

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

**1. Name and Address of Company**

Pancontinental Resources Corporation (the “Company”)  
365 Bay Street, Suite 400  
Toronto, ON M5H 2V1

**2. Date of Material Change**

December 19, 2018

**3. News Release**

A press release disclosing the material change was released on December 20, 2018, through the facilities of Newsfile Corp.

**4. Summary of Material Change**

The Company announced it closed the first tranche of a non-brokered private placement through the issuance of 10,526,436 units (“Units”) at a price of \$0.07 per Unit and 10,125,000 flow-through units (“FT Units”) at a price of \$0.08 per FT Unit for a gross aggregate proceed of \$1,546,850.52 (the “Offering”). Each Unit is comprised of one common share in the capital of the Company and one-half of one whole common share purchase warrant (each whole warrant, a “Warrant”). Each FT Unit is comprised of one common share in the capital of the Company issued on a flow-through bases and one-half of one whole common share purchase warrant. Each Warrant entitles the holder thereof to purchase a Common Share at an exercise price of \$0.12 for a period of eighteen (18) months following the closing of the Offering.

**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 416-293-8437

**9. Date of Report**

This report is dated at Toronto, this 29<sup>th</sup> day of December, 2018.

**PANCONTINENTAL RESOURCES  
CORPORATION**

Per: “Layton Croft” (Signed)  
Layton Croft  
President and Chief Executive Officer

# Pancon Announces Closing of First Tranche of Private Placement for \$1.5 Million

Toronto, Ontario--(Newsfile Corp. - December 20, 2018) - Pancontinental Resources Corporation (TSXV: PUC) ("Pancon" or the "Company") announced that it closed the first tranche of its previously announced non-brokered private placement through the issuance of 10,526,436 units ("Units") at a price of \$0.07 per Unit and 10,125,000 Flow-Through Units (FT Units) through the issuance of 10,125,000 units (FT Units) at a price of \$0.08 per FT Unit for a gross proceeds of \$1,546,850.52 (the "Offering").

Each Unit and FT Unit include a one-half Common Share Purchase Warrant. Each Full Warrant will entitle the holder to purchase a Common Share at an exercise price of \$0.12 for eighteen (18) months from the date of issuance. If at any time after the date that is more than four months and one day following the closing of the Offering, the Common Shares trade on a stock exchange at a volume weighted average trading price of \$0.20 or greater per Common Share for a period of 20 consecutive trading days, the Company may accelerate the expiry date of the Warrants by giving notice to the holders thereof, and in such case the Warrants will expire on the 30th day after the date on which such notice is given by the Company. The Company may pay certain finder's fees with respect to gross proceeds raised. The Common Shares and Warrants comprising the Units will be subject to a resale restriction for four months and a day from the date of issuance.

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 security legislation.

## About Pancontinental Resources Corporation

Pancontinental Resources Corporation (TSXV: PUC) is a Canadian-based mining company exploring four nickel-cobalt-copper projects in Ontario - three within the Montcalm Gabbro Complex near Timmins: Montcalm Project, Gambler Project, and Nova Project; and the McBride Project near Bancroft. Pancon's mission is to generate value through responsible exploration, focusing on prospective assets in proximity to producing or former mines and/or with existing resources. The Company holds a 100% interest in the Jefferson Gold Project in South Carolina, USA. In 2015, Pancon sold its interest in its Australian rare earth element (REE) and uranium properties, formerly held through a joint venture, and retains a 1% gross overriding royalty on 100% of future REE production.

## For further information, please contact:

Layton Croft, President & CEO or Jeanny So, Manager, External Relations  
E: [info@panconresources.com](mailto:info@panconresources.com)  
T: +1.416.293.8437

For additional information please visit our new website at [www.panconresources.com](http://www.panconresources.com) and our Twitter feed: [@PanconResources](https://twitter.com/PanconResources).

*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.*

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](http://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.