XAU RESOURCES INC.

XAU RESOURCES ANNOUNCES UPDATE REGARDING DIRECTOR

FOR IMMEDIATE RELEASE

TORONTO, ONTARIO – June 8, 2021 – XAU RESOURCES INC. (TSXV:GIG.P) (the "**Corporation**") announces that one of its directors, Alexey Maslovskiy, was placed on the federal wanted list of the Russian Interior Ministry. The Interior Ministry, however, did not specify the charge against Mr. Maslovskiy. This action mirrors the arrest of his father, Dr. Pavel Maslovskiy, who is presently detained by the Russian authorities.

The board of directors of the Corporation has investigated the circumstances surrounding Dr. Maslovskiy's arrest on December 25, 2020 and is satisfied that the allegations are without merit. The impugned transaction was approved by the audit committee and the board of directors of Petropavlovsk PLC, after having been subject to investigation procedures concerning transactions between related parties. It further notes that Mr. Maslovskiy has not been convicted and intends to defend himself on grounds that include but are not limited to the fact that both arrests are engendered as the result of corporate conflict with two of the major shareholders of Petropavlovsk PLC.

In these circumstances, the board of directors of the Corporation has resolved that there is no reason for Mr. Maslovskiy to relinquish his directorship of the Corporation so long as he is not convicted of an offence and is pleased to advise that he retains the Board's full confidence in him as a director.

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