification and quantification of gold minerals including native gold, gold-tellurides, etc. in the gravity concentrate
- grain size distribution of the gold grains in the gravity concentrate
- test work to determine the gold recovery by direct cyanidation; and
- diagnostic leach analysis of the gravity tailings in order to determine the gold deportment in the gravity tails

SGS made the following preliminary gold recovery conclusions in their report:

“The gold in the G478923 gold ore samples (3.49 g/t Au) is highly amenable to cyanidation leaching with ~97% recoverable by means of direct cyanidation. This ore is also amenable to gravity upgrading, with ~67% of the gold recovered at a mass pull of ~3%. In the gravity concentrate (97.5 g/t Au), a total of 143 particulate gold grains were observed in the gravity concentrate of this sample.

The grading analysis on the G478923 gold ore sample indicated a very high upgrading of gold in the +106µm size fraction (~69%). This indicates that the gold is either large gold grains or locked in large gold-bearing particles. From the liberation and mineral association characteristics determined by QEMSCAN, on the gravity concentrate, the gold was found to be ~63% liberated and ~25% was associated with pyrite. This indicates that the gold is either large, liberated gold grains or locked in large gold-bearing pyrite particles.

The direct cyanidation and diagnostic leach indicates that the sample is highly amenable to cyanide leaching, with ~97% of the gold recovered from the head sample at a grind of 80%-75µm by direct cyanidation and ~96% for the gravity tailings at a grind of ~50%-75µm. This is corroborated by the exposure and the mineral association characteristics as determined by QEMSCAN analysis of the gravity concentrate. Approximately 90% of the particulate gold grains are ≥10% exposed and should be leachable.

The gold in the composite gold ore sample (7.28 g/t Au) is also highly amenable to cyanidation, with ~97% of the gold recoverable by means of direct cyanidation. This ore is also amenable to gravity upgrading, to some degree, with only ~56% of the gold recovered at a mass pull of ~3%. In the gravity concentrate (134.83 g/t Au) a total of 125 particulate gold grains were observed by QEMSCAN.

The grading analysis on the composite gold ore sample indicated a very high upgrading of gold in the +106µm size fraction (~74%). This indicates that the gold is either large gold grains or locked in large gold-bearing particles. From the liberation and mineral association characteristics determined by QEMSCAN analysis of the gravity tailings, it was found that the gold grains were moderately liberated (~76%) and that ~10% was occurring in silicates and ~14% in oxides. This indicates that the gold is either large, liberated gold grains or locked in large gold-bearing silicate/oxide particles.

The direct cyanidation and diagnostic leach tests indicated that the sample is highly amenable to cyanide leaching, with ~98% of the gold recovered from the head sample at a grind of 80%-75µm and ~99% of the gold in the gravity tailings at a grind of 50%-75µm. This is corroborated by the exposure and mineral association characteristics of particulate gold in the gravity concentrate, as determined by QEMSCAN analysis. Approximately ~96% of the gold grains are ≥10% exposed and should be leachable.

The most simplistic processing option would be to mill the ore to ~80%-75µm followed by Carbon-in-leach (CIL) cyanidation. Another option, which may result in somewhat lower operational cost is to mill the ore relatively coarsely (say 80%-106µm) followed by gravity concentration and intensive cyanidation of the gravity concentrate. The gravity tailings could then be milled finer to ~80%-75 µm, followed by CIL. Taking out the coarse gold and some of the sulphides by gravity, will allow shorter retention times in the leach tanks and possibly even lower cyanide consumption."

The full SGS Metallurgy Report can be viewed on the Company's website at [www.xtragold.com](http://www.xtragold.com).

As a result of the foregoing positive results, Xtra-Gold has added another drill rig to accelerate development of the Kibi Gold Project.

Yves P. Clement, P. Geo, Vice President, Exploration for Xtra-Gold is acting as the Qualified Person in compliance with National Instrument 43-101 ("NI 43-101") with respect to this announcement. He has prepared and or supervised the preparation of the scientific or technical information in this announcement and confirms compliance with NI 43-101.

#### **About Xtra-Gold Resources Corp.**

Xtra-Gold is a gold exploration company with a substantial land position in the Kibi greenstone belt ("Kibi Gold Belt") located in Ghana, West Africa. The Kibi Gold Belt, which exhibits many similar geological features to Ghana's main gold belt, the Ashanti Belt has been the subject of very limited modern exploration activity targeting lode gold deposits as virtually all past gold mining activity and exploration efforts focused on the extensive alluvial gold occurrences in many river valleys throughout the Kibi area.

Xtra-Gold holds five (5) Mining Leases totalling approximately 226 sq km (22,600 ha) at the northern extremity of the Kibi Gold Belt. The Company's exploration efforts to date have focused on the Kibi Gold Project located on the Apapam Concession (33.65 sq km), along the eastern flank of the Kibi Gold Belt. Xtra-Gold's Kibi Gold Project consists of an over 5.5 km long mineralized trend delineated from gold-in-soil anomalies, geophysical interpretations, trenching and drilling along the northwest margin of the Apapam Concession.

### **Forward-Looking Statements**

The TSX does not accept responsibility for the adequacy or accuracy of this release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. This News Release includes certain "forward-looking statements". These statements are based on information currently available to the Company and the Company provides no assurance that actual results will meet management's expectations. Forward-looking statements include estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results relating to, among other things, results of exploration, project development, reclamation and capital costs of the Company's mineral properties, and the Company's financial condition and prospects, could differ materially from those currently anticipated in such statements for many reasons such as: changes in general economic conditions and conditions in the financial markets; changes in demand and prices for minerals; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; technological and operational difficulties encountered in connection with the activities of the Company; and other matters discussed in this news release. This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on the Company's forward-looking statements. The Company does not undertake to update any forward-looking statement that may be made from time to time by the Company or on its behalf, except in accordance with applicable securities laws.

### **Contact Information**

For further information please contact:

Paul Zyla

Chief Executive Officer

Telephone: 416-366-4227

E-mail: [pzyla@xtragold.com](mailto:pzyla@xtragold.com)

Website: [www.xtragold.com](http://www.xtragold.com)