



CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited - Expressed in Canadian dollars)

October 31, 2020

NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements of Pan Global Resources Inc. for the nine months ended October 31, 2020 and 2019 have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company. These condensed interim consolidated financial statements have not been reviewed by the Company's external auditors.

PAN GLOBAL RESOURCES INC.**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Unaudited - Expressed in Canadian dollars)

	October 31, 2020	January 31, 2020
ASSETS		
Current assets		
Cash	\$ 3,707,938	\$ 1,119,914
Receivables (Note 3)	240,139	450,225
Prepaid expenses	61,316	2,413
Total current assets	4,009,393	1,572,552
Non-current assets		
Exploration and evaluation assets (Note 4)	1,909,183	1,871,547
Reclamation deposits	75,645	106,971
Right-of-use assets (Note 5)	21,171	34,398
Total non-current assets	2,005,999	2,012,916
TOTAL ASSETS	\$ 6,015,392	\$ 3,585,468
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (Note 6)	\$ 459,637	\$ 207,269
Lease liabilities (Note 7)	12,739	17,155
Total current liabilities	472,376	224,424
Non-current liabilities		
Lease liabilities (Note 7)	10,269	17,273
Total liabilities	482,645	241,697
SHAREHOLDERS' EQUITY		
Share capital (Note 8)	21,428,675	17,895,123
Reserves (Note 8)	6,819,760	4,549,299
Deficit	(22,715,688)	(18,790,711)
Total shareholder's equity attributable to equity holders of the Company	5,532,747	3,653,711
Non-controlling interest (Note 9)	-	(309,940)
Total shareholders' equity	5,532,747	3,343,771
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 6,015,392	\$ 3,585,468

Nature of operations and going concern (Note 1)

These condensed interim consolidated financial statements are authorized for issuance by the Board of Directors on December 18, 2020.

Approved on behalf of the Board of Directors

"Timothy Moody" Director

"Patrick Evans" Director

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

PAN GLOBAL RESOURCES INC.**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

(Unaudited - Expressed in Canadian dollars)

	Three months ended October 31,		Nine months ended October 31,	
	2020	2019	2020	2019
Exploration expenditures (Note 4)	\$ 940,689	\$ 491,188	\$ 1,690,098	\$ 1,422,572
General and administrative expenses				
Accounting, tax, and audit (Note 10)	34,208	16,000	65,314	47,000
Depreciaton (Note 5)	4,409	4,409	13,227	13,227
Consulting and management fees (Note 10)	30,000	30,000	142,000	131,622
Investor relations	48,385	35,612	169,481	94,529
Office and rent	7,055	4,179	9,900	7,737
Professional fees (Note 10)	11,663	6,967	35,203	31,216
Regulatory and transfer agent	7,238	2,548	20,888	22,423
Share-based compensation (Notes 8, 10)	-	-	1,273,845	156,338
Travel and related	102	29,224	2,311	71,044
	143,060	128,939	1,732,169	575,136
Loss from operations	(1,083,749)	(620,127)	(3,422,267)	(1,997,708)
Accretion expense (Note 7)	(395)	(528)	(1,359)	(2,073)
Foreign exchange and other	(21,213)	11,810	58,589	(6,684)
LOSS AND COMPREHENSIVE LOSS	\$ (1,105,357)	\$ (608,845)	\$ (3,365,037)	\$ (2,006,465)
Loss and comprehensive loss attributable to:				
Equity holders of the Company	\$ (1,105,357)	\$ (518,206)	\$ (3,353,503)	\$ (1,726,321)
Non-controlling interest (Note 9)	-	(90,639)	(11,534)	(280,144)
	\$ (1,105,357)	\$ (608,845)	\$ (3,365,037)	\$ (2,006,465)
Loss per common share - basic and diluted	\$ (0.01)	\$ (0.00)	\$ (0.03)	\$ (0.02)
Weighted average number of common shares outstanding - basic and diluted	146,577,333	104,597,996	131,439,784	97,766,002

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

PAN GLOBAL RESOURCES INC.**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Unaudited - Expressed in Canadian dollars)

	Nine months ended October 31,	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	\$ (3,365,037)	\$ (2,006,465)
Items not affecting cash:		
Depreciation	13,227	13,227
Share-based compensation	1,273,845	156,338
Accretion expense	1,359	2,073
Unrealized foreign exchange effect	10,879	(1,060)
Changes in non-cash working capital items:		
Receivables	210,086	(72,632)
Prepaid expenses	(58,903)	(33,599)
Accounts payable and accrued liabilities	252,368	262,807
Net cash used in operating activities	(1,662,176)	(1,679,311)
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration and evaluation assets	(37,636)	-
Option payment	(250,000)	-
Reclamation deposits	22,412	-
Net cash used in investing activities	(265,224)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Private placement financing	4,095,719	1,316,700
Share issue costs	(196,749)	(106,169)
Exercise of stock options	26,500	-
Exercise of share purchase warrants	604,698	-
Lease payments	(14,744)	(14,305)
Net cash provided by financing activities	4,515,424	1,196,226
Change in cash during the period	2,588,024	(483,085)
Cash, beginning of period	1,119,914	1,485,441
Cash, end of period	\$ 3,707,938	\$ 1,002,356

Supplemental disclosure with respect to cash flows (Note 11)

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

PAN GLOBAL RESOURCES INC.**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

(Unaudited - Expressed in Canadian dollars)

	Number of common shares	Share capital	Reserves	Deficit	Non-controlling interest	Total
Balance at January 31, 2019	94,293,387	\$ 16,185,929	\$ 3,236,968	\$ (16,535,071)	\$ 35,698	\$ 2,923,524
Shares issued for private placement	13,167,000	959,519	357,181	-	-	1,316,700
Share issue costs	-	(106,169)	-	-	-	(106,169)
Finders' warrants issued	-	(18,966)	18,966	-	-	-
Share-based compensation	-	-	156,338	-	-	156,338
Loss for the period	-	-	-	(1,726,321)	(280,144)	(2,006,465)
Balance at October 31, 2019	107,460,387	\$ 17,020,313	\$ 3,769,453	\$ (18,261,392)	\$ (244,446)	\$ 2,283,928

	Number of common shares	Share capital	Reserves	Deficit	Non-controlling interest	Total
Balance at January 31, 2020	121,828,903	\$ 17,895,123	\$ 4,549,299	\$ (18,790,711)	\$ (309,940)	\$ 3,343,771
Shares issued on private placement	22,753,997	3,043,551	1,052,168	-	-	4,095,719
Share issued as finders' units	-	-	-	-	-	-
Share issue costs	-	(196,749)	-	-	-	(196,749)
Finders' warrants issued	-	(79,529)	79,529	-	-	-
Exercise of stock options	190,000	48,768	(22,268)	-	-	26,500
Exercise of share purchase warrants	3,093,240	717,511	(112,813)	-	-	604,698
Share-based compensation	-	-	1,273,845	-	-	1,273,845
Exercise of option agreement (Note 4)	-	-	-	(571,474)	321,474	(250,000)
Loss for the period	-	-	-	(3,353,503)	(11,534)	(3,365,037)
Balance at October 31, 2020	147,866,140	\$ 21,428,675	\$ 6,819,760	\$ (22,715,688)	\$ -	\$ 5,532,747

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

PAN GLOBAL RESOURCES INC.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited - Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED OCTOBER 31, 2020

1. NATURE OF OPERATIONS AND GOING CONCERN

Pan Global Resources Inc. (hereafter referred to as the "Company") was incorporated under the laws of the Province of British Columbia and was established as a legal entity on February 1, 2006. On December 21, 2009, the Company changed its name from Mosam Capital Corp. to Pan Global Resources Inc.

The Company's principal business activities are the acquisition of rights to explore for minerals and the exploration of acquired rights. The Company is primarily focused on the early stage exploration through to development of resources of copper and other metals in Spain. In addition to exercising its first option to acquire a 70% interest in Minera Aguila S.L.U. ("MASL") (Note 4), the Company has also signed a Letter of Intent ("LOI") with EVALAM2003 S.L. ("EVALAM") to acquire the Escacena Investigation Permit (Note 4). The Company is continuing to review a number of other opportunities.

The Company's common shares are listed on the TSX Venture Exchange ("TSX-V") under the trading symbol "PGZ". The Company's principal office is located at 700 - 1199 West Hastings Street, Vancouver, British Columbia, V6E 3T5.

As at October 31, 2020, the Company had a working capital of \$4,399,410, recorded a net loss of \$2,259,680 for the six months then ended, and had accumulated a total deficit of \$21,038,857. These condensed interim consolidated financial statements are prepared on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The ability of the Company to continue as a going concern depends upon its ability to raise adequate financing and develop profitable operations. These condensed interim consolidated financial statements do not include any adjustments to amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations. As at October 31, 2020, the Company has not achieved profitable operations and has accumulated losses since inception. The Company will need to raise additional funds to further its exploration and development programs.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds. Therefore, there is uncertainty that may cast doubt on the Company's ability to continue as a going concern.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation and measurement

The condensed interim consolidated financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards ("IFRS") as issued by International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for financial instruments, which have been measured at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

These condensed interim consolidated financial statements follow the same accounting policies and methods of application as our most recent annual consolidated financial statements, except as described below, and should be read in conjunction with the annual audited consolidated financial statements of the Company for the year ended January 31, 2020.

PAN GLOBAL RESOURCES INC.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Unaudited - Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED OCTOBER 31, 2020

3. RECEIVABLES

The Company's receivables arise from GST and VAT due from the Canadian and Spanish taxation authorities.

4. EXPLORATION AND EVALUATION ASSETS

	October 31, 2020	Additions	January 31, 2020
Aguilas Project, Spain	\$ 1,464,562	\$ -	\$ 1,464,562
Escacena Project, Spain	444,621	37,636	406,985
	\$ 1,909,183	\$ 37,636	\$ 1,871,547

Aguilas Project, Spain

In November 2016, the Company entered into a share option agreement with a related party (Note 10) for an option to acquire up to a 100% interest of a Spanish exploration company, MASL, who has been granted two mineral exploration licenses, and applied for the issuance of an additional seven mineral exploration licenses in the Provinces of Cordoba and Ciudad Real, Kingdom of Spain, collectively referred to as the "Aguilas Project". For the duration of the agreement, MASL shall act as the operator of the exploration program and the related exploration expenditures shall be funded by the Company. The Company has agreed to the aggregate consideration of 4,700,000 common shares of the Company, cash payments of \$450,000, and exploration expenditure commitments as follows:

	Cash payments	Common shares	Exploration expenditures ⁽²⁾
6-month anniversary of final TSX-V approval ⁽¹⁾	\$ 50,000	2,200,000	\$ -
18-month anniversary of final TSX-V approval ⁽¹⁾	150,000	2,500,000	-
36-month anniversary of final TSX-V approval ⁽¹⁾	250,000	-	-
36-month anniversary of agreement closing date ⁽¹⁾	-	-	1,000,000
	\$ 450,000	4,700,000	\$ 1,000,000

⁽¹⁾ Cash paid and common shares issued; expenditure requirement completed

⁽²⁾ No less than \$250,000 have been completed notwithstanding any decision by the Company not to proceed with further exploration.

Furthermore, the Company may pay \$100,000 (or issue 1,000,000 common shares the Company, at the election of the optionor) if the Company acquires additional exploration rights in the area of 10 kilometers surrounding the boundaries of the three exploration licenses. In November 2017, the Company paid \$50,000 to the optionor to remove this term of the agreement.

In April 2018, the Company exercised its first option to acquire a 70% equity interest in MASL. The Company paid \$50,000 and issued 2,200,000 common shares (valued at \$440,000) to the optionor. In addition, net advances of \$341,466 from the Company, representing unspent funds held by MASL, remained in MASL.

In September 2018, the Company paid \$150,000 and issued 2,500,000 common shares of the Company, valued at \$425,000.

In August 2020, the Company made the final payment for the remaining 30% ownership interest of MASL.

PAN GLOBAL RESOURCES INC.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Unaudited - Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED OCTOBER 31, 2020

4. EXPLORATION AND EVALUATION ASSETS (cont'd...)**Escacena Project**

In December 2018, EVALAM was granted the Escacena Investigation Permit located in the Iberian Pyrite Belt in southern Spain, which is the subject of the LOI between EVALAM and the Company, who has an option to acquire 100% of the Escacena Investigation Permit for the following consideration: (a) \$350,000 in cash and (b) \$1,000,000 in exploration work commitments over a three-year period (spent). EVALAM will retain a net smelter return ("NSR") of 0.5% on the first 12,500 tonnes of copper equivalent and 0.75% on any amount in excess of 12,500 tonnes of copper equivalent. The NSR also has a lifetime cap of \$5,000,000.

In November 2019, the Company entered into an agreement, through its subsidiary, with Strategic Minerals Spain, S.L. to acquire all rights to the Al Andalus Investigation Permit, covering an area adjacent to the Company's Escacena Project. The Company paid €300,000 consisting of an initial payment of €275,000 and a final payment of €25,000 not more than six months after the signing date.

Exploration Expenditures

For the nine months ended October 31, 2020	Aguilas	Escacena	Total
Drilling	\$ -	\$ 788,311	\$ 788,311
License fees	50,435	109,786	160,221
Professional fees	36,803	121,103	157,906
Technical consulting	45,000	45,000	90,000
Technical services	22,741	465,292	488,033
Travel	380	5,247	5,627
	\$ 155,359	\$ 1,534,739	\$ 1,690,098

For the nine months ended October 31, 2019	Aguilas	Escacena	Total
Drilling	\$ 374,275	\$ 114,683	\$ 488,958
License fees	121,340	92,236	213,576
Professional fees	53,585	57,325	110,910
Technical consulting	45,000	45,000	90,000
Technical services	266,925	193,350	460,275
Travel	49,854	8,999	58,853
	\$ 910,979	\$ 511,593	\$ 1,422,572

5. RIGHT-OF-USE ASSETS

	Amount
As at January 31, 2020, net	\$ 34,398
Depreciation	(13,227)
As at October 31, 2020, net	\$ 21,171

PAN GLOBAL RESOURCES INC.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Unaudited - Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED OCTOBER 31, 2020

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company's accounts payable and accrued liabilities consist of the following:

	October 31, 2020	January 31, 2020
Accounts payable	\$ 393,387	\$ 138,769
Accrued liabilities	66,250	68,500
	\$ 459,637	\$ 207,269

7. LEASE LIABILITIES

As at October 31, 2020, the Company's lease liabilities are as follows:

	Amount
Not later than one year	\$ 13,711
Later than one year and not later than five years	10,605
Later than five years	-
Total minimum lease payments	24,316
Future finance charges at implicit rate	(1,308)
As at October 31, 2020	23,008
Less: current portion	12,739
Long-term portion	\$ 10,269

8. SHARE CAPITAL**Authorized Share Capital**

Authorized share capital consists of:

- unlimited number of common shares without par value
- unlimited class "A" common shares with a par value of \$1
- unlimited class "B" common shares with a par value of \$5

In July 2020, the Company completed a non-brokered private placement issuing 22,753,997 units at a price of \$0.18 per unit for aggregate gross proceeds of \$4,095,719, where each unit is comprised of one common share and one-half share purchase warrant, where each full warrant is exercisable at \$0.28 per share for two years. The Company paid finders' fees of \$96,300 and issued 535,000 finders' warrants valued at \$79,529, where each warrant is exercisable at \$0.28 per share for two years. The share purchase warrants and finders' warrants issued may be subject to acceleration. The units, common shares, share purchase warrants, finders' warrants and shares issued upon exercise of the share purchase warrants and/or the finders' warrants are subject to a four-month holding period. In accordance with the Company's accounting policy, \$1,052,168 of the gross proceeds were allocated to its reserves.

PAN GLOBAL RESOURCES INC.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Unaudited - Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED OCTOBER 31, 2020

8. SHARE CAPITAL (cont'd...)**Authorized Share Capital (cont'd...)**

In September 2019, the Company completed a non-brokered private placement for \$1,316,700 by issuing 13,167,000 units at \$0.10 per unit, where each unit is comprised of one common share and one common share purchase warrant exercisable at \$0.20 per warrant for two years from closing date. The Company paid finders' fees of \$48,524 and issued 485,240 finders' warrants valued at \$27,605, where each finder's warrant is exercisable at \$0.20 per warrant for two years from closing of the closing date. The units, common shares, share purchase warrants, finders' warrants and shares issued upon exercise of the share purchase warrants and/or the finders' warrants are subject to a four-month holding period. In accordance with the Company's accounting policy, \$462,695 of the gross proceeds were allocated to its reserves.

Stock Options

The continuity of stock options for the nine months ended October 31, 2020 are as follows:

Expiry date	Exercise price	Balance January 31, 2020	Granted	Exercised	Expired	Balance October 31, 2020
Apr 18, 2027	\$ 0.10	2,425,000	-	(25,000)	-	2,400,000
Dec 01, 2027	\$ 0.20	2,775,000	-	(75,000)	-	2,700,000
Jun 20, 2028	\$ 0.215	125,000	-	-	-	125,000
Apr 16, 2029	\$ 0.10	1,745,000	-	(90,000)	-	1,655,000
Jul 31, 2030	\$ 0.31	-	4,200,000	-	-	4,200,000
Total and exercisable		7,070,000	4,200,000	(190,000)	-	11,080,000
Weighted average						
exercise price		\$ 0.14	\$ 0.31	\$ 0.14	\$ -	\$ 0.21

As at October 31, 2020, the weighted average remaining life of the stock options outstanding is 8.18 (January 31, 2020 - 7.97) years.

PAN GLOBAL RESOURCES INC.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Unaudited - Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED OCTOBER 31, 2020

8. SHARE CAPITAL (cont'd...)**Share Purchase Warrants**

The continuity of share purchase warrants for the nine months ended October 31, 2020 are as follows:

Expiry date	Exercise price	Balance January 31, 2020	Issued	Exercised	Expired/ cancelled	Balance October 31, 2020
Mar 06, 2020	\$ 0.10	640,200	-	(640,200)	-	-
Aug 20, 2021	\$ 0.20	13,652,240	-	(1,210,290)	-	12,441,950
Dec 16, 2021	\$ 0.24	14,775,111	-	(1,233,750)	-	13,541,361
Jul 20, 2022 ⁽¹⁾	\$ 0.28	-	11,911,999	(9,000)	-	11,902,999
Total		29,067,551	11,911,999	(3,093,240)	-	37,886,310
Weighted average						
exercise price	\$	0.22	\$	0.28	\$	0.20
					\$	-
						\$ 0.24

⁽¹⁾ Expiry may be accelerated, if the volume weighted average trading price of the Company's common shares on the TSX-V is greater than \$0.32 for 20 consecutive trading days.

As at October 31, 2020, the weighted average remaining life of the share purchase warrants outstanding is 1.21 (January 31, 2020 - 1.69) years.

Share-based Compensation

In July 2020, the Company granted 4,200,000 stock options to directors, officers, and employees of the Company with an exercise price of \$0.31 per option with an expiry date of July 31, 2030. Using the fair value method for share-based payments, the Company determined the weighted average fair value of the options granted to be \$1,273,845 or \$0.30 per share.

In April 2019, the Company granted 1,745,000 stock options to directors, officers, and employees of the Company with an exercise price of \$0.10 per option with an expiry date of April 16, 2029. Using the fair value method for share-based payments, the Company determined the weighted average fair value of the options granted to be \$156,338 or \$0.09 per share.

PAN GLOBAL RESOURCES INC.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Unaudited - Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED OCTOBER 31, 2020

8. SHARE CAPITAL (cont'd...)**Share-based Compensation**

The fair value of the stock options granted and share purchase warrants issued was estimated using the Black-Scholes option pricing model with weighted average assumptions as follows:

	October 31, 2020	October 31, 2019
For the nine months ended		
Risk free interest rate	0.28%	1.78%
Expected dividend yield	0%	0%
Expected stock price volatility	153%	100%
Expected life in years	4	10
Forfeiture rate	0%	0%

For the nine months ended October 31, 2020, in accordance with the vesting terms of stock options granted, the Company recorded a charge to share-based compensation expense of \$1,273,845 (2019 - \$156,338) with the offsetting credit to reserves.

9. NON-CONTROLLING INTEREST

Up until the final option payment was made (Note 4), MASL was a 70%-owned subsidiary of the Company and was 30%-owned by a minority shareholder. For the nine months ended October 31, 2020, loss of \$11,534 (2019 - \$280,144) has been allocated to the non-controlling interest of MASL. Summarized financial information about MASL is as follows:

	October 31, 2020 ⁽¹⁾	October 31, 2019
For the nine months ended		
Current assets	\$ -	\$ 410,812
Non-current assets	-	1,464,562
Current liabilities	-	245,986
Net loss and comprehensive loss	\$ 38,446	\$ 933,813

⁽¹⁾ The Company exercised its option to acquire the minority shareholder's 30% ownership (Note 4)

PAN GLOBAL RESOURCES INC.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Unaudited - Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED OCTOBER 31, 2020

10. RELATED PARTY TRANSACTIONS

The aggregate value of transactions and outstanding balances relating to directors and key management personnel including the Company's President & Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO"), and Corporate Secretary were as follows:

For the nine months ended October 31, 2020	Fees or salaries	Share-based compensation	Total
President & CEO	\$ 180,000	\$ 242,637	\$ 422,637
Corporate Secretary	61,953	30,330	92,283
CFO	18,000	15,165	33,165
Directors	52,000	879,560	931,560
	\$ 311,953	\$ 1,167,692	\$ 1,479,645

For the nine months ended October 31, 2019	Fees or salaries	Share-based compensation	Total
President & CEO	\$ 180,000	\$ 26,878	\$ 206,878
Corporate Secretary	26,215	4,480	30,695
CFO	18,000	4,480	22,480
Directors	41,622	98,551	140,173
	\$ 265,837	\$ 134,389	\$ 400,226

In August 2020, the Company exercised its final option to acquire the remaining 30% equity interest in MASL by paying \$250,000 to the optionor, who is the CEO of the Company (Note 4).

As at October 31, 2020, included in accounts payable and accrued liabilities is \$9,500 (January 31, 2020 - \$15,500) owing to the related parties as follows: \$6,000 (January 31, 2020 - \$12,000) to the CFO and \$3,500 (January 31, 2020 - \$3,500) to the Corporate Secretary of the Company.

11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

During the nine months ended October 31, 2020, the Company:

- reallocated \$1,052,168 of gross proceeds to reserves on the closing of its private placement (Note 8);
- issued 535,000 finders' warrants, valued at \$79,529, as finders' fees (Note 8); and
- reallocated \$135,081 from reserves for exercise of stock options and share purchase warrants.

During the nine months ended October 31, 2019, the Company recognized ROU assets and lease liabilities of \$52,034 on the initial application of IFRS 16.

PAN GLOBAL RESOURCES INC.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Unaudited - Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED OCTOBER 31, 2020

12. SEGMENTED INFORMATION

The Company operates in one reportable operating segment: the exploration and development of mineral properties. Summarized financial information for the geographic segments the Company operates in are as follows:

As at October 31, 2020	Canada	Spain	Total
Exploration and evaluation assets	\$ -	\$ 1,909,183	\$ 1,909,183
Reclamation deposits	-	75,645	75,645
Right-of-use assets	-	21,171	21,171
Total	\$ -	\$ 2,005,999	\$ 2,005,999

As at January 31, 2020	Canada	Spain	Total
Exploration and evaluation assets	\$ -	\$ 1,871,547	\$ 1,871,547
Reclamation deposits	-	106,971	106,971
Right-of-use assets	-	34,398	34,398
Total	\$ -	\$ 2,012,916	\$ 2,012,916

13. FINANCIAL INSTRUMENTS, RISK AND CAPITAL MANAGEMENT**Financial Instruments**

The Company classified its financial instruments as follows:

	Amortized cost
As at October 31, 2020	
Financial assets	
Cash	\$ 3,707,938
Financial liabilities	
Accounts payable and accrued liabilities	\$ 459,637

	Amortized cost
As at January 31, 2020	
Financial assets	
Cash	\$ 1,119,914
Financial liabilities	
Accounts payable and accrued liabilities	\$ 207,269

PAN GLOBAL RESOURCES INC.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Unaudited - Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED OCTOBER 31, 2020

13. FINANCIAL INSTRUMENTS, RISK AND CAPITAL MANAGEMENT (cont'd...)**Fair Value**

Financial instruments recorded at fair value on the consolidated statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- a) Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
- b) Level 2 - Inputs other than quoted prices that are observable for assets or liabilities, either directly or indirectly; and
- c) Level 3 - Inputs for assets and liabilities that are not based on observable market data.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value. The carrying value of cash and accounts payable and accrued liabilities approximated their fair value because of the short-term nature of these instruments.

Risk and Capital Management

The Company's capital includes share capital and the cumulative deficit. The Company's objectives when managing capital are to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company may issue new shares in order to meet its financial obligations. There was no change in the Company's approach to managing capital during the nine months ended October 31, 2020. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's activities expose it to a variety of financial risks, market risk (including currency risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Company. This note presents information about the Company's exposure to each of these risks, the Company's objectives and processes for measuring and managing risk, and the Company's management of capital.

Credit Risk

Credit risk arises from cash and deposits with banks, as well as credit exposure on outstanding receivables and committed transactions. There is no significant concentration of credit risk. The Company's cash deposits are primarily held with a Canadian chartered bank. The Company has minimal accounts receivable exposure as it relates to amounts due from the governments of Canada and Spain pursuant to goods and services tax and VAT credits.

Interest Rate Risk

As the Company does not have significant interest-bearing assets, the Company's income and operating cash flows are not significantly affected by changes in market interest rates.

PAN GLOBAL RESOURCES INC.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited - Expressed in Canadian dollars)

FOR THE NINE MONTHS ENDED OCTOBER 31, 2020

13. FINANCIAL INSTRUMENTS, RISK AND CAPITAL MANAGEMENT (cont'd...)

Currency Risk

The Company has identified its functional currency as the Canadian dollar. Certain of the Company's exploration expenditures have been denominated in Euros and United States dollars ("USD"). The Company's exposure to foreign currency risk arises primarily on fluctuations between the Canadian dollar and those currencies. The Company has not entered into any derivative instruments to manage foreign exchange fluctuations. Management believes the foreign exchange risk related to currency conversions is minimal.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company has historically relied on the issuance of shares and warrants to fund exploration programs and will require doing so again in the future.