FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

XAU Resources Inc. (the "**Corporation**")
66 Wellington Street West, Suite 4100
P.O. Box 35, TD Bank Tower
Toronto, ON M5K 1B7

Item 2. Date of Material Change

July 18, 2019

Item 3. News Release

A press release in respect of the material change referred to in this report was issued by the Corporation on July 18, 2019 via Newsfile, a copy of which has been filed on SEDAR.

Item 4. Summary of Material Change

The Corporation has announced that it has completed an initial public offering.

Item 5. Full Description of Material Change

On July 18, 2019 the Corporation announced that it had 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.

Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102

Not Applicable.

Item 7. Omitted Information

No information has been omitted from this material change report.

Item 8. Executive Officer

The following senior officer of XAU Resources is knowledgeable about the material change and the Report and may be contacted as follows:

Gary Bay, Chief Financial Officer
Telephone: 647-339-4301

Item 9. Date of Report

July 22, 2019

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