

**October 4th, 2017**

**Shares Issued and Outstanding: 79,355,387**

**TSXV: PGZ**

**UPDATE ON EXPLORATION IN THE AGUILAS PROJECT, SPAIN**

VANCOUVER, BRITISH COLUMBIA – (October 4, 2017) – **Pan Global Resources Inc.** ("Pan Global" or the "Company") (TSX Venture Exchange: PGZ) herein provides a progress update on the Aguilas Copper Project in Spain.

**Highlights:**

- Assay results received for approximately 520 soil samples and 25 rock samples
- A 2.7 km x 300 m Cu-in-soil anomaly is evident over a northern section of the Torrubia structure. This includes pronounced soil Cu anomalies at Cerro Torrubia and Torrechuela. Rock samples from the same areas include several samples with >1% Cu.
- The Cerro Torrubia target area includes a 700 x 300 m anomaly with values up to 0.198% Cu and a 300 x 80 m anomaly to the south with up to 0.69% Cu.
- The Torrechuela target includes a strong copper anomaly over a 1200 x 140 m area with values up to 0.44% Cu.
- The soil results also indicate a potential parallel copper structure approximately 100 m East of Cerro Torrubia.
- Assays for 19 rock samples from mine dumps along a 6km section of the Zumajo lead-silver Trend – average >8.8% Pb, 1.49% Cu, 2.62% Zn and 61.5 ppm Ag and best values >20% Pb (above upper detection limit), 20.7% Zn, 12.75% Cu and 235ppm Ag.
- A review of the Zumajo Trend indicates no significant exploration since a government study in the mid-1960's for Pb-Ag and no indication of previous Zn or Cu exploration and/or production. The only drilling was on a 600m section of the structure with several holes confirming Pb and some Cu mineralisation up to several metres thick (open at depth).
- The project area is being expanded following the recent results with new mineral rights applications adding approximately 2290 hectares (20% increase).

**Background**

The company manages the Aguilas Project through its agreement to acquire 100% interest in Spanish company, Minera Aguila SLU and the Las Aguilas I, II and III mineral rights, together referred to as the "Aguilas Project". The mineral rights cover approximately 11,302.5 hectares within the Pedroches Batholith, in southern Spain (Figure 1). The Company also has a Letter of Intent, providing exclusive rights to acquire the Escacena mineral rights in the Iberian Pyrite Belt, in southern Spain.

Results reported earlier in the year on the Aguilas Project included 106 rock grab samples of float and outcrop mainly from the Torrubia copper trend and a separate

structure at Los Lazos. Approximately 60 samples returned >0.1% copper and 27 samples reported values ranging from 1% to 28% copper along with up to 33% iron, 1.7g/t gold, 17.5g/t silver and 0.13% cobalt. Copper is evident over a combined strike-length of more than 3km on the Torrubia Copper Trend associated with ancient mine workings, multi-stage hydrothermal quartz - hematite  $\pm$  carbonate breccia and “red rock” alteration typical of hematite-dominant iron oxide copper gold (IOCG) style ore deposits.

Pan Global is pleased to provide an update on exploration in the Aguilas Project, including results for the first phase of soil sampling on the Torrubia Copper Trend and new rock sample results mostly from mine dumps along a 6 km section of the Zumajo lead-silver trend. The project area has also been expanded.

### **Soil sample results – Torrubia Trend**

Results were received for the first ~520 soil samples collected over a combined 3.4 km of strike on the Torrubia copper trend. Samples were collected every 20 m along lines spaced 100m, 200m and 400m apart.

The results highlight a large Cu-in-soil anomaly ( $\pm$  elevated Fe, Co, Ag, Au) over approximately 2.7 km of strike by 300 m width with values from >50 ppm (more than 2 x background) up to 0.67% Cu [Figure 2]. Rock samples from the same area include numerous samples with >1% Cu. Strong Cu-in-soil anomalies are clearly defined within this corridor at Cerro Torrubia and Torrechuela.

- The Cerro Torrubia target includes a 700 x 300 m soil Cu anomaly with up to 0.198% Cu and a 300 x 140 m soil Cu anomaly to the south with values up to 0.69% Cu. The two anomalies are partially separated by thin alluvial cover sediments. Previously reported rock grab samples in the same area included several samples with >1% Cu and up to 3.72% Cu, 1.8g/t Ag, 422ppm Co, 0.34g/t Au.
- The Torrichuela target includes a 1200 x 140 m soil Cu anomaly with values up to 0.44% Cu (in-fill sampling in progress). Previously reported rock samples in the same area also include several samples with >1% Cu and up to 8.43% Cu, 15.2g/t Ag, 1.5g/t Au, 0.12% Co plus a boulder of semi-massive sulphide with 28% Cu and 17.5g/t Ag.
- The results also show a 300m x 80 m copper-in-soil anomaly to the east of Cerro Torrubia indicating a parallel copper structure.

The soil sampling program is being extended following the recent results.

### **Rock sample results - Zumajo Pb-Ag Trend**

Reconnaissance exploration commenced along the Zumajo Trend with 19 rock samples collected from mine dumps along a 6km section of the structure from Mina San Juan to Mina San Cayetano [Figure 3]. Assay results for the dump samples collected to-date average >8.8% Pb, 1.49% Cu, 2.62% Zn and 61.5 ppm Ag and include best values of >20% Pb (above upper detection limit), 20.7% Zn, 12.75% Cu and 235ppm Ag. Samples with high lead and silver values are present at all the mine dumps visited so-far. The highest zinc values are from an area of semi-continuous small mine workings over several hundred metres along the Zumajo Trend between Mina San Juan and Mina San Rafael. The highest copper is reported in the dumps

from San Cayetano, characterized by hypogene chalcocite-galena mineralisation. Copper mineralisation is also evident in some of the dumps at San Rafael and locally elsewhere along the trend. The results confirm the potential for zinc and copper associated with the lead-silver along the Zumajo structure. The results also suggest potential metal zonation from Pb-Cu to Pb-Zn within the structure.

A dump sample from the Endrinal mine workings on parallel structure to the North of Zumajo returned 15% Pb and 177 g/t Ag.

### **Zumajo Trend review**

Review of the historic Zumajo Pb-Ag mine trend within the Aguilas project area is continuing. The entire mine trend extends approximately 20 km northwest – southeast through the Aguilas Project area. The review shows;

- No significant exploration on the Zumajo Trend for more than 40 years and no evidence of Cu or Zn production or exploration for these metals on the trend.
- Pb-Ag mining ceased in the mid-1900's with the deepest shaft/s reaching ~125 m depth with mineralisation open at depth and on-strike in many of the underground workings.
- The mines targeted high grade sulphide and non-sulphide Pb-Ag ores in veins and breccia within one or two structures up to 16 m wide. Zinc, copper, barite and fluorite mineralisation is also present.
- The last significant exploration was by the Geological and Mining Institute of Spain (IGME) in the mid-1960's which focused on an 800-1600 m section of the structure. Minor investigation was undertaken by several companies in the 1970's or 1980's, including mapping, surface sampling and IP (no data available).
- IGME completed TURAM electromagnetics, at least two (~30 m deep) exploration shafts and 15 drill holes (total ~2330 m) along 600 m of strike near the Zumajo-El Desquite mine workings.
- Eight of the drill holes cut intervals 1 to 10 m thick with Pb and some Cu mineralisation (open at depth), 5 holes were aborted or did not reach the target and no information available on 2 holes. There is no assay information.

### **Expansion of the Aguilas Project area**

Following the recent results, the project area is being significantly expanded with the addition of the Las Aguilas V Investigation Permit application. The new mineral rights applications will add approximately 2290 hectares or a 20% increase in the total area to approximately 13,590 hectares.

The new application covers the western extension of the Zumajo Pb-Ag trend, including the Pasquillin, Chinche and Tres Cruces mine workings. The mines were last in operation to at least 1958 and produced sulphide and carbonate ore. The area also contains several hematite-quartz breccia structures with similarities to the Torrubia Trend. A single rock grab sample near a trend of suspected shallow mine workings along one of the quartz-hematite breccia structures returned 0.27% Cu, 0.102% Co, 0.73% Pb and 5.2g/t Ag.

### **Analytical methods and Quality Control**

All samples were submitted to ALS Laboratories in Seville, Spain. Rock samples were crushed, split and pulverized and then analyzed with a 36 element Mass spectrometry and ICP-AES analysis following a 4-acid digestion. Au was determined by 30g Fire Assay with ICP-AES finish. Rocks returning above detection for Cu, Pb and Zn were re-assayed using an ore grade analysis by conventional ICP-AES with a 4-acid digestion. All soil samples were dried and sieved to -180um in the laboratory and subject to aqua regia and/or 4-acid digest and assayed by Super Trace ICP for a large multi-element suite (up to 53 elements, including Au) and a selection of samples assayed for comparison by 30g Fire Assay with ICP-AES finish for gold. Quality Control procedures included review of ALS duplicates and checks, field duplicates, non-sequential sample numbering and results compared for a large selection of samples using aqua regia digestion versus mixed acid digestion, and Fire Assay versus ICP for Au. All samples were collected and transported under close supervision by experienced Geologists.

### **Qualified Person**

Robert Baxter (FAusIMM), a Director of Pan Global Resources and a qualified person as defined by National Instrument 43-101, has reviewed the scientific and technical information that forms the basis for this news release. Mr. Baxter is not independent of the Company.

### **About Pan Global Resources**

Pan Global Resources Inc. is actively engaged in base and precious metal exploration in Spain, and is pursuing opportunities from exploration through to mine development.

On behalf of the Board of Directors

[www.panglobalresources.com](http://www.panglobalresources.com).

FOR FURTHER INFORMATION PLEASE CONTACT:

MICHELLE BORROMEO

Investor Relations

E-mail: [mborromeo@panglobalresources.com](mailto:mborromeo@panglobalresources.com)

Phone: +1 604-715-6845

TIM MOODY

President & CEO

E-mail: [tmooddy@panglobalresources.com](mailto:tmooddy@panglobalresources.com)

Statements which are not purely historical are forward-looking statements, including any statements regarding beliefs, plans, expectations or intentions regarding the future. It is important to note that actual outcomes and the Company's actual results could differ materially from those in such forward-looking statements. Risks and uncertainties include, but are not limited to, economic, competitive, governmental, environmental and technological factors that may affect the Company's operations, markets, products and prices. Readers should refer to the risk disclosures outlined in the Company's Management Discussion and Analysis of its audited financial statements filed with the British Columbia Securities Commission.

NEITHER TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

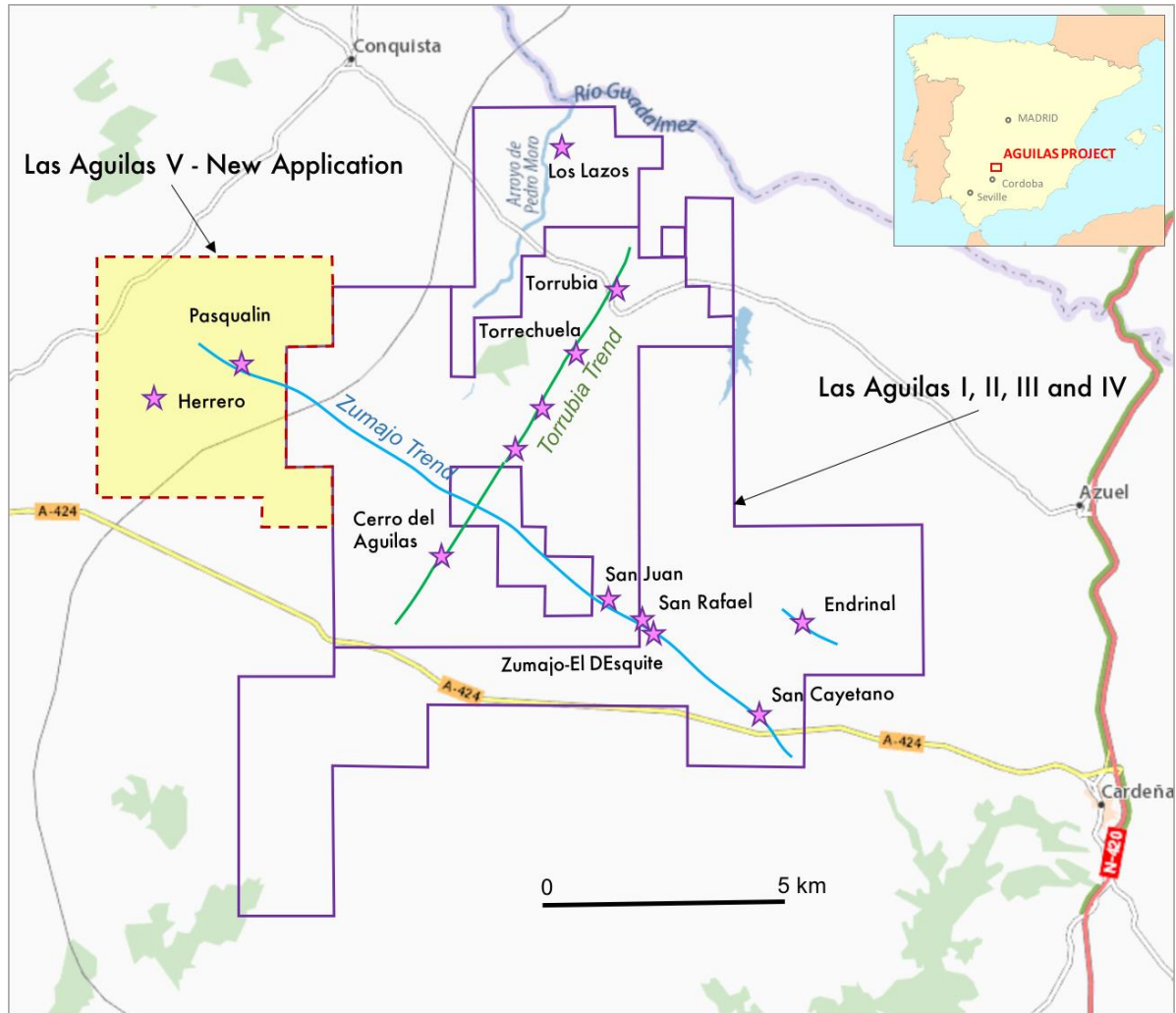
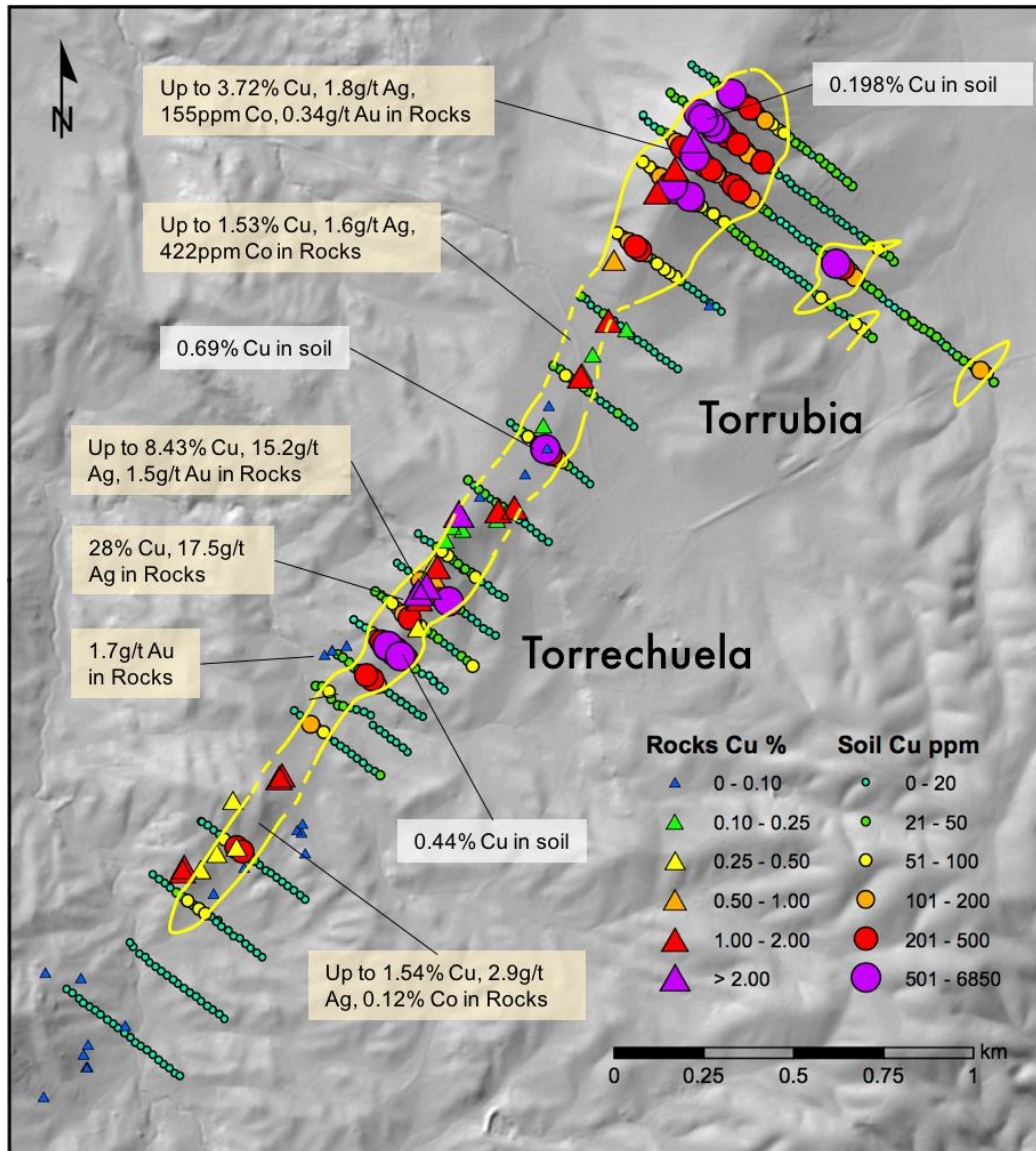


Figure 1 – Aguilas Project Location



[Figure 2 – Torruba - Torrechuela Cu anomaly]

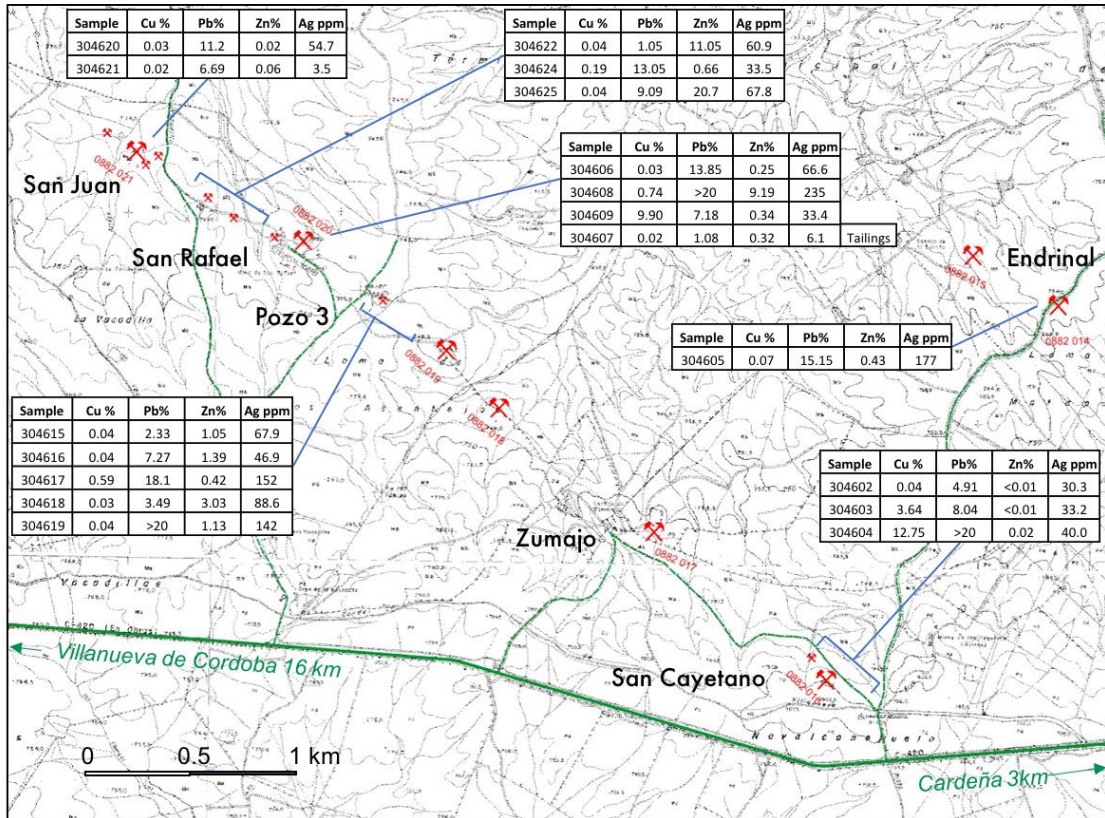


Figure 3 – Zumajo Trend – Dump sample results