

# PAN GLOBAL



## RESOURCES INC

**CONSOLIDATED FINANCIAL STATEMENTS**  
(Expressed in Canadian dollars)

**For the years ended January 31, 2026 and 2025**

To the Shareholders of Pan Global Resources Inc.:

### Opinion

We have audited the consolidated financial statements of Pan Global Resources Inc. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at January 31, 2026 and January 31, 2025, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at January 31, 2026 and January 31, 2025, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS<sup>®</sup> Accounting Standards as issued by the International Accounting Standards Board.

### Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the consolidated financial statements, which indicates that the Company has incurred losses from inception and does not currently have the financial resources to sustain its operations and exploration programs. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

### Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Kate Duholke.

Vancouver, British Columbia

May 26, 2026

*MNP LLP*

Chartered Professional Accountants

**PAN GLOBAL RESOURCES INC.**  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS AT JANUARY 31, 2026 AND 2025  
(Expressed in thousands of Canadian dollars unless otherwise noted)

	January 31, 2026	January 31, 2025
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents (Note 4)	\$ 6,454	\$ 5,839
Receivables	255	196
Prepaid expenses	164	184
<b>Total current assets</b>	<b>6,873</b>	<b>6,219</b>
<b>Non-current assets</b>		
Exploration and evaluation assets (Note 5)	2,694	2,694
Reclamation deposits (Note 6)	223	175
<b>Total non-current assets</b>	<b>2,917</b>	<b>2,869</b>
<b>TOTAL ASSETS</b>	<b>\$ 9,790</b>	<b>\$ 9,088</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (Note 7 & 9)	\$ 598	\$ 284
<b>Total liabilities</b>	<b>598</b>	<b>284</b>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (Note 8)	67,540	59,136
Reserves (Note 8)	9,920	9,566
Accumulated deficit	(68,268)	(59,898)
<b>Total shareholders' equity</b>	<b>9,192</b>	<b>8,804</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$ 9,790</b>	<b>\$ 9,088</b>

Nature of operations (Note 1)  
Going concern (Note 2)  
Subsequent events (Note 13)

These consolidated financial statements were authorized for issuance by the Board of Directors on May 26, 2026.

Approved on behalf of the Board of Directors

          "Robert Parsons"           Director                                "Patrick Evans"           Director

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

**PAN GLOBAL RESOURCES INC.**

## CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

FOR THE YEARS ENDED JANUARY 31, 2026 AND 2025

(Expressed in thousands of Canadian dollars unless otherwise noted, except share and per share amounts)

	Year ended January 31,	
	2026	2025
<b>Exploration expenditures</b> (Note 5 & 9)	\$ 5,699	\$ 3,859
<b>General and administrative expenses</b>		
Accounting, tax, and audit	90	100
Consulting fees	274	48
Directors' fees (Note 9)	143	142
Investor relations	723	519
Legal fees (Note 9)	111	69
Management fees (Note 9)	464	412
Office and rent	201	152
Regulatory and transfer agent	137	96
Share-based compensation (Note 8 & 9)	454	563
Travel and related	198	161
<b>Total general and administrative expenses</b>	2,795	2,262
<b>Loss from operations</b>	<b>(8,494)</b>	<b>(6,121)</b>
Interest income	60	85
Foreign exchange and other income	64	30
<b>TOTAL COMPREHENSIVE LOSS</b>	<b>\$ (8,370)</b>	<b>\$ (6,006)</b>
<b>Loss per common share – basic and diluted</b>	<b>\$ (0.03)</b>	<b>\$ (0.02)</b>
Weighted average number of common shares – basic and diluted	309,546,858	257,040,321

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

**PAN GLOBAL RESOURCES INC.**  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JANUARY 31, 2026 AND 2025  
(Expressed in thousands of Canadian dollars unless otherwise noted)

	Year ended January 31,	
	2026	2025
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss for the year	\$ (8,370)	\$ (6,006)
Items not affecting cash and cash equivalents:		
Share-based compensation (Note 8)	454	563
Interest income	(60)	(85)
Unrealized foreign exchange effect	(13)	(6)
Changes in non-cash working capital items:		
Receivables	(89)	89
Prepaid expenses	20	(101)
Accounts payable and accrued liabilities	315	(245)
<b>Net cash used in operating activities</b>	<b>(7,743)</b>	<b>(5,791)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest earned	90	69
Reclamation deposits (Note 6)	(36)	(52)
<b>Net cash provided by investing activities</b>	<b>54</b>	<b>17</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares (Note 8)	8,385	7,250
Share issue costs (Note 8)	(96)	(372)
Exercise of stock options (Note 8)	15	-
<b>Net cash provided by financing activities</b>	<b>8,304</b>	<b>6,878</b>
<b>Change during the year</b>	<b>615</b>	<b>1,104</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>5,839</b>	<b>4,735</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 6,454</b>	<b>\$ 5,839</b>

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

**PAN GLOBAL RESOURCES INC.**

## CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEARS ENDED JANUARY 31, 2026 AND 2025

(Expressed in thousands of Canadian dollars unless otherwise noted, except share and per share amounts)

	Number of common shares	Share capital	Reserves	Accumulated deficit	Total
<b>Balance, January 31, 2024</b>	<b>242,744,500</b>	<b>\$ 52,251</b>	<b>\$ 9,010</b>	<b>\$ (53,892)</b>	<b>\$ 7,369</b>
Private placement (Note 8)	60,419,328	6,948	302	-	7,250
Share issue costs (Note 8)	-	(372)	-	-	(372)
Vesting of RSUs (Note 8)	825,000	309	(309)	-	-
Share-based compensation	-	-	563	-	563
Comprehensive loss for the year	-	-	-	(6,006)	(6,006)
<b>Balance, January 31, 2025</b>	<b>303,988,828</b>	<b>59,136</b>	<b>9,566</b>	<b>(59,898)</b>	<b>8,804</b>
Private placements (Note 8)	52,404,750	8,385	-	-	8,385
Share issue costs (Note 8)	-	(96)	-	-	(96)
Exercise of stock options (Note 8)	150,000	27	(12)	-	15
Vesting of RSUs (Note 8)	508,333	88	(88)	-	-
Share-based compensation	-	-	454	-	454
Comprehensive loss for the year	-	-	-	(8,370)	(8,370)
<b>Balance, January 31, 2026</b>	<b>357,051,911</b>	<b>\$ 67,540</b>	<b>\$ 9,920</b>	<b>\$ (68,268)</b>	<b>\$ 9,192</b>

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

**PAN GLOBAL RESOURCES INC.**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian dollars unless otherwise noted, tabular amounts are expressed in thousands of Canadian dollars, except share and per share amounts)

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**1. NATURE OF OPERATIONS**

Pan Global Resources Inc. (hereafter referred to as “Pan Global” or the “Company”) was incorporated under the Business Corporations Act of British Columbia and on February 1, 2006.

The Company, through its subsidiary entities, is a resource-based company that holds interest in mineral exploration assets in Spain with a focus on copper and gold. Pan Global is actively targeting copper-rich mineral deposits, given copper’s compelling supply-demand fundamentals and outlook for strong long-term prices as a critical metal for global electrification and energy transition. The Company’s flagship Escacena Project is located in the Iberian Pyrite Belt in southern Spain and the Cármenes Project is located on the Rio Narcea Gold Belt in northern Spain. While the Cármenes Project was acquired for its known past-producing copper-cobalt-nickel deposits, previously unknown high-grade gold mineralization has recently been discovered.

The Company’s common shares are listed on the TSX Venture Exchange (“TSX-V”) under the trading symbol “PGZ”, on the OTCQB under the symbol “PGZFF” and on the Frankfurt stock exchange under the symbol “2EU”. The Company’s principal office is located at Suite 318-1199 West Pender Street, Vancouver, British Columbia, V6E 2R1.

**2. BASIS OF PRESENTATION AND GOING CONCERN**

These consolidated financial statements of the Company, including comparatives, have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (“IASB”) and Interpretations (collectively “IFRS”) on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for the next twelve months. The Company has incurred losses from inception and does not currently have the financial resources to sustain its operations and exploration programs. These factors may cast significant doubt upon the Company’s ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. Realization values may be substantially different from carrying values as shown and these consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities, and these adjustments may be material, should the Company be unable to continue as a going concern.

The consolidated financial statements are presented in Canadian dollars, which is also the Company’s and its subsidiaries’ functional currency, except where otherwise indicated. The consolidated financial statements of the Company for the year ended January 31, 2026, were approved, and authorized for issue by the Board of Directors on May 20, 2026.

**Basis of Consolidation**

For the current financial year beginning on February 1, 2025, and the prior financial year, these consolidated financial statements include the accounts of the Company, and its principal operating subsidiaries are its 100%-owned Minera Sabina S.L.U. (“MSSL”) and Minera Aguila S.L.U (“MASL”) in Spain.

**3. MATERIAL ACCOUNTING POLICIES**

**Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held with banks, and guaranteed investment certificates (“GIC”) which are either cashable or with original maturities of three months or less.

**Exploration and Evaluation Assets**

Acquisition costs for mineral properties, net of recoveries, are capitalized on a property-by-property basis. Acquisition costs include cash consideration and the value of common shares, based on recent issue prices, issued for mineral properties

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

(Expressed in Canadian dollars unless otherwise noted, tabular amounts are expressed in thousands of Canadian dollars, except share and per share amounts)

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pursuant to the terms of the agreement. Exploration expenditures, net of recoveries, are charged to operations as incurred. Exploration and evaluation (“E&E”) costs include costs to establish an initial mineral resource and determine whether inferred mineral resources can be upgraded to measured and indicated mineral resources and whether measured and indicated mineral resources can be converted to proven and probable reserves.

Exploration and evaluation costs consist of:

- gathering exploration data through topographical and geological studies;
- exploratory drilling, trenching and sampling;
- determining the volume and grade of the resource;
- test work on geology, metallurgy, mining, geotechnical and environmental; and
- conducting and refining engineering, marketing and financial studies.

After a property is determined by management to be technically feasible and commercially viable, exploration and development expenditures on the property will be capitalized. When there is little prospect of further work on a property being carried out by the Company or its partners, when a property is abandoned, or when the capitalized costs are no longer considered recoverable, the related property costs are written down to management’s estimate of their net recoverable amount. The costs related to a property from which there is production, together with the costs of production equipment, will be depleted and amortized using the unit of production method.

A mineral property acquired under an option agreement where payments are made at the sole discretion of the Company, is capitalized at the time of payment. Option payments received are treated as a reduction of the carrying value of the related acquisition cost for the mineral property until the payments are in excess of acquisition costs, at which time they are then credited to profit or loss. Option payments are at the discretion of the optionee and, accordingly, are accounted for when receipt is reasonably assured.

**Impairment**

A long-lived asset is tested for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of a long-lived asset, or a cash-generating unit, exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of long-lived assets at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. Estimates of future cash flows used to test recoverability of a long-lived asset include only the future cash flows that are directly associated with, and that are expected to arise as a direct result of, its use and eventual disposition. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. An impairment loss with respect to goodwill is never reversed.

**Decommissioning and Restoration Provision**

Restoration, rehabilitation and environmental obligations are recognized for the expected obligations related to the retirement of long-lived tangible assets that arise from the acquisition, construction, development or normal operation of such assets. A restoration, rehabilitation or environmental obligation is recognized in the period in which it is incurred and when a reasonable estimate of the fair value of the liability can be made with a corresponding cost recognized by increasing the carrying amount of the related long-lived asset. The restoration, rehabilitation or environmental cost is subsequently allocated in a rational and systematic method over the underlying asset’s useful life. The initial fair value of the liability is accreted, by charges to operations, to its estimated future value. For the years presented, the Company has no known restoration, rehabilitation or environmental obligations.

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

(Expressed in Canadian dollars unless otherwise noted, tabular amounts are expressed in thousands of Canadian dollars, except share and per share amounts)

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**Share Capital and Reserves**

Common shares issued for non-monetary consideration are recorded at their fair value on the measurement date and classified as equity. The measurement date is defined as the earliest of the date at which the commitment for performance by the counterparty to earn the common shares is reached or the date at which the counterparty's performance is complete. Transaction costs directly attributable to the issue of common shares and share purchase options are recognized as a deduction from equity, net of any tax effects.

Warrants with the right to acquire common shares in the Company are typically issued through the Company's equity financing activities. Where warrants are issued on a stand-alone basis, their fair values are measured on their issuance date using the Black-Scholes option pricing model and are recorded as both an increase to equity reserves and as a share issue cost. When warrants are attached to common shares issued by the Company as part of a share unit, the proceeds from the unit sale are bifurcated first to the common shares at their fair market value on the date of issuance. Any excess in the purchase price of the unit as a whole and the fair market value of the common shares issued on the date of issuance is attributed to the value of warrants. This residual value is recorded as an increase to equity reserves. When warrants are exercised, the cash proceeds along with the amount previously recorded in equity reserves are recorded as share capital.

**Share-based Compensation**

The Company grants stock options to directors, officers, employees, and consultants to acquire common shares of the Company. An individual is classified as an employee when the individual is an employee for legal or tax purposes or provides services similar to those performed by an employee. The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period using the graded vesting method. Consideration paid for the shares on the exercise of stock options is credited to share capital. Options granted to non-employees are measured at the fair value of the goods or services received, unless that fair value cannot be estimated reliably, in which case the fair value of the equity instruments issued is used. The value of the goods or services is recorded at the earlier of the vesting date, or the date the goods or services are received.

**Income Taxes**

Income tax expense consists of current and deferred tax expense. Income tax expense is recognized in profit or loss. Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in profit or loss in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

**Foreign Currency**

These consolidated financial statements are presented in Canadian dollars, which is also the functional currency of each of the entities in the group. The functional currency was determined based on an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates. Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the reporting date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are

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

(Expressed in Canadian dollars unless otherwise noted, tabular amounts are expressed in thousands of Canadian dollars, except share and per share amounts)

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translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in profit or loss.

**Loss per Share**

The Company presents basic earnings (loss) per share data for its common shares, calculated by dividing the income (loss) attributable to equity holders of the Company by the weighted average number of common shares issued and outstanding during the period. Diluted earnings per share is calculated by adjusting the earnings attributable to equity holders and the weighted average number of common shares outstanding for the effects of all potentially dilutive common shares. The calculation of diluted earnings per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period. In periods where a loss is reported, diluted loss per share is the same as basic loss per share as the effects of potentially dilutive common shares would be anti-dilutive.

**New and Amended Accounting Policies**

The International Accounting Standards Board has issued classification and measurement and disclosure amendments to IFRS 9 and IFRS 7 with an effective date for years beginning on or after January 1, 2026 with earlier application permitted. The amendments clarify the date of recognition and derecognition of some financial assets and liabilities and introduce a new exception for some financial liabilities settled through an electronic payment system. Other changes include clarification of requirements when assessing whether a financial asset meets the solely payments of principal and interest criteria and new disclosures for certain instruments with contractual terms that can change cash flows (including instruments where cash flows changes are linked to environment, social or governance (ESG) targets).

IFRS 18, Presentation and Disclosure in Financial Statements (IFRS 18) is a new standard that will provide new presentation and disclosure requirements and replace International Accounting Standard 1, Presentation of Financial Statements (IAS 1). IFRS 18 introduces changes to the structure of the income statement; provides required disclosures in financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements; and provides enhanced principles on aggregation and disaggregation in financial statements. Many other existing principles in IAS 1 have been maintained. IFRS 18 is effective for years beginning on or after January 1, 2027, with earlier application permitted.

The Company has not yet commenced the evaluation of the impact of these new standards/amendments.

**Critical Accounting Estimates and Judgments**

The preparation of these consolidated financial statements in conformance with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and include, but are not limited to, the following:

*Going Concern*

In preparation of these consolidated financial statements on a going concern basis, as disclosed in Note 2, management's critical judgement is that the Company will be able to meet its obligations and continue its operations for the next twelve months. Actual amounts could differ from these estimates.

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

(Expressed in Canadian dollars unless otherwise noted, tabular amounts are expressed in thousands of Canadian dollars, except share and per share amounts)

*Recoverability of Exploration and Evaluation Assets*

The Company undertakes a review of the carrying values of its exploration and evaluation assets whenever events or changes in circumstances indicate that their carrying values may exceed their estimated net recoverable amounts determined by reference to estimated future operating results and discounted net cash flows. In undertaking this review, management of the Company is required to make significant estimates of, amongst other things, commodity prices, foreign exchange rates, future operating and capital costs. An impairment loss is recognized when the carrying value of those assets is not recoverable.

*Valuation of Share-based Compensation*

Share-based compensation is determined using the Black-Scholes option pricing model based on the estimated fair values of all share-based awards at the date of grant and is expensed to profit or loss and comprehensive loss over each award's vesting period. The Black-Scholes option pricing model utilizes subjective assumptions such as expected price volatility and expected life of the option. Changes in these input assumptions can significantly affect the fair value estimate.

*Functional currency*

The functional currency of each of the Company's subsidiaries is the currency of the primary economic environment in which the entity operates. Determination of the functional currency may involve certain judgments to determine the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.

**4. CASH AND CASH EQUIVALENTS**

	January 31, 2026	January 31, 2025
Cash	\$ 6,154	\$ 1,310
Cash equivalents	300	4,529
	<b>\$ 6,454</b>	<b>\$ 5,839</b>

**5. EXPLORATION AND EVALUATION ASSETS****Exploration and Evaluation Assets**

	January 31, 2026	January 31, 2025
Escacena Project, Spain	\$ 795	\$ 795
Águilas Project, Spain	1,465	1,465
Cármenes Project, Spain	434	434
	<b>\$ 2,694</b>	<b>\$ 2,694</b>

*Escacena Project, Spain*

In December 2018, EVALAM 2003 S.L. ("EVALAM") was granted the Escacena Investigation Permit located in the Iberian Pyrite Belt in southern Spain, which was the subject of an agreement between EVALAM and the Company, which had an option to acquire 100% of the Escacena Investigation Permit for the following consideration: (a) \$350,000 in cash (paid) and (b) \$1,000,000 in exploration work commitments over a three-year period (spent). The Company exercised its option to acquire the permit in October 2020. EVALAM retains 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 has a lifetime cap of \$5,000,000.

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

(Expressed in Canadian dollars unless otherwise noted, tabular amounts are expressed in thousands of Canadian dollars, except share and per share amounts)

*Cármenes Project, Spain*

During the year ended January 31, 2023, the Company completed the acquisition of the three Investigation Permits from the Spanish state-owned entity SIEMCALSA, together with all associated exploration data for aggregate cash payments totaling €300,000 (or approximately \$434,000). Two additional granted Investigation Permits were obtained as a result of mineral rights applications by the Company's wholly owned subsidiary, Minera Águila Sociedad Limitada (MASL).

*Águilas Project, Spain*

In August 2020, the Company completed the acquisition of MASL, a Spanish exploration company, from a related party, which had been granted mineral exploration licenses, and applied for the issuance of additional mineral exploration licenses in the Provinces of Cordoba and Ciudad Real, Spain, collectively referred to as the "Águilas Project." In January 2022, the Company made an advance payment of €363,000 (or \$516,469) for the acquisition of additional permits.

**Exploration Expenditures (included in the consolidated statements of loss and comprehensive loss)**

<b>Year ended January 31, 2026</b>	<b>Escacena</b>	<b>Águilas</b>	<b>Cármenes</b>	<b>Total</b>
Drilling	\$ 2,234	\$ -	\$ 319	\$ 2,553
License fees	135	-	107	242
Professional fees and field office	484	-	61	545
Technical consulting	94	-	94	188
Technical services	1,698	-	290	1,988
Travel and other	133	-	50	183
	<b>\$ 4,778</b>	<b>\$ -</b>	<b>\$ 921</b>	<b>\$ 5,699</b>

<b>Year ended January 31, 2025</b>	<b>Escacena</b>	<b>Águilas</b>	<b>Cármenes</b>	<b>Total</b>
Drilling	\$ 959	\$ 27	\$ -	\$ 986
License fees	134	-	74	208
Professional fees and field office	534	54	21	609
Technical consulting	78	39	39	156
Technical services	1,610	3	156	1,769
Travel and other	99	12	20	131
	<b>\$ 3,414</b>	<b>\$ 135</b>	<b>\$ 310</b>	<b>\$ 3,859</b>

**6. RECLAMATION DEPOSITS**

As at January 31, 2026, the Company held reclamation deposits totaling \$223,327 or €138,530 (2025 - \$174,512 or €116,016) in connection to the exploration and investigation permits in Spain.

**7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

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

	<b>January 31, 2026</b>	<b>January 31, 2025</b>
Accounts payable	\$ 470	\$ 223
Accrued liabilities	128	61
	<b>\$ 598</b>	<b>\$ 284</b>

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

(Expressed in Canadian dollars unless otherwise noted, tabular amounts are expressed in thousands of Canadian dollars, except share and per share amounts)

**8. SHARE CAPITAL****Authorized Share Capital**

Authorized share capital consists of:

- unlimited number of common shares without par value, with 357,051,911 common shares issued and outstanding as at January 31, 2026 (303,988,828 – 2025)
- unlimited class “A” common shares with a par value of \$1 per share, with Nil common shares issued and outstanding as at January 31, 2026 (Nil – 2025)
- unlimited class “B” common shares with a par value of \$5 per share, with Nil common shares issued and outstanding as at January 31, 2026 (Nil – 2025)

**Share Issuance**

In the year ended January 31, 2026, the Company completed the following private placements.

- In October 2025, the Company completed the first tranche of a non-brokered private placement issuing 14,517,500 common shares at a price of \$0.16 per share for aggregate gross proceeds of \$2,322,800. The Company paid finders’ fees of \$46,368 in connection with this first tranche.
- In December 2025, the Company completed the second tranche of a non-brokered private placement issuing 2,887,250 common shares at a price of \$0.16 per share for aggregate gross proceeds of \$461,960. The Company paid finders’ fees of \$13,200 in connection with this second tranche.
- In January 2026, the Company completed a non-brokered private placement issuing 35,000,000 common shares at a price of \$0.16 per share for aggregate gross proceeds of \$5,600,000. The Company paid finders’ fees of \$Nil in connection with this private placement.

In October 2024, the Company completed a non-brokered private placement issuing 60,419,328 units at a price of \$0.12 per unit for aggregate gross proceeds of \$7,250,319, where each unit is comprised of one common share and one-half share purchase warrant, where each full warrant is exercisable at \$0.16 per share for eighteen months. The Company incurred share issue costs of \$371,691. In accordance with the Company’s accounting policy in relation to the warrants, \$302,097 of the gross proceeds were allocated to its reserves.

During the year ended January 31, 2026, the Company issued 508,333 common shares for vested RSUs (2025 - 825,000) and reallocated \$88,500 from reserves for these shares issued (2025 - \$308,667). The Company issued 150,000 (2025 - Nil) common shares on the exercise of stock options for proceeds of \$15,000 (2025 - \$Nil) and reallocated \$11,755 from reserves for exercise of stock options (2025 - \$Nil).

**Stock Options**

The movements in stock options for the years ended January 31, 2026 and 2025 are summarized as follows:

	Number	Weighted average exercise price
<b>Balance, January 31, 2024</b>	<b>18,757,500</b>	<b>\$ 0.34</b>
Granted	3,450,000	0.11
Forfeited	(920,000)	0.37
<b>Balance, January 31, 2025</b>	<b>21,317,500</b>	<b>0.29</b>
Granted	1,000,000	0.14
Exercised	(150,000)	0.10
Forfeited	(1,295,000)	0.38
<b>Balance, January 31, 2026</b>	<b>20,872,500</b>	<b>\$ 0.28</b>

**PAN GLOBAL RESOURCES INC.**

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian dollars unless otherwise noted, tabular amounts are expressed in thousands of Canadian dollars, except share and per share amounts)

As at January 31, 2026, the weighted average remaining life of the stock options outstanding was 3.43 years (2025 - 4.30 years) and the Company's outstanding stock options are as follows:

Expiry date	Exercise price	Outstanding	Exercisable
April 18, 2027	\$ 0.10	1,850,000	1,850,000
June 26, 2027	\$ 0.20	300,000	300,000
July 5, 2027	\$ 0.40	250,000	250,000
November 7, 2027	\$ 0.405	350,000	350,000
December 1, 2027	\$ 0.20	1,900,000	1,900,000
January 30, 2028	\$ 0.44	1,860,000	1,860,000
May 25, 2028	\$ 0.35	500,000	500,000
June 20, 2028	\$ 0.215	125,000	125,000
December 22, 2028	\$ 0.20	1,737,500	1,737,500
April 16, 2029	\$ 0.10	1,315,000	1,315,000
December 19, 2029	\$ 0.10	2,850,000	2,137,500
June 16, 2030	\$ 0.145	500,000	-
July 31, 2030	\$ 0.31	3,400,000	3,400,000
September 16, 2030	\$ 0.13	500,000	-
August 18, 2031	\$ 0.60	3,435,000	3,435,000
		<b>20,872,500</b>	<b>19,160,000</b>

Using the fair value method for share-based payments, the Company determined the weighted average fair value of the options granted in the year ended January 31, 2026 to be \$96,242 or \$0.10 per option (2025 - \$277,001 or \$0.08) using the Black-Scholes option pricing model with weighted average assumptions as follows:

For the year ended	January 31, 2026	January 31, 2025
Risk-free interest rate	2.85%	3.04%
Expected dividend yield	0%	0%
Expected stock price volatility	77%	90%
Expected life in years	5	5
Forfeiture rate	0%	0%

**Warrants**

The movements in warrants for the years ended January 31, 2026 and 2025 are summarized as follows:

	Number	Weighted average exercise price
<b>Balance, January 31, 2024</b>	<b>30,350,000</b>	<b>\$ 0.30</b>
Issued	30,209,664	0.16
<b>Balance, January 31, 2025</b>	<b>60,559,664</b>	<b>\$ 0.23</b>
Forfeited	(2,000,000)	0.30
<b>Balance, January 31, 2026</b>	<b>58,559,664</b>	<b>\$ 0.23</b>

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

(Expressed in Canadian dollars unless otherwise noted, tabular amounts are expressed in thousands of Canadian dollars, except share and per share amounts)

As at January 31, 2026, the weighted average remaining life of the warrants outstanding was 0.50 years (2025 - 1.50 years) and the Company's outstanding warrants are as follows:

Expiry date	Exercise price	Outstanding
May 6, 2026	\$ 0.16	30,209,664
October 31, 2026	\$ 0.30	28,350,000
		<b>58,559,664</b>

**Restricted Share Units**

The movements in restricted share units ("RSUs") for the years ended January 31, 2026 and 2025 are summarized as follows:

	Number
<b>Balance, January 31, 2024</b>	<b>1,650,000</b>
Granted	1,400,000
Vested	(825,000)
Forfeited	(141,667)
<b>Balance, January 31, 2025</b>	<b>2,083,333</b>
Granted	1,015,150
Vested	(508,333)
Forfeited	(250,000)
<b>Balance, January 31, 2026</b>	<b>2,340,150</b>

**Deferred Share Units**

The movements in deferred share units ("DSUs") for the years ended January 31, 2026 and 2025 are summarized as follows:

	Number
<b>Balance, January 31, 2024, 2025 and 2026</b>	<b>650,000</b>

**Share-based Compensation**

In January 2026, as short-term incentive compensation, the Company granted 1,015,150 RSUs to officers of the Company with an expiry date of January 23, 2031.

In September 2025, the Company granted 500,000 stock options to a director of the Company with an exercise price of \$0.13 per option with an expiry date of September 16, 2030.

In June 2025, the Company granted 500,000 stock options to an officer of the Company with an exercise price of \$0.145 per option with an expiry date of June 16, 2030.

In December 2024, the Company granted 3,150,000 stock options to directors, officers, and consultants of the Company with an exercise price of \$0.10 per option with an expiry date of December 31, 2029.

In December 2024, the Company granted 1,400,000 RSUs to officers and consultants of the Company with an expiry date of December 19, 2029.

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

(Expressed in Canadian dollars unless otherwise noted, tabular amounts are expressed in thousands of Canadian dollars, except share and per share amounts)

In June 2024, the Company granted 300,000 stock options to a consultant of the Company with an exercise price of \$0.20 per option with an expiry date of June 26, 2027.

During the year ended January 31, 2026, and in accordance with the vesting terms of stock options, RSUs, and DSUs granted, the Company recorded share-based compensation of \$319,913, \$134,358, and \$Nil (2025 - \$311,957, \$172,944, and \$78,543), respectively, with offsetting credits to reserves.

**9. RELATED PARTY TRANSACTIONS**

Related parties are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, either directly or indirectly. Related parties of the Company include the members of the Board, key management personnel, including the Company's President & Chief Executive Officer, Chief Financial Officer and Corporate Secretary, and former Corporate Secretary (legal counsel to the Company), and any companies controlled by these individuals.

For the year ended January 31, 2026 and 2025, transactions with these with related parties were as follows:

<b>For the year ended</b>	<b>January 31, 2026</b>	<b>January 31, 2025</b>
Directors' fees	\$ 143	\$ 142
Management fees	465	412
Legal fees	-	69
Regulatory and transfer agent	-	13
Share issuance costs	28	27
Exploration & evaluation expenditures	187	156
Share-based compensation	201	335
	<b>\$ 1,024</b>	<b>\$ 1,154</b>

As at January 31, 2026, the Company owed \$13,390 to related parties (2025 - \$Nil), which has been recorded in accounts payable and accrued liabilities.

**10. SEGMENTED INFORMATION**

The Company operates in a single reportable operating segment, being the exploration and evaluation of mineral properties. Geographic information about the Company's non-current assets, as at January 31, 2026 is as follows: Spain - \$2,916,501 (2025 - \$2,868,687); Canada - \$Nil (2025 - \$Nil).

**11. FINANCIAL INSTRUMENTS**

The Company classified its financial instruments as follows:

	<b>January 31, 2026</b>	<b>January 31, 2025</b>
<b>Financial assets - amortized costs:</b>		
Cash and cash equivalents	\$ 6,454	\$ 5,839
Receivables	46	38
Reclamation deposits	223	175
<b>Financial liabilities - amortized costs:</b>		
Accounts payable and accrued liabilities	\$ (598)	\$ (284)

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

(Expressed in Canadian dollars unless otherwise noted, tabular amounts are expressed in thousands of Canadian dollars, except share and per share amounts)

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**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 cash equivalents, interest receivable, reclamation deposits, 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 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 year ended January 31, 2026. 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. The Company is not subject to any externally imposed capital restrictions.

**Credit Risk**

Credit risk arises from cash and deposits with banks, as well as credit exposure on outstanding receivables and committed transactions. The Company's cash deposits are primarily held with a Canadian chartered bank. The Company's receivables exposure 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's interest-bearing assets do not have significant interest rates, the Company's income and operating cash flows are not significantly affected by changes in market interest rates.

**Currency Risk**

The Company has identified its functional currency as the Canadian dollar. Certain of the Company's exploration expenditures have been incurred 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.

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

(Expressed in Canadian dollars unless otherwise noted, tabular amounts are expressed in thousands of Canadian dollars, except share and per share amounts)

**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. The Company's significant undiscounted commitments as at January 31, 2026 are as follows:

	<b>Less than 1 year</b>	<b>Total</b>
Accounts payable and accrued liabilities	\$ 598	\$ 598

**12. INCOME TAXES**

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

<b>For the year ended</b>	<b>January 31, 2026</b>	<b>January 31, 2025</b>
Loss for the year	\$ (8,370)	\$ (6,006)
Expected income tax recovery	(2,260)	(1,622)
Change in statutory, foreign tax, foreign exchange rates and other	(455)	34
Permanent difference	73	131
Share issue cost	(26)	-
Change in tax estimates	(190)	-
Change in unrecognized deductible temporary differences	2,858	1,457
Total income tax expense (recovery)	\$ -	\$ -

The significant components of the Company's deferred tax assets that have not been included on the consolidated statement of financial position are as follows:

	<b>January 31, 2026</b>	<b>January 31, 2025</b>
<b>Deferred tax assets</b>		
Exploration and evaluation assets	\$ 8,854	\$ 7,092
Share issue costs	121	231
Allowable capital losses	71	71
Non-capital losses available	5,477	4,466
	14,774	11,860
Unrecognized deferred tax assets	(14,774)	(11,860)
<b>Deferred tax assets</b>	\$ -	\$ -

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

**PAN GLOBAL RESOURCES INC.**

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian dollars unless otherwise noted, tabular amounts are expressed in thousands of Canadian dollars, except share and per share amounts)

	January 31, 2026	Expiry date range	January 31, 2025	Expiry date range
<b>Temporary differences</b>				
Exploration and evaluation assets	\$ 35,393	No expiry date	\$ 25,410	No expiry date
Share issue costs	448	2047 to 2050	855	2046 to 2049
Allowable capital losses	263	No expiry date	263	No expiry date
Non-capital losses available - Canada	16,256	2030 to 2046	13,628	2030 to 2045
Non-capital losses available - Spain	\$ 4,358	No expiry date	\$ 6,070	No expiry date

Tax attributes are subject to review, and potential adjustment, by tax authorities.

**13. SUBSEQUENT EVENTS**

Subsequent to year end, the Company granted 5,425,000 stock options to directors, officers, employees, and consultants of the Company with an exercise price of \$0.14 per option with an expiry date of April 1, 2031.

On April 23, 2026, the Company announced a private placement financing with Alpayana, a strategic investor, on the issuance of 45,000,000 common shares at a price of \$0.16 per common share for gross proceeds of \$7,200,000. Upon completion of the private placement, Alpayana will hold approximately 19.9% of the Company's outstanding common shares.

On April 30, 2026, the Company issued 605,000 common shares on the exercise of share purchase warrants at a price of \$0.16 per common share, for gross proceeds of \$96,800. On May 6, 2026, the Company issued 6,600,495 common shares on the exercise of share purchase warrants at a price of \$0.16 per common share, for gross proceeds of \$1,056,079. A balance of 23,004,169 warrants expired on May 6, 2026.