

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

1. Name and Address of Company

Pancontinental Resources Corporation (the “**Company**”)
217 Queen Street West, Suite 401
Toronto, Ontario M5V 0R2

2. Date of Material Change

September 16, 2019

3. News Release

A press release disclosing the material change was released on September 17, 2019, through the facilities of Newsfile Corp.

4. Summary of Material Change

The Company closed its previously announced non-brokered private placement through the issuance of 12,868,000 units (“**Units**”) at a price of \$0.05 per Unit, for gross proceeds of \$643,400 (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.

The following supplementary information is provided in accordance with Section 5.2 of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions (“**MI 61-101**”).

(a) a description of the transaction and its material terms:

In connection with the closing of the Offering, certain ‘related parties’ (as such term is defined in MI 61-101) acquired an aggregate of 368,000 Units pursuant to the Offering.

(b) the purpose and business reasons for the transaction:

The proceeds of the Offering will be used to advance the Company’s exploration projects and for general working purposes.

(c) the anticipated effect of the transaction on the issuer’s business and affairs:

The completion of the Offering provided the Company with funds to advance the Company’s exploration projects and for general working purposes.

(d) a description of:

(i) the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties:

Anne McMurdie, wife of Mark McMurdie, an officer of the Company, acquired 368,000 Units in connection with the Offering.

(ii) the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person or company referred to in subparagraph (i) for which there would be a material change in that percentage:

Prior to the completion of the Offering, Mr. McMurdie, directly and indirectly, held 2,322,000 Common Shares, 1,075,000 common share purchase stock options, and 400,000 common share purchase warrants. Following completion of the Offering, Mr. McMurdie beneficially owned, directly and indirectly, an aggregate of 2,690,000 Common Shares, representing approximately 1.51% of the issued and outstanding Common Shares. If Mr. McMurdie had exercised all of his convertible securities immediately following the closing of the Offering, he would have beneficially owned, directly and indirectly, an aggregate of 4,533,000 Common Shares or approximately 2.52% of the issued and outstanding Common Shares of the Company, on a partially diluted basis.

(e) unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee:

A resolution of the board of directors was passed in accordance with the *Business Corporations Act* (Ontario) at a meeting of the board of directors approving the Offering. No special committee was established in connection with the transaction, and no materially contrary view or abstention was expressed or made by any director.

(f) A summary in accordance with section 6.5 of MI 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction:

Not applicable.

(g) disclosure, in accordance with section 6.8 of MI 61-101, of every prior valuation in respect of the issuer that relates to the subject matter of or is otherwise relevant to the transaction:

(i) that has been made in the 24 months before the date of the material change report:

Not applicable.

- (ii) **the existence of which is known, after reasonable enquiry, to the issuer or to any director or officer of the issuer:**

Not applicable.

- (h) **the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction:**

Other than a subscription agreement to purchase the Units pursuant to the Offering, the Company did not enter into any agreement with an interested party or a joint actor with an interested party in connection with the Offering. To the Company's knowledge, no related party to the Company entered into any agreement with an interested party or a joint actor with an interested party, in connection with the Offering.

Mrs. Anne McMurdie, spouse of Mark McMurdie purchased 368,000 Units. Mr. McMurdie and his spouse are joint actors, and Mr. McMurdie has full control over the trading account of Anne McMurdie.

- (i) **disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7 of MI 61-101 respectively, and the facts supporting reliance on the exemptions:**

The Offering constituted a related party transaction within the meaning of MI 61-101 as an insider of the Company subscribed for an aggregate of 368,000 Units. The Company is relying on the exemptions from the formal valuation and minority approval requirements of MI 61-101 contained in subsections 5.5(a) and 5.7(1)(a), of MI 61-101, respectively, as the fair market value of the subject matter of, or the fair market value consideration for, the transaction, insofar as it involves interested parties, did not exceed 25 per cent of the issuer's market capitalization.

A material change report in respect of this related party transaction could not be filed at least 21 days prior to the closing of the Offering due to the fact that the Company wished to close the transaction as soon as practicable to enable it to use the proceeds of the Offering.

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, Chief Executive Officer and President of the Company at (647) 202-0994.

9. **Date of Report.**

This report is dated at Toronto, this 17th day of September, 2019.

**PANCONTINENTAL
RESOURCES CORPORATION**

Per: "Chris Irwin"
Chris Irwin
Corporate Secretary

SCHEDULE "A"

Pancon Closes Oversubscribed Private Placement

Toronto, Ontario--(Newsfile Corp. - September 17, 2019) - Pancontinental Resources Corporation (TSXV: PUC) ("Pancon" or the "Company") is pleased to announce that it has closed an oversubscribed non-brokered private placement for total gross proceeds of \$643,800.

Layton Croft, President & CEO, said: "We are very encouraged by the active participation of both existing and new shareholders to our recently announced private placement, which was oversubscribed by 28%. I am more confident than ever that Pancon is well positioned to create shareholder value with our unique North American gold and battery metals projects portfolio, especially as gold and nickel prices are outperforming and seem poised to keep rising."

In connection with the private placement, the Company issued 12,868,000 units (each, a "Unit") at a price of \$0.05 per Unit, consisting of one common share in the capital of the Company (each, a "Common Share") and one common share purchase warrant (each, a "Warrant"). Each Warrant entitles the holder to purchase one Common Share at an exercise price of \$0.07 for thirty-six (36) months from the date of issuance.

The Company issued a total of 630,000 finder's warrants (each, a "**Finder Warrant**"), equal to 7% of the Units issued to subscribers introduced to the Company by finders. Each Finder Warrant entitles the holder to purchase one Common Share at an exercise price of \$0.07 for thirty-six (36) months from the date of issuance. The Company paid a cash commission of \$31,500.00, equal to 7% of the gross proceeds raised from subscribers introduced to the Company by finders.

Closing of the Offering is subject to receipt of all necessary corporate and regulatory approvals, including the approval of the 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 according to the resale rules of applicable security legislation.

The Company plans to use the net proceeds from the Offering to advance the Company's 100%-owned Jefferson Gold Project in South Carolina, USA and its Northern Ontario exploration projects as well as for general and working capital purposes.

The offering is considered a related party transaction within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 ("**MI 61-101**") as an officer of the Company subscribed for 368,000 Units pursuant to the offering. The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(b) and 5.7(1)(a) of MI 61-101, as the fair market value of the participation in the offering by insiders does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the offering, which the Company deems reasonable in the circumstances in order to complete the offering in an expeditious manner.

About Pancontinental Resources Corporation

Pancontinental Resources Corporation (TSXV: PUC), or Pancon, is a Canadian junior mining company focused on North American gold and battery metals projects surrounding or near producing or former mines in proven and safe mining districts. Pancon's 100%-owned Jefferson Gold Project is 15 km along-trend from the Haile Gold Mine and surrounds the former Brewer Gold Mine property, on the prolific and underexplored Carolina Slate Belt in South Carolina, USA. In addition, Pancon has five nickel-copper-cobalt projects in Northern Ontario. The Montcalm, Gambler, Nova and Strachan Projects are near and/or surround the former Montcalm Ni-Cu-Co Mine property owned by Glencore and located 65 km northwest of Timmins. The St. Laurent Project has an advanced Ni-Cu-Co-Au-Pt-Pd target and is located 50 km south of the Detour Lake Mine and 20 km southwest of the Casa Berardi Mine.

For further information, please contact:

Layton Croft, President & CEO or Jeanny So, Manager, External Relations
E: info@panconresources.com
T: +1.647.202.0994

For additional information please visit our new website at 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. 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.



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