



ANNUAL GENERAL & SPECIAL MEETING  
TO BE HELD ON THURSDAY,  
OCTOBER 13, 2020

NOTICE OF ANNUAL GENERAL & SPECIAL MEETING  
AND  
INFORMATION CIRCULAR

September 8, 2020

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## NOTICE OF ANNUAL GENERAL & SPECIAL MEETING

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Notice is hereby given that the Annual General & Special Meeting (the “**Meeting**”) of the shareholders of **Pan Global Resources Inc.** (the “**Company**”) will be held on Tuesday, October 13, 2020 at Suite 700 – 1199 West Hastings Street, Vancouver, British Columbia, Canada, at the hour of 10:00 a.m. (local time in Vancouver, B.C.). **In light of the ongoing public health concerns related to COVID-19 and in order to comply with the measures imposed by the federal and provincial governments, the Company is encouraging shareholders and others not to attend the meeting in person.** The Company is offering its shareholders the option to listen and participate (but not vote) at the Meeting in real time by conference call at the following coordinates:

**Dial 1-(866)-327-5544 (toll free) – Participant Code: 6524231#**

While as of the date of this Circular, we are intending to hold the Meeting in physical face to face format with a conference call for participation, we are continuously monitoring the current coronavirus (COVID-19) outbreak. In light of the rapidly evolving news and guidelines related to COVID-19, we ask that, in considering whether to attend the Meeting in person, shareholders follow, among other things, the instructions of the Public Health Agency of Canada (<https://www.canada.ca/en/public-health/services/diseases/coronavirus-disease-covid-19.html>) and any applicable additional provincial and local instructions. You should not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if you or someone with whom you have been in close contact has travelled to/from outside of Canada within the 14 days prior to the Meeting. **In order to minimize group sizes and respect social distancing regulations, all shareholders are urged to vote on the matters before the Meeting by proxy which can be submitted electronically, by mail, or by phone as further described herein.** We reserve the right to take additional precautionary measures we deem appropriate in relation to the Meeting in response to further developments in respect of the COVID-19 outbreak. Changes to the Meeting date and/or means of holding the Meeting may be announced by way of press release which would be filed on SEDAR. Please monitor the Company’s press releases for updated information up until the date of the Meeting. We do not intend to prepare or mail an amended management information circular in the event of changes to the Meeting format.

The Meeting will be held for the following purposes:

1. To receive the audited annual financial statements of the Company for its fiscal year ended January 31, 2020;
2. To fix the number of directors at six (6)
3. To elect directors for the ensuing year;
4. To appoint Davidson & Company LLP the auditors for the Company for the ensuing financial year and to authorize the directors to fix the remuneration to be paid to the auditors;
5. To re-approve by ordinary resolution the Company’s rolling 10% Stock Option Plan
6. To approve the transaction of such other business as may properly come before the Meeting.

The nature of the business to be transacted as the Meeting is described in further detail in the Information Circular. Only shareholders of record as of the close of business on September 8, 2020 are entitled to notice of and to attend the Meeting or any adjournment or adjournments thereof and to vote thereat.

To assure your representation at the Meeting as a registered Shareholder (a "**Registered Shareholder**"), please complete, sign, date and return the enclosed proxy, whether or not you plan to personally attend the Meeting. Sending your proxy will not prevent you from voting in person at the Meeting. All proxies completed by Registered Shareholders must be received by the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), not later than **Friday, October 9, 2020 at 10:00 a.m. (Vancouver Time)**. A Registered Shareholder must return the completed proxy to Computershare as follows:

- (a) by the **Internet** or **telephone** as described on the enclosed proxy; or
- (b) by **registered mail**, by **hand** or by **courier** to the attention of Computershare Attention: Investor Services Division, 3<sup>rd</sup> Floor, 510 Burrard Street, Vancouver, BC V6C 3B9

Non-registered Shareholders ("**Non-Registered Shareholders**") whose shares are registered in the name of an intermediary should carefully follow voting instructions provided by the intermediary. A more detailed description on returning proxies by Non-Registered Shareholders can be found beginning on page [2] of the attached Circular.

**If you are a Non-Registered Shareholder, it is vital that the voting instruction form provided to you by your broker, intermediary or its agent is returned according to their instructions, sufficiently in advance of the deadline specified by the broker, intermediary or agent, to ensure that they are able to provide voting instructions on your behalf.**

An Information Circular and a form of Proxy accompany this Notice.

DATED at Vancouver, British Columbia, this 8th day of September, 2020.

**BY ORDER OF THE BOARD**

*"Tim Moody"*

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**Tim Moody**  
**President & CEO**

## INFORMATION CIRCULAR

**PAN GLOBAL RESOURCES INC.**  
Suite 700-1199 West Hastings Street  
Vancouver, British Columbia  
Canada V6E 3T5

(all information as at September 8, 2020 unless otherwise noted)

### SOLICITATION OF PROXIES

This information circular (the "Circular") is provided in connection with the solicitation of proxies by the management of **PAN GLOBAL RESOURCES INC.** (the "Company"). The form of proxy which accompanies this Circular (the "Proxy") is for use at the Annual General & Special Meeting of the shareholders of the Company to be held on Tuesday, October 13, 2020 (the "Meeting"), at the time and place set out in the accompanying notice of meeting (the "Notice of Meeting"). The Company will bear the cost of this solicitation. The solicitation will be made by mail, but may also be made by telephone. Advance notice of the Meeting was filed on SEDAR on August 14, 2020.

#### Solicitation of Proxies

The solicitation will be primarily by mail but may also be made by telephone or other means of communication by the directors, officers, employees or agents of the Company at nominal cost. All costs of solicitation will be paid by the Company. The Company will also pay the fees and costs of intermediaries for their services in transmitting proxy-related material in accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**").

#### Appointment and Revocation of Proxies

##### *General*

Shareholders may be "Registered Shareholders" or "Non-Registered Shareholders". If common shares of the Company ("**Common Shares**") are registered in the Shareholder's name, the Shareholder is a "**Registered Shareholder**". If Common Shares are registered in the name of an intermediary and not registered in the Shareholder's name, they are said to be owned by a "**Non-Registered Shareholder**". An intermediary is usually a bank, trust company, securities dealer or broker, or a clearing agency in which an intermediary participates. The instructions provided below set forth the different procedures for voting Common Shares at the Meeting to be followed by Registered Shareholders and Non-Registered Shareholders.

The persons named in the enclosed instrument appointing proxy are officers and directors of the Company. **Each Shareholder has the right to appoint a person or company (who need not be a Shareholder) to attend and act for him at the Meeting other than the persons designated in the enclosed form of proxy.** Shareholders who have given a proxy also have the right to revoke it insofar as it has not been exercised. The right to appoint an alternate proxy holder and the right to revoke a proxy may be exercised by following the procedures set out below under "*Registered Shareholders*" or "*Non-Registered Shareholders*", as applicable.

If any Shareholder receives more than one (1) proxy or voting instruction form, it is because that Shareholder's shares are registered in more than one form. In such cases Shareholders should sign and

submit all proxies or voting instruction forms received by them in accordance with the instructions provided.

### ***Registered Shareholders***

Registered Shareholders may vote by Proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a Proxy may do so by:

(a) completing, dating and signing the enclosed form of Proxy and returning it to the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), by mail or by hand to Attention: Investor Services Division, 3<sup>rd</sup> Floor, 510 Burrard Street, Vancouver, BC V6C 3B9;

(b) using a touch-tone phone to transmit voting choices to the following toll-free number 1-866-732-8683. Registered Shareholders must follow the instructions of the voice response system and refer to the enclosed Proxy form for the holder's account number and the Proxy control number; or

(c) using the Internet through the website of the Company's transfer agent at [www.investorvote.com](http://www.investorvote.com). Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed Proxy form for the holder's account number and the Proxy control number;

in all cases ensuring that the Proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the meeting or the adjournment thereof at which the proxy is to be used.

To exercise the right to appoint a person or company to attend and act for a Registered Shareholder at the Meeting, a Shareholder must strike out the names of the persons designated on the enclosed instrument appointing proxy and insert the name of the alternate appointee in the blank space provided for that purpose.

To exercise the right to revoke a proxy, in addition to any other manner permitted by law, a Shareholder who has given a proxy may revoke it by instrument in writing, executed by the Shareholder or his attorney authorized in writing, or if the Shareholder is a corporation, by a duly authorized officer or attorney thereof, and deposited: (i) with the Company at #700 – 1199 West Hastings Street, Vancouver, B.C. V6E 3T5, Attention: Max Pinsky, Secretary, at any time up to and including the last business day preceding the Meeting at which the proxy is to be used, or at any adjournment thereof, or (ii) with the Chairman of the Meeting on the date of the Meeting, or at any adjournment thereof, and upon either of such deposits the proxy is revoked.

### **Voting in Person**

If you plan to vote in person at the Meeting:

- nominate yourself as proxyholder by printing your name in the space provided on the enclosed voting instruction form. Your vote will be counted at the Meeting so do NOT complete the voting instructions on the form;
- sign and return the form, following the instructions provided by your nominee; and
- register with the Scrutineer when you arrive at the Meeting.

You may also nominate yourself as proxyholder online, if available, by typing your name in the "Appointee" section on the electronic ballot.

If you bring your voting instruction form to the Meeting, your vote will not count. Your vote can only be counted if you have followed the instructions above and attend the Meeting and vote in person.

## ***Non-Registered Shareholders***

Non-Registered Shareholders who have not objected to their intermediary disclosing certain ownership information about themselves to the Company are referred to as "**NOBOs**". Non-Registered Shareholders who have objected to their intermediary disclosing the ownership information about themselves to the Company are referred to as "**OBOs**".

In accordance with the requirements of NI 54-101, the Company is sending the Notice of Meeting, this Circular and either the voting instruction form ("**VIF**") or the form of proxy, as applicable, (collectively, the "**Meeting Materials**") directly to the NOBOs and, indirectly, through intermediaries to the OBOs. The Company will also pay the fees and costs of intermediaries for their services in delivering Meeting Materials to OBOs in accordance with NI 54-101.

### *Meeting Materials Received by OBOs from Intermediaries*

The Company has distributed copies of the Meeting Materials to intermediaries for distribution to OBOs. Intermediaries are required to deliver these materials to all OBOs of the Company who have not waived their rights to receive these materials, and to seek instructions as to how to vote the Common Shares. Often, intermediaries will use a service company (such as Broadridge Financial Solutions, Inc.) to forward the Meeting Materials to OBOs.

OBOs who receive Meeting Materials will typically be given the ability to provide voting instructions in one of two ways:

- (a) Usually, an OBO will be given a VIF which must be completed and signed by the OBO in accordance with the instructions provided by the intermediary. In this case, the mechanisms described above for Registered Shareholders cannot be used and the instructions provided by the intermediary must be followed;
- (b) Occasionally, however, an OBO may be given a proxy that has already been signed by the intermediary. This form of proxy is restricted to the number of Common Shares owned by the OBO but is otherwise not completed. This form of proxy does not need to be signed by the OBO but must be completed by the OBO and returned to Computershare in the manner described above for Registered Shareholders.

The purpose of these procedures is to allow OBOs to direct the proxy voting of the Common Shares that they own but that are not registered in their name. If an OBO who receives either a form of proxy or a VIF wishes to attend and vote at the Meeting in person (or have another person attend and vote on his or her behalf), the OBO should strike out the persons named in the form of proxy as the proxy holder and insert the OBO's (or such other person's) name in the blank space provided or, in the case of a VIF, follow the corresponding instructions provided by the intermediary. **In either case, OBOs who receive Meeting Materials from their intermediary should carefully follow the instructions provided by the intermediary.**

To exercise the right to revoke a proxy, an OBO who has completed a proxy (or a VIF, as applicable) should carefully follow the instructions provided by the intermediary.

Proxies returned by intermediaries as "non-votes" either because the intermediary has not received instructions from the OBO with respect to the voting of certain shares or because, under applicable stock exchange or other rules, the intermediary does not have the discretion to vote those shares on one or more of the matters that come before the Meeting, will be treated as not entitled to vote on any such matter and will not be counted as having been voted in respect of any such matter. Common Shares represented by such "non-votes" will, however, be counted in determining whether there is a quorum.

### *Meeting Materials Received by NOBOs from the Company*

As permitted under NI 54-101, the Company has used a NOBO list to send the Meeting Materials directly to the NOBOs whose names appear on that list. If you are a NOBO and the Company's transfer agent, Computershare, has sent these materials directly to you, your name and address and information about your holdings of Common Shares have been obtained from the intermediary holding such shares on your behalf in accordance with applicable securities regulatory requirements.

As a result, any NOBO of the Company can expect to receive a scannable VIF from Computershare. Please complete and return the VIF to Computershare in the envelope provided. Computershare will tabulate the results of the VIFs received from the Company's NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs received by Computershare.

By choosing to send these materials to you directly, the Company (and not the intermediary holding Common Shares on your behalf) has assumed responsibility for: (i) delivering these materials to you, and (ii) executing your proper voting instructions. The intermediary holding Common Shares on your behalf has appointed you as the proxy holder of such shares, and therefore you can provide your voting instructions by completing the proxy included with this Circular in the same way as a Registered Shareholder. Please refer to the information under the heading "*Registered Shareholders*" for a description of the procedure to return a proxy, your right to appoint another person or company to attend the meeting, and your right to revoke the proxy.

Although a Non-Registered Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his or her broker, a Non-Registered Shareholder may attend the Meeting as proxy holder for the Registered Shareholder and vote the Common Shares in that capacity. A Non-Registered Shareholder who wishes to attend the Meeting and indirectly vote his or her Common Shares as proxy holder for the Registered Shareholder should enter his or her own name in the blank space on the form of proxy provided to him or her and return the same to his or her broker (or the broker's agent) in accordance with the instructions provided by such broker.

### **Notice-and-Access**

The Company is not sending the Meeting Materials to Registered Shareholders or Non-Registered Shareholders using notice-and-access delivery procedures defined under NI 54-101 and National Instrument 51-102, *Continuous Disclosure Obligations*.

### **Exercise of Proxies**

Where a choice is specified, the Common Shares represented by proxy will be voted for, withheld from voting or voted against, as directed, on any poll or ballot that may be called. **Where no choice is specified, the proxy will confer discretionary authority and will be voted in favour of all matters referred to on the form of proxy. The proxy also confers discretionary authority to vote for, withhold from voting, or vote against amendments or variations to the matters identified in the Notice of Meeting and with respect to other matters not specifically mentioned in the Notice of Meeting but which may properly come before the Meeting.**

Management has no present knowledge of any amendments or variations to matters identified in the Notice of Meeting or any business that will be presented at the Meeting other than that referred to in the Notice of Meeting. However, if any other matters properly come before the Meeting, it is the intention of the person named in the enclosed instrument appointing proxy to vote in accordance with the recommendations of the management of the Company.

## **Your Voting Instructions**

If you do not specify how you want to vote, the appointed proxyholders will vote FOR each item of business. If you appointed someone else to attend the Meeting and vote on your behalf, he or she can vote as they see fit.

If you submit your voting instructions and later wish to change them, you may re-submit your instructions prior to the cut-off time noted above. The latest instructions will be recognized as the only valid ones.

## **Provisions Relating to Voting of Proxies**

The shares represented by proxy in the enclosed form will be voted by the designated holder in accordance with the direction of the shareholder appointing him. If there is no direction by the shareholder, those shares will be voted for all proposals set out in the Proxy as set out in this Circular. The Proxy gives the person named in it the discretion to vote as they see fit on any amendments or variations to matters identified in the Notice of Meeting, or any other matters which may properly come before the Meeting. At the time of printing of this Circular, the management of the Company knows of no other matters which may come before the Meeting other than those referred to in the Notice of Meeting.

## **APPROVAL OF MATTERS**

Unless otherwise noted, approval of matters to be placed before the Meeting is by an “ordinary resolution” which is a resolution passed by a simple majority (50%+1) of the votes cast by shareholders of the Company present and entitled to vote in person or by proxy.

## **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

Except as disclosed in this Information Circular, no person who has been a director or executive officer of the Company at any time since the beginning of the Company’s last financial year, no proposed nominee of the Company for election as a director of the Company, and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of directors or the appointment of auditors.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as disclosed in this Information Circular, during the fiscal year ended January 31, 2020, no informed person of the Company, proposed nominee for director or any associate or affiliate of an informed person or proposed nominee, had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries, except as follows:

- (a) The amount of \$76,600 was paid or accrued to Max Pinsky Personal Law Corporation, the sole director of which is an officer of the company, for legal fees during the fiscal year ended January 31, 2020; and
- (b) The amount of \$4,405.20 (€3,000) was paid or accrued to JT Global, the members of which include a director of the Company and a senior officer of the Company, for equipment rental during the fiscal year ended January 31, 2020.

An “informed person” means: (a) a director or executive officer of the Company; (b) a director or executive officer of a person or corporation that is itself an informed person or subsidiary of the Company; (c) any person or corporation who beneficially owns, directly or indirectly, voting securities of the Company or

who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10% of the voting rights other than voting securities held by the person or corporation as underwriter in the course of a distribution; and (d) the Company itself, if and for so long as it has purchased, redeemed or otherwise acquired any of its shares.

## FINANCIAL STATEMENTS

The audited financial statements of the Company for the year ended January 31, 2020, together with the auditor’s report on those statements (the “Financial Statements”), will be presented to the shareholders at the Meeting.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As at the date hereof, the Company has issued and outstanding 146,400,840 fully paid and non-assessable Common shares without par value, each share carrying the right to one vote. The Company also has authorized an unlimited number of Class “A” shares and an unlimited number of Class “B” shares, none of which have been issued or are outstanding. **The Company has no other outstanding voting securities other than 146,400,840 Common shares.**

Any shareholder of record at the close of business on September 8, 2020 who either personally attends the Meeting or who has completed and delivered a Proxy in the manner specified, subject to the provisions described above, shall be entitled to vote or to have such shareholder’s shares voted at the Meeting.

To the knowledge of the directors and executive officers of the Company, as at the date of this Circular, the following persons beneficially own, directly or indirectly, or exercise control or direction over, 10% or more of the issued and outstanding shares of each class of the Company:

Member	Number of Common Shares	Percentage of Issued Common Share Capital (of 146,400,840)
CDS & CO. <sup>(1)</sup>	116,410,160	79.5%

(1) The beneficial owners of common shares held by depositories and brokerage firms are not known to the directors or executive officers of the Company.

As at September 8, 2020, the total number of common shares owned or controlled by management and the directors of the Company and their associates or affiliates was 19,484,444 common shares, representing 13.3% of the total issued and outstanding common shares.

## ELECTION OF DIRECTORS

Management of the Company is seeking shareholder approval of an ordinary resolution to set the number of directors of the Company at six (6) for the ensuing year. The term of office of each of the present directors expires at the Meeting. The persons named below will be presented for election at the Meeting as management’s nominees. Management does not contemplate that any of these nominees will be unable to serve as a director. Each director elected will hold office until the next annual general meeting of the Company or until his or her successor is elected or appointed, unless his or her office is earlier vacated in accordance with the Articles of the Company or with the provisions of the *Business Corporations Act* (British Columbia) (“Corporations Act”).

The following table sets out the names of the nominees for election as directors, the country in which each is ordinarily resident, all offices of the Company now held by each of them, their principal occupations, the period of time for which each has been a director of the Company and the number of common shares of the Company beneficially owned by each, directly or indirectly, or over which control or direction is exercised, as at the date hereof.

<b>Name , Present Position(s) with the Company <sup>(1)</sup> and Place of Residence <sup>(3)</sup></b>	<b>Principal Occupation <sup>(2)</sup> <sup>(3)</sup></b>	<b>Date(s) Served as a Director Since</b>	<b>Ownership or Control Over Voting Shares Held <sup>(3)</sup></b>
Patrick Evans <i>Arizona, U.S.A.</i>	Chairman of the Board of Pan Global Resources Inc., February 2019 to present; President and CEO of Dominion Diamond Corp., November 2017 to December 2018; President, CEO and Director of Mountain Province Diamonds Inc., November 2005 to July 2017; President, CEO and Director of Kennady Diamonds Inc., January 2012 to April 2016.	January 14, 2019	1,641,000
Tim Moody <i>Bristol United Kingdom</i>	President, CEO and Director of Pan Global Resources Inc., April 2017 to present; Director of Prism Resources Inc., January 2016 to present; Director of Indico Resources Ltd., July 2016 to present; Director of Xiana Mining Inc., January 2018 to present; 24 years with Rio Tinto, including Exploration Director from 2005 to 2010 and Vice-President and Director for Business Development from 2010 to 2015.	April 18, 2017	5,608,000
Brian Kerzner <i>Burnaby, BC Canada</i>	President of Immaculate Confection Ltd., October 1987 to present; President & CEO of Pan Global Resources Inc., January 11, 2008 to October 15, 2010; Director of Pan Global Resources Inc., February 1, 2006 to present; Director of Prism Resources Inc., May 2012 to present; Director of Indico Resources Ltd., October 18, 2012 to present; Director of Xiana Mining Inc., January 2018 to present; Director of Norsemont Mining Inc., August 2005 to March 2, 2011.	February 1, 2006	2,038,000 2,499,999 <sup>(4)</sup> Total: 4,537,999

Name , Present Position(s) with the Company <sup>(1)</sup> and Place of Residence <sup>(3)</sup>	Principal Occupation <sup>(2)</sup> <sup>(3)</sup>	Date(s) Served as a Director Since	Ownership or Control Over Voting Shares Held <sup>(3)</sup>
Robert Baxter Miraflores, Lima Peru	Director of Pan Global Resources Inc., February 1, 2006 to present; President, CEO & Director of Prism Resources Inc., January 2012 to present; President, CEO & Director of Indico Resources Ltd., August 15, 2012 to present; Director of Norsemont Mining Inc., July 19, 2006 to July 7, 2011, President & COO of Norsemont Mining Inc. from July 19, 2006 to March 31, 2011; Director of Chariot Resources Ltd., December 2002 to June 2010; Director of Petaquilla Minerals Ltd. from June 11, 2007 to November 4, 2009; General Manager of Baxter Consultants, October 2000 to present; Director of Xiana Mining from August 17, 2015 to present.	February 1, 2006	4,063,666
Patrick Downey North Vancouver, BC Canada	Professional Engineer; President and CEO of Orezone Gold Corporation 2017 to present, President, CEO & Director of Elgin Mining Inc., July 2011 to September 2014; President, CEO & Director of Aura Minerals Inc., April 5, 2007 to March 2011.	January 11, 2008	2,851,000
Robert Parsons Coquitlam, BC Canada	Chartered Accountant; Chartered Professional Accountant; Independent Consultant since September 1, 2002; Director of Pan Global Resources Inc., September 13, 2016 to present; Director of Kennady Diamonds Inc., March 9, 2014 to April 13, 2018; Director of Indico Resources Ltd., 2012 to present; Director of Prism Resources Inc., 2012 to present; Director of Eagle Hill Exploration Corporation, 2013 to 2015; Director of Norsemont Mining Inc., 2007 to 2011; Director of East Asia Minerals Corporation, 2009 to 2011; Director of Weda Bay Minerals Inc., 2003 to 2006.	September 13, 2016	Nil

- (1) For the purposes of disclosing positions held in the Company, "Company" includes the Company and any parent or subsidiary thereof.
- (2) Unless otherwise stated above, any nominees named above have held the principal occupation or employment indicated for at least five years.
- (3) The information as to country of residence, principal occupation and number of shares beneficially owned by the nominees (directly or indirectly or over which control or direction is exercised) is not within the knowledge of the management of the Company and has been furnished by the respective nominees.
- (4) These shares are held through a corporation controlled by Mr. Kerzner.

No proposed director of the Company is or has been, within the past 10 years, a director or executive officer of any company that, while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director of the Company has, within the past 10 years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

No proposed director of the Company is, or was within 10 years before the date of this Circular, a director, CEO or Chief Financial Officer (“**CFO**”) of any company (including Pan Global Resources Inc.), that: (i) was subject to a cease trade order (including a management cease trade order), an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation (collectively, an “**Order**”), that was in effect for a period of more than 30 consecutive days and that was issued while the Nominee was acting in the capacity as director, CEO or CFO; or (ii) was subject to an order that was in effect for a period of more than 30 consecutive days and that was issued after the Nominee ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO.

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **Named Executive Officers**

Set out below are particulars of compensation paid to the following persons (the "Named Executive Officer"):

- (a) the Company’s chief executive officer (“CEO”);
- (b) the Company’s chief financial officer (“CFO”);
- (c) each of the Company’s three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 as determined in accordance with subsection 1.3(6) of Form 51-102F6 Statement of Executive Compensation, for that financial year; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

During the financial year ended January 31, 2020, the Company had two Named Executive Officers, being Tim Moody, President and CEO, and Christina Cepeliauskas, CFO.

### **Compensation Discussion and Analysis**

The Company's executive compensation program is comprised of base salary, annual cash bonuses, indirect compensation (benefits) and long-term incentives in the form of stock options. The Company's executive compensation practices are designed to attract and retain talented personnel capable of achieving the Company's objectives. The Company also utilizes compensation programs to motivate and reward the Company's executives for the ultimate achievement of the Company's goals. The Company makes use of complementary short-term and long-term incentive programs intended to provide fair, competitive and motivational rewards in the short-term while ensuring that executive's long-term objectives remain aligned with those of the shareholders. The base salaries for all executives are paid within salary ranges established for each position based on scope and level of responsibility. Individual salaries within the range are determined by that executive's competence, skill level, and experience and market influences. Annual cash bonuses may be given based on subjective criteria, including the Company's ability to pay such bonuses, individual performance, the executive's contributions to achieving the Company's objectives and other competitive considerations.

## Option-Based Awards

Stock options are granted pursuant to the Plan to provide an incentive to the directors, officers, employees and consultants of the Company to achieve the longer-term objectives of the Company; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Company; and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Company. Previous grants of incentive stock options are taken into account when considering new grants.

Implementation of a new incentive stock option plan and amendments to the existing stock option plan are the responsibility of the Company's Board of Directors. In determining the number of options to award to employees, the Board takes into consideration options previously awarded to each employee or consultant and other factors that would affect internal equity. During fiscal year ended January 31, 2020, the Company granted 1,730,000 new stock options.

## Employment / Consulting Agreements of NEO's

### CEO Compensation

The Company entered into a Management Services Agreement with a corporation controlled by Tim Moody, to provide the services of Mr. Moody as President and CEO, effective April 18, 2017 (the "**Management Services Agreement**"). The Management Services Agreement provides for an annual consulting fee of \$240,000, with up to 50% payable in common shares of the Company (subject to disinterested shareholder and TSX Venture Exchange approval). In the fiscal year ended January 31, 2020, the Company paid or accrued a total of \$240,000 in monthly consulting fees and bonuses under the Management Services Agreement. Under the Management Services Agreement, Mr. Moody is entitled to receive a severance payment equal to 12 months of his annual compensation in the event that the Management Services Agreement is terminated, without cause by the Corporation (as defined in the Management Services Agreement). In the event of termination as a result of change in control of the Corporation (as defined in the Management Services Agreement), Mr. Moody will receive a severance payment equal to 24 months of his total annual compensation, benefits and full incentive bonus compensation for the same period, all payable within 30 days of termination.

## Summary of Compensation Table

The following table sets forth details of all compensation paid to the Named Executive Officers during the Company's financial year ended January 31, 2020:

Name and Principal Position	Year	Salary (\$)	Share-based Awards (\$)	Option-based Awards (\$) <sup>(1)</sup>	Non-equity incentive plan compensation (\$)		Pension Value (\$)	All other compensation (\$)	Total Compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Tim Moody <sup>(2)</sup> President, CEO & Director	2020	\$240,000	Nil	\$29,048	N/A	N/A	N/A	Nil	\$269,048
	2019	\$240,000	Nil	Nil	N/A	N/A	N/A	Nil	\$240,000
	2018	196,000	N/A	\$107,580	N/A	N/A	N/A	N/A	303,580
Christina Cepeliauskas CFO	2020	\$24,000	Nil	\$4,841	N/A	N/A	N/A	Nil	\$28,841
	2019	\$24,000	Nil	Nil	N/A	N/A	N/A	Nil	\$24,000
	2018	\$24,000	Nil	\$22,400	N/A	N/A	N/A	Nil	\$46,400

<sup>(1)</sup> The fair value of option-based awards is calculated using a Black-Scholes option pricing model with the following assumptions:

Risk-free interest rate

1.69%

Expected dividend yield	0%
Expected stock price volatility	133%
Expected life of options in years	7

Option pricing models require the input of highly subjective assumptions, particularly as to the expected volatility of the stock. Changes in these assumptions can materially affect the fair value estimate, and therefore it is management's view that the existing models may not provide a single reliable measure of the fair value of the Company's stock option grants. The Company uses an option-pricing model because there is no market for which employee options may be freely traded. Readers are cautioned not to assume that the value derived from the model is the value that an employee might receive if the options were freely traded, nor assume that these amounts are the same as those reported for income tax purposes.

<sup>(2)</sup> Tim Moody was appointed President and CEO on April 18, 2017.

## Incentive Plan Awards

### Outstanding option-based awards and share-based awards

The following table sets out the outstanding option-based awards and share-based awards held by the Named Executive Officers as at January 31, 2020:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units of share that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Tim Moody President and CEO	600,000	\$0.20	December 1, 2027	Nil	N/A	N/A
	300,000	\$0.10	April 16, 2029	\$6,000	N/A	N/A
Christina Cepeliauskas CFO	50,000	\$0.10	April 18, 2027	\$ 750	N/A	N/A
	100,000	\$0.20	December 1, 2027	Nil	N/A	N/A
	50,000	\$0.10	April 16, 2029	\$1,000	N/A	N/A

<sup>(1)</sup> This value was determined by calculating the difference between the market price of the underlying common shares and the exercise price of the options on January 31, 2020. The closing market price of the Company's common shares on January 31, 2020 was \$0.12.

The following table sets out the value vested or earned in incentive plan awards held by the Named Executive Officers during the financial year ended January 31, 2020:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Tim Moody President and CEO	N/A	N/A	N/A
Christina Cepeliauskas CFO	N/A	N/A	N/A

## Pension Plan Benefits

The Company has no pension plans that provide for payments or benefits at, following, or in connection with the retirement of the Named Executive Officers.

## Termination of Employment, Change in Responsibilities and Employment Contracts

The Company has no plans or arrangements in respect of remuneration received or that may be received by the Named Executive Officers in the Company's most recently completed financial year or current financial year in respect of compensating such officer in the event of termination of employment (as a result of resignation, retirement, change of control, etc.) or a change in responsibilities following a change of control, other than as provided in the Management Services Agreement with a corporation controlled by CEO Tim Moody.

## Compensation of Directors

Directors are compensated by the Company for their services in their capacity as Directors in the sum of \$18,000 per annum. The Chair of the Audit Committee is compensated for his services as a Director and Chair of the Audit Committee in the aggregate sum of \$22,000. The Chairman of the Board of Directors is compensated for his services as a Director and Chairman of the Board of Directors in the aggregate sum of \$24,000. The Company has no other arrangements, standard or otherwise, pursuant to which Directors are compensated by the Company for their services in their capacity as Directors, or for committee participation, involvement in special assignments or for services as a consultant or expert during the financial year ended January 31, 2020 or subsequently, up to and including the date of this Information Circular.

## Director compensation table

The following table sets out the compensation provided to all directors of the Company, who are not Named Executive Officers, for the Company's financial year ended January 31, 2020:

Name and Principal Position	Year	Salary (\$)	Share-based Awards (\$)	Option-based Awards (\$) <sup>(1)</sup>	Non-equity incentive plan compensation (\$)		Pension Value (\$)	All other compensation (\$)	Total Compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Patrick Evans <sup>(2)</sup>	2020	Nil	Nil	\$29,050	N/A	N/A	N/A	N/A	\$29,050
	2019	Nil	Nil	Nil	N/A	N/A	N/A	Nil	Nil
	2018	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Brian Kerzner	2020	\$18,000	Nil	\$19,365	N/A	N/A	N/A	Nil	\$37,365
	2019	18,000	Nil	Nil	N/A	N/A	N/A	Nil	\$18,000
	2018	Nil	Nil	\$161,120	N/A	N/A	N/A	Nil	\$161,120
Patrick Downey	2020	\$18,000	Nil	\$19,365	N/A	N/A	N/A	Nil	\$37,365
	2019	\$18,000	Nil	Nil	N/A	N/A	N/A	Nil	\$18,000
	2018	Nil	Nil	\$116,420	N/A	N/A	N/A	Nil	\$116,420
Robert Baxter	2020	\$18,000	Nil	\$19,365	N/A	N/A	N/A	Nil	\$37,365
	2019	\$18,000	Nil	Nil	N/A	N/A	N/A	Nil	\$18,000
	2018	Nil	Nil	\$116,420	N/A	N/A	N/A	Nil	\$116,420
Robert Parsons	2020	\$22,000	Nil	\$19,365	N/A	N/A	N/A	Nil	\$41,365
	2019	\$22,000	N/A	Nil	N/A	N/A	N/A	N/A	\$22,000
	2018	N/A	N/A	\$98,540	N/A	N/A	N/A	N/A	\$98,540

<sup>(1)</sup> The fair value of option-based awards is calculated using a Black-Scholes option pricing model with the following assumptions:

Risk-free interest rate	1.69%
Expected dividend yield	0%
Expected stock price volatility	133%
Expected life of options in years	7

Option pricing models require the input of highly subjective assumptions, particularly as to the expected volatility of the stock. Changes in these assumptions can materially affect the fair value estimate, and therefore it is management's view that the existing models may not provide a single reliable measure of the fair value of the Company's stock option grants. The Company uses an option-pricing model because there is no market for which employee options may be freely traded. Readers are cautioned not to assume that the value derived from the model is the value that an employee might receive if the options were freely traded, nor assume that these amounts are the same as those reported for income tax purposes.

<sup>(2)</sup> Mr. Evans was appointed to the board of directors in January, 2019.

## Incentive Plan Awards

### Outstanding share-based awards and option-based awards

The following table sets out the outstanding share-based awards and option-based awards held by the directors of the Company, who are not Named Executive Officers, as at January 31, 2020:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units of share that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Patrick Evans <sup>(2)</sup>	N/A	N/A	N/A	N/A	N/A	N/A
	300,000	\$0.10	April 16, 2029	\$6,000	N/A	N/A
Brian Kerzner	1,000,000	\$0.10	April 18, 2027	\$15,000	N/A	N/A
	400,000	\$0.20	December 1, 2027	Nil	N/A	N/A
	200,000	\$0.10	April 16, 2029	\$4,000	N/A	N/A
Patrick Downey	500,000	\$0.10	April 18, 2027	\$ 7,500	N/A	N/A
	400,000	\$0.20	December 1, 2027	Nil	N/A	N/A
	200,000	\$0.10	April 16, 2029	\$4,000	N/A	N/A
Robert Baxter	500,000	\$0.10	April 18, 2027	\$ 7,500	N/A	N/A
	400,000	\$0.20	December 1, 2027	Nil	N/A	N/A
	200,000	\$0.10	April 16, 2029	\$4,000	N/A	N/A
Robert Parsons	300,000	\$0.10	April 18, 2027	\$ 4,500	N/A	N/A
	400,000	\$0.20	December 1, 2027	Nil	N/A	N/A
	200,000	\$0.10	April 16, 2029	\$4,000	N/A	N/A

<sup>(1)</sup> This value was determined by calculating the difference between the market price of the underlying common shares and the exercise price of the options on January 31, 2020. The closing market price of the Company's common shares on January 31, 2020 was \$0.12.

<sup>(2)</sup> Mr. Evans was appointed to the board of directors in January, 2019.

### Value vested or earned during the year

The following table sets out the value vested or earned in incentive plan awards by the directors of the Company, who are not Named Executive Officers, during the financial year ended January 31, 2020:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Patrick Evans <sup>(1)</sup>	Nil	N/A	N/A
Brian Kerzner	Nil	N/A	N/A
Patrick Downey	Nil	N/A	N/A

Robert Baxter	Nil	N/A	N/A
Robert Parsons	Nil	N/A	N/A

<sup>12)</sup> Mr. Evans was appointed to the board of directors in January, 2019.

### Equity Compensation Plans

The following table provides information regarding the Company's equity compensation plans which were in effect as at the fiscal year end January 31, 2020:

Plan Category	# of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	# of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))
Equity Compensation Plans Approved By Shareholders	7,070,000	\$0.14	5,112,890
Equity Compensation Plans Not Approved By Shareholders	None	N/A	N/A
Total	7,070,000	\$0.14	5,112,890

### MANAGEMENT CONTRACTS

There are no management functions of the Company which are to any substantial degree performed by a person other than the directors or executive officers of the Company.

### STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Company's Board of Directors and senior management consider good corporate governance to be central to the effective and efficient operation of the Company.

The fundamental responsibility of the Board of Directors is to appoint a competent executive team and to oversee the management of the business, with a view to maximizing shareholder value and ensuring corporate conduct in an ethical and legal manner via an appropriate system of corporate governance and internal controls.

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 - *Corporate Governance Guidelines* provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, NI 58-101 prescribes certain disclosure by the Company of its corporate governance practices.

The following report by the Board of Directors describes the analysis and disclosure of corporate governance practices of the Company.

## CORPORATE GOVERNANCE DISCLOSURE

### 1. Board of Directors

The Board is comprised of six (6) directors, four (4) of whom are independent for the purposes of NI 58-101. Those directors are: Patrick Evans, Tim Moody, Brian Kerzner, Robert Baxter, Patrick Downey and Robert Parsons.

Tim Moody is not independent as he serves as President and CEO of the Company.

The Board of directors of the Company consists of a majority of independent directors.

The following directors are presently directors of other reporting issuers:

Patrick Evans	Mirasol Resources Ltd.
Tim Moody	Indico Resources Ltd., Prism Resources Inc., Xiana Mining Inc.
Brian Kerzner	Indico Resources Ltd., Prism Resources Inc., Xiana Mining Inc.
Robert Baxter	Indico Resources Ltd., Prism Resources Inc., Xiana Mining Inc.
Patrick Downey	Orezone Gold Corporation, Dalradian Resources Inc., GFG Resources Inc. and Victoria Gold Corp.
Robert Parsons	Indico Resources Ltd., Prism Resources Inc.

The independent directors do not at this time hold separate meetings at which management is not in attendance. The Board facilitates open and candid discussion among its independent directors by encouraging such members to have discussions with the Board members who are not independent directors.

The independent directors are provided with leadership through their majority control of the Board and ability to meet independently of management whenever deemed necessary. The Board also encourages its independent directors to have informal discussions amongst themselves whenever appropriate.

### Mandates

The Board of Directors is responsible for supervising management in carrying on the business and affairs of the Company. Directors are required to act and exercise their powers with reasonable prudence in the best interests of the Company. In discharging its mandate, the Board is responsible for the oversight and review of the development of, among other things, the following matters:

- the strategic planning process of the Company;
- identifying the principal risks of the Company's business and ensuring the implementation of appropriate systems to manage these risks;
- planning for succession of management;
- the Company's policies regarding communications with its shareholders and others;
- the integrity of the internal controls and management information systems of the Company;
- representing the interests of the shareholders in all significant decisions affecting the Company and ensuring that shareholders are kept informed of developments affecting their Company;
- reviewing significant operational and financial issues as they arise and providing direction to management of these matters;

- acting diligently to ensure that the Company fulfils its legal and regulatory requirements; and
- evaluating the effectiveness of senior management and establishing their compensation.

In carrying out its mandate, the Board relies primarily on management to provide it with regular detailed reports on the operations of the Company and its financial position. The Board reviews and assesses these reports and other information provided to it at meetings of the full Board and of its Committees. The President and Chief Executive Officer is a member of the Board, giving the Board direct access to information on their respective areas of responsibility. Other management personnel regularly attend Board meetings to provide information and answer questions. Directors also consult from time to time with management. At least annually, the Board reviews management's report on its business and strategic plan and any changes with respect to risk management and succession planning.

The Board discharges specific responsibilities directly through its Committees, currently consisting of the Audit Committee, Compensation Committee and Technical Advisory Committee. The Board of directors of the Company has adopted a written mandate for the Audit Committee. The text of the Audit Committee's written mandate is attached to this Circular as Appendix I.

### **Position Descriptions**

The Board has not adopted a written position description for the Chief Executive Officer, Mr. Tim Moody, on the basis that his role and responsibilities are well understood by him and by the other directors.

### **Orientation and Continuing Education**

The Board does not have a formal orientation and education program for new directors. The Board encourages directors to participate in continuing education opportunities in order to ensure that the directors may maintain or enhance their skills and abilities as directors, and maintain a current and thorough understanding of the Company's business.

### **Ethical Business Conduct**

The Board has adopted a written code of business conduct and ethics.

The Company regards maintaining a culture of ethical business conduct and social responsibility as critically important. Management consistently strives to instill the Company's principles into the practices and actions of the Company's management and staff. All known or suspected breaches of ethical business conduct are required to be reported to the Chairman, President or Chief Financial Officer. All known or suspected instances of fraud are required to be reported to the Audit Committee, which reports all complaints and allegations to the Board of Directors for investigation.

The Company requires all directors, officers and employees of the Company to strive to avoid situations that create, have the potential to create, or create the appearance of, a conflict of interest. A director or officer who has a material interest in any transaction or agreement that comes before the Board for decision is required to disclose his or her interest to the Board members and to abstain from any vote taken on the matter.

### **Nomination of Directors**

The Board does not have a Nominating and Corporate Governance Committee but considers the size of the Board each year when it considers the number of directors to recommend to shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of view and experience. In that regard, the committee considers what competencies and skills the directors as a group should possess and assessing the competencies and skills of the existing and any proposed directors, and considering the appropriate size of the Board.

### **Compensation**

The Board has a Compensation Committee comprised of Brian Kerzner, Robert Baxter and Patrick Downey, all independent directors. The Compensation Committee is responsible for reviewing and recommending corporate goals and objectives relevant to the compensation of senior management of the Company, evaluating performance in light of those goals and making recommendations to the Board with respect to executive compensation levels based on that evaluation, reviewing and making recommendations to the Board with respect to the adequacy and form of the compensation of the directors, and reviewing executive compensation disclosure before it is publicly issued.

### **Audit Committee**

The Audit Committee is composed of three Board members: Robert Baxter, Brian Kerzner and Robert Parsons all of whom are independent directors.

### **Other Board Committees**

The Board has no standing committees other than the Audit Committee and Compensation Committee.

### **Assessments**

The mandate of the Chairman, in consultation with the independent directors, includes overseeing the effective functioning of the Board, which includes a periodic review of the effectiveness of the Board as a whole and of the composition of the Board. To date, given the small size of the Board and the frequency with which its meetings are held, the Board has not found it necessary to institute any formal process in order to satisfy itself that the Board, its committees and its individual directors are performing effectively.

## **AUDIT COMMITTEE**

### **Audit Committee Charter**

The text of the Audit Committee's Charter is attached as Appendix I to this Information Circular.

### **Composition of Audit Committee**

Pursuant to Multilateral Instrument 52-110 ("MI 52-110"), *Audit Committees*, the Company is required as a venture issuer to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth below. The Company is relying on the exemption provided by section 6.1 of MI 52-110 by virtue of the fact that it is a venture issuer. Section 6.1 exempts the Company from the requirements of Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) of MI 52-110.

As at the date hereof, the Audit Committee is composed of Brian Kerzner, Robert Baxter and Robert Parsons. All of the members of the Audit Committee are "financially literate" and "independent" within the meaning of section 1.5 of MI 52-110.

### **Audit Committee Oversight**

At no time since the commencement of the Company's most recently completed financial year, has a recommendation of the audit committee to nominate or compensate an external auditor not been adopted by the board of directors.

### **Reliance on Certain Exemptions**

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of MI 52-110 (*De Minimis Non-audit Services*) or an exemption from MI 52-110, in whole or in part, granted under Part 8, (*Exemptions*) of MI 52-110.

### **Pre-Approval Policies and Procedures**

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described under the heading "*Article 2 – Pre-Approval of Non-Audit Services*" of the Audit Committee Charter as set out in Appendix I to this Information Circular.

### **Audit Fees**

The aggregate fees billed by Davidson & Company LLP for audit services during fiscal year 2020 are \$25,000 (2019- \$20,910).

### **Audit-Related Fees**

The aggregate fees billed by Davidson & Company LLP for audit and assurance and related services for fiscal year 2020 are Nil (2019 - Nil).

### **Tax Fees and All Other Fees**

The aggregate fees billed for tax compliance, tax advice and tax planning services by Davidson & Company LLP for fiscal year 2020 are Nil (2019 - Nil).

## **PARTICULARS OF OTHER MATTERS TO BE ACTED UPON**

### **A. APPOINTMENT AND REMUNERATION OF AUDITORS**

Shareholders will be asked to re-approve the appointment of Davidson & Company LLP, Chartered Accountants, as auditors of the Company to hold office until the next annual general meeting of shareholders at a remuneration to be fixed by the directors. The auditor was first appointed on May 5, 2010.

### **B. RE-APPROVAL OF STOCK OPTION PLAN**

Shareholders are asked to re-approve a rolling stock option plan providing for the reservation of a maximum of ten percent (10%) of the issued and outstanding shares of the Company. The maximum allowable stock options will therefore increase as the issued share capital increases. The stock options will not be subject to a vesting period. The Plan is subject to the policies of the TSX Venture Exchange (the "Exchange"). The Plan is available for review during normal business hours at the Company's office. Some of the terms are:

The term of any stock option will not exceed 10 years.

1. If the Optionee ceases to be an Officer, Director, Employee, Consultant or Service Provider for any reason other than such Optionee's death or disability, all Stock Options held by the Optionee shall be exercisable, to the extent that such Stock Options were exercisable on the date the Optionee ceased to fall under one of the foregoing categories (the "Termination Date") for a period of 30 days following the Termination Date.
2. If the Optionee ceases to be an Officer, Director, Employee, Consultant or Service Provider because of Optionee's death or disability all Stock Options held by the Optionee shall become immediately exercisable and shall be exercisable by the Optionee, the personal representative of the Optionee's estate, or the person(s) to who the Stock Options are transferred pursuant to the Optionee's will in accordance with the laws of descent and distribution, as applicable, for a period of one year following the Termination Date.
3. An individual can receive Awards to purchase no more than 5% of the outstanding shares of Common Stock listed on the TSX Venture Exchange on a yearly basis.
4. An Award to an Employee conducting Investor Relations Activities or to a Consultant is restricted to an aggregate of 2% of the Company's issued shares.
5. For any Stock Options granted to Employees, Consultants or Management Company Employees, the Company represents that the Optionee is a bona fide Employee, Consultant or Management Company Employee as the case may be.
6. The Optionee must be a director, senior officer, employee, consultant or management company employee of the Company or a subsidiary of the Company at the time of grant.
7. All options are non-assignable and non-transferable.
8. An option may only be exercised while the optionee is a director, senior officer, employee, consultant or management company employee or within a period of 30 days thereafter.
9. Disinterested shareholder approval must be obtained for any reduction in the exercise price of an option if the optionee is an insider of the Company at the time of the proposed reduction.

#### **OTHER BUSINESS**

Management is not aware of any matters to come before the Meeting other than those set forth in the Notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the Proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

## ADDITIONAL INFORMATION

Additional information relating to the Company is on the SEDAR website at [www.sedar.com](http://www.sedar.com).

Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year. These financial statements and MD&A are available on the SEDAR website at [www.sedar.com](http://www.sedar.com) or shareholders may request copies of these documents by contacting the Company at:

Pan Global Resources Inc.  
700 – 1199 West Hastings Street  
Vancouver, British Columbia, Canada V6E 3T5  
Telephone: (604) 689-9930; Fax: (604) 689-9940

DATED at Vancouver, British Columbia, this 8th day of September, 2020.

### ON BEHALF OF THE BOARD

*"Tim Moody"*

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**Tim Moody**  
President & CEO

## APPENDIX I

### Charter of the Audit Committee of the Board of Directors of Pan Global Resources Inc. (the “Company”)

#### Article 1 – Mandate and Responsibilities

The Audit Committee is appointed by the board of directors of the Company (the “Board”) to oversee the accounting and financial reporting process of the Company and audits of the financial statements of the Company. The Audit Committee’s primary duties and responsibilities are to:

- (a) recommend to the Board the external auditor to be nominated for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company;
- (b) recommend to the Board the compensation of the external auditor;
- (c) oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (d) pre-approve all non-audit services to be provided to the Company or its subsidiaries by the Company’s external auditor;
- (e) review the Company’s financial statements, MD&A and annual and interim earnings press releases before the Company publicly discloses this information;
- (f) be satisfied that adequate procedures are in place for the review of all other public disclosure of financial information extracted or derived from the Company’s financial statements, and to periodically assess the adequacy of those procedures;
- (g) establish procedures for:
  - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
  - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
- (h) review and approve the Company’s hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company.

The Board and management will ensure that the Audit Committee has adequate funding to fulfill its duties and responsibilities.

#### Article 2 – Pre-Approval of Non-Audit Services

The Audit Committee may delegate to one or more of its members the authority to pre-approve non-audit services to be provided to the Company or its subsidiaries by the Company’s external auditor. The pre-approval of non-audit services must be presented to the Audit Committee at its first scheduled meeting following such pre-approval.

The Audit Committee may satisfy its duty to pre-approve non-audit services by adopting specific policies and procedures for the engagement of the non-audit services, provided the policies and procedures are detailed

o the particular service, the Audit Committee is informed of each non-audit service and the procedures do not include delegation of the Audit Committee's responsibilities to management.

### **Article 3 – External Advisors**

The Audit Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to the external auditors as well as anyone in the organization. The Audit Committee has the ability to retain, at the Company's expense, special legal, accounting or other consultants or experts it deems necessary in the performance of its duties.

### **Article 4 – External Auditors**

The external auditors are ultimately accountable to the Audit Committee and the Board, as representatives of the shareholders. The external auditors will report directly to the Audit Committee. The Audit Committee will:

- (a) review the independence and performance of the external auditors and annually recommend to the Board the nomination of the external auditors or approve any discharge of external auditors when circumstances warrant;
- (b) approve the fees and other significant compensation to be paid to the external auditors;
- (c) on an annual basis, review and discuss with the external auditors all significant relationships they have with the Company that could impair the external auditors' independence;
- (d) review the external auditors' audit plan to see that it is sufficiently detailed and covers any significant areas of concern that the Audit Committee may have;
- (e) before or after the financial statements are issued, discuss certain matters required to be communicated to audit committees in accordance with the standards established by the Canadian Institute of Chartered Accountants;
- (f) consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in the Company's financial reporting;
- (g) resolve any disagreements between management and the external auditors regarding financial reporting;
- (h) approve in advance all audit services and any non-prohibited non-audit services to be undertaken by the external auditors for the Company; and
- (i) receive from the external auditors timely reports of:
  - (i) all critical accounting policies and practises to be used;
  - (ii) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments and the treatment preferred by the external auditors; and
  - (iii) other material written communications between the external auditors and management.

### **Article 5 – Legal Compliance**

On at least an annual basis, the Audit Committee will review with the Company's legal counsel any legal matters that could have a significant impact on the organization's financial statements, the Company's compliance with applicable laws and regulations and inquiries received from regulators or governmental agencies.

## **Article 6 - Complaints**

Individuals are strongly encouraged to approach a member of the Audit Committee with any complaints or concerns regarding accounting, internal accounting controls or auditing matters. The Audit Committee will from time to time establish procedures for the submission, receipt and treatment of such complaints and concerns. In all cases the Audit Committee will conduct a prompt, thorough and fair examination, document the situation and, if appropriate, recommend to the Board appropriate corrective action.

To the extent practicable, all complaints will be kept confidential. The Company will not condone any retaliation for a complaint made in good faith.