

XAU Resources Inc. Completes Initial Public Offering

Toronto, Ontario--(Newsfile Corp. - July 18, 2019) - XAU RESOURCES INC. (TSXV: GIG.P) (the "**Corporation**") is pleased to announce that it has completed an initial public offering of 4,411,500 common shares of the Corporation (the "**Common Shares**") at a price of \$0.10 per Common Share for gross proceeds of \$441,150 (the "**Offering**").

Following the closing of the Offering, a total of 8,411,500 Common Shares are issued and outstanding, of which 4,000,000 are currently held in escrow pursuant to the policies of the TSX Venture Exchange (the "**Exchange**").

The current directors and officers of the Corporation are Gary Bay, Chief Executive Officer and a Director, Enrico Visentini, Chief Financial Officer and Corporate Secretary, Peter Hambro, Director, Dr. Pavel Maslovskiy, Director, Dr. Nataliya Hearn, Director, Alexey Maslovskiy, Director and Dan Hrushewsky, Director. The net proceeds of the Offering, together with proceeds from prior sales of Common Shares will be used by the Corporation to identify and evaluate assets or businesses for acquisition with a view to completing a "Qualifying Transaction" under the capital pool company program of the Exchange.

Hampton Securities Limited (the "**Agent**") acted as agent for the Offering. In connection with the Offering, the Corporation granted to the Agent non-transferable warrants to acquire up to an aggregate of 441,150 Common Shares at a price of \$0.10 per Common Share at any time until July 18, 2021. The Agent also received a cash commission equal to 10% of the aggregate gross proceeds from the sale of the Common Shares under the Offering and a corporate finance fee of \$20,000.

The Corporation also granted stock options to the directors and officers of the Corporation exercisable to acquire up to an aggregate of 841,147 Common Shares at any time until July 18, 2024 at a price of \$0.10 per Common Share.

The Common Shares are expected to commence trading on the Exchange under the stock symbol "GIG.P" upon issuance of the listing bulletin by the Exchange.

For further information please see the amended and restated final prospectus of the Corporation dated May 22, 2019 filed on SEDAR at www.sedar.com (<https://www.newsfilecorp.com/redirect/W1XZCADk>).

For further information please contact:

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Cautionary Notes

The information in this news release includes certain information and statements about management's view of future events, expectations, plans and prospects that constitute forward looking statements. These statements are based upon assumptions that are subject to significant risks and uncertainties. Because of these risks and uncertainties and as a result of a variety of factors, the actual results, expectations, achievements or performance may differ materially from those anticipated and indicated by these forward looking statements. Forward-looking statements in this news release include, but are not limited to, the ability of the Corporation to complete a qualifying transaction. Any number of factors could cause actual results to differ materially from these forward-looking statements as well as future results. Although the Corporation believes that the expectations reflected in forward looking statements are reasonable, it can give no assurance that the expectations of any forward looking statements will prove to be correct. Except as required by law, the Corporation disclaims any intention and assumes no obligation to update or revise any forward looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward looking statements or otherwise.

Neither the 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.

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