

**FORM 51-102F3
MATERIAL CHANGE REPORT**

1. **Name and Address of Company**

Pancontinental Gold Corporation (the “**Company**”)
365 Bay Street, Suite 400
Toronto, Ontario M5H 2V1

2. **Date of Material Change**

December 15, 2017

3. **News Release**

A press release disclosing the material change was released on December 15, 2017, through the facilities of Newsfile.

4. **Summary of Material Change**

The Company announced that it has closed the second and final tranche of its previously announced non-brokered private placement through the issuance of 830,000 units (“**Units**”) at a price of \$0.05 per Unit for gross proceeds of \$41,500 (the “**Offering**”). The aggregate gross proceeds raised pursuant to the Offering was \$191,500 through the issuance of 3,830,000 Units. Each Unit is comprised of one common share (“**Common Share**”) of the Company and one Common Share purchase warrant (“**Warrant**”). Each Warrant entitles the holder thereof to purchase one Common Share at an exercise price of \$0.07 for twenty-four (24) months from the date of issuance, provided that the expiry date can be accelerated in the event the Common Shares trade at \$0.15 or more for at least twenty (20) consecutive trading days following the expiry of the statutory four month and one day resale restriction.

5. **Full Description of Material Change**

The material change is fully described in the Company’s press release which is attached as Schedule “A” and is incorporated herein.

6. **Reliance on subsection 7.1(2) of National Instrument 51-102**

The report is not being filed on a confidential basis.

7. **Omitted Information**

No significant facts have been omitted from this Material Change Report.

8. **Executive Officer.**

For further information, contact Layton Croft, President and Chief Executive Officer of the Company at (1-416) 293-8437.

9. **Date of Report.**

This report is dated at Toronto, this 22nd day of December, 2017.

SCHEDULE "A"

Pancon Gold

365 Bay St, Suite 400
Toronto, Ontario
M5H 2V1

PANCONTINENTAL GOLD ANNOUNCES CLOSING OF SECOND TRANCHE OF PRIVATE PLACEMENT OF UNITS

Pancontinental Gold Corporation (TSX-V:PUC) ("**Pancon Gold**" or the "**Company**") announces that it has closed the second and final tranche of its previously announced non-brokered private placement through the issuance of 830,000 units ("**Units**") at a price of \$0.05 per Unit for gross proceeds of \$41,500 (the "**Offering**"). The aggregate gross proceeds raised pursuant to the Offering was \$191,500 through the issuance of 3,830,000 Units. Each Unit is comprised of one common share ("**Common Share**") of the Company and one Common Share purchase warrant ("**Warrant**"). Each Warrant entitles the holder thereof to purchase one Common Share at an exercise price of \$0.07 for twenty-four (24) months from the date of issuance, provided that the expiry date can be accelerated in the event the Common Shares trade at \$0.15 or more for at least twenty (20) consecutive trading days following the expiry of the statutory four month and one day resale restriction. Proceeds of the Offering will be used to explore and advance its 100% owned Jefferson Gold Project and for working capital purposes.

In connection with the completion of the second tranche of the Offering, the Company paid a cash commission of \$455, equal to 7% of the gross proceeds raised from subscribers introduced to the Company by a finder.

Closing of the Offering is subject to receipt of all necessary corporate and regulatory approvals, including the approval of TSX Venture Exchange. All securities issued in connection with the Offering will be subject to a hold period of four months plus a day from the date of issuance and the resale rules of applicable securities legislation.

This press release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States and may not be offered or sold within the United States (as defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from such registration requirements.

About Pancontinental Gold Corporation

Pancontinental Gold Corporation (www.pancongold.com) is a Canadian-based mining company focused on the exploration and development of the Jefferson Gold Project, located in Chesterfield County, South Carolina, USA, and on acquiring additional prospective properties. The Company's shares are listed on the TSX Venture Exchange, trading under the symbol PUC. The Company also retains a 1% gross overriding royalty on future production from a rare earth element property in Australia.

ON BEHALF OF THE BOARD OF DIRECTORS

Layton Croft

For further information, please contact:

Layton Croft
President and CEO

Tel: 1-416-293-8437 or 1-980-498-7688

Email: laytoncroft@pancongold.com

For additional information please visit our web site: www.pancongold.com, and our Twitter feed: @PanconGold.

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.

Cautionary Language and Forward Looking Statements

This news release contains forward-looking information which is not comprised of historical facts. Forward-looking information is characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking information involves risks, uncertainties and other factors that could cause actual events, results, and opportunities to differ materially from those expressed or implied by such forward-looking information. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to, changes in the state of equity and debt markets, fluctuations in commodity prices, delays in obtaining required regulatory or governmental approvals, and other risks involved in the mineral exploration and development industry, including those risks set out in the Company's management's discussion and analysis as filed under the Company's profile at www.sedar.com. Forward-looking information in this news release is based on the opinions and assumptions of management considered reasonable as of the date hereof, including that all necessary governmental and regulatory approvals will be received as and when expected. Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information. The Company disclaims any intention or obligation to update or revise any forward-looking information, other than as required by applicable securities laws.